

SECURITIES AND EXCHANGE COMMISSION

FORM S-8

Initial registration statement for securities to be offered to employees pursuant to employee benefit plans

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FILER

Veritone, Inc.

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

**FORM S-8
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

Veritone, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

47-1161641
(I.R.S. Employer
Identification No.)

**575 Anton Blvd., Suite 100
Costa Mesa, California 92626**
(Address of principal executive offices) (Zip Code)

Veritone, Inc. Inducement Grant Plan
(Full title of the plan)

**Chad Steelberg
Chief Executive Officer
Veritone, Inc.
575 Anton Blvd., Suite 100
Costa Mesa, California 92626**
(Name and address of agent for service)

(888) 507-1737
(Telephone number, including area code, of agent for service)

Copies to:

**Jeffrey B. Coyne
General Counsel and Secretary
Veritone, Inc.
575 Anton Blvd., Suite 100
Costa Mesa, California 92626
(888) 507-1737**

**Michael A. Hedge
K&L Gates LLP
1 Park Plaza, Twelfth Floor
Irvine, California 92614
(949) 253-0900**

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock, \$0.001 par value, to be issued pursuant to the Veritone, Inc. Inducement Grant Plan	750,000(2)	\$8.86(3)	\$6,645,000.00(3)	\$724.97

- (1) Pursuant to Rule 416 under the Securities Act of 1933, as amended (the "Securities Act"), this Registration Statement shall also cover any additional shares of common stock (the "Common Stock") of Veritone, Inc. (the "Registrant") which become issuable under the above-named plan by reason of any stock dividend, stock split, recapitalization or any other similar transaction effected without the receipt of consideration which results in an increase in the number of outstanding shares of Common Stock under such plan.
- (2) Consists of shares of Common Stock added to the above-named plan pursuant to resolution of the Board of Directors of the Registrant on October 5, 2020.
- (3) Estimated in accordance with Rule 457(c) and Rule 457(h) under the Securities Act solely for the purpose of calculating the registration fee on the basis of \$8.86 per share, the average of the high and low prices of the Registrant's common stock as reported on The Nasdaq Global Market on October 2, 2020.
-

EXPLANATORY NOTE

Veritone, Inc. (the “Registrant”) is filing this Registration Statement on Form S-8 with the Securities and Exchange Commission (the “Commission”) for the purpose of registering 750,000 shares of common stock reserved for issuance pursuant to the Registrant’s Inducement Grant Plan (the “Inducement Plan”).

PART I INFORMATION REQUIRED IN THE PROSPECTUS

With respect to the Inducement Plan, the information specified in Item 1 and Item 2 of Part I of Form S-8 is omitted from this Registration Statement on Form S-8 in accordance with the provisions of Rule 428 under the Securities Act of 1933, as amended (the “Securities Act”), and the introductory note to Part I of Form S-8. The documents containing the information specified in Part I of Form S-8 will be delivered to the participants in the Inducement Plan as specified by Rule 428(b)(1) under the Securities Act.

PART II INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents filed by the Registrant with the Commission are incorporated by reference into this Registration Statement:

- (a) the Registrant’s Annual Report on [Form 10-K](#) and [Form 10-K/A](#) for the fiscal year ended December 31, 2019, filed with the Commission on March 11, 2020 and April 29, 2020, respectively;
- (b) the Registrant’s Quarterly Reports on Form 10-Q for the quarters ended March 31, 2020 and June 30, 2020, filed with the Commission on [May 11, 2020](#) and [August 10, 2020](#), respectively;
- (c) the Registrant’s Current Reports on Form 8-K filed with the Commission on [April 20, 2020](#), [April 24, 2020](#), [May 19, 2020](#), [June 17, 2020](#), [July 29, 2020](#) and [September 1, 2020](#); and
- (d) the description of the Registrant’s common stock contained in our Registration Statement on [Form 8-A](#) (File No. 001-38093) filed with Commission on May 11, 2017, including any amendment or report filed for the purpose of updating such description.

In addition, all documents subsequently filed by the Registrant pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act of 1934, as amended, prior to the filing of a post-effective amendment which indicates that all securities offered have been sold or which deregisters all securities remaining unsold, shall be deemed to be incorporated by reference in this Registration Statement and to be part hereof from the date of filing of such documents. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement. Under no circumstances will any information filed under Items 2.02 or 7.01 of Form 8-K, and exhibits furnished on such form that relate to such items, be deemed incorporated herein by reference unless such Form 8-K expressly provides for the contrary.

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts and Counsel.

Not applicable.

Item 6. Indemnification of Directors and Officers.

The Registrant's amended and restated certificate of incorporation and amended and restated bylaws, each as presently in effect, provides that the Registrant will indemnify its directors and officers to the fullest extent permitted under Delaware law, which prohibits the Registrant's amended and restated certificate of incorporation from limiting the liability of the Registrant's directors for the following: (i) any breach of the director's duty of loyalty to the Registrant or its stockholders, (ii) acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, (iii) unlawful payment of dividends or unlawful stock repurchases or redemptions, or (iv) any transaction from which the director derived an improper personal benefit.

The Registrant's amended and restated certificate of incorporation and amended and restated bylaws also provide that if Delaware law is amended to authorize corporate action further eliminating or limiting the personal liability of a director, then the liability of the Registrant's directors will be eliminated or limited to the fullest extent permitted by Delaware law, as so amended. This limitation of liability does not apply to liabilities arising under the federal securities laws and does not affect the availability of equitable remedies such as injunctive relief or rescission.

The Registrant's amended and restated certificate of incorporation and amended and restated bylaws also provide that the Registrant shall indemnify its employees and agents to the fullest extent permitted by law. The Registrant's amended and restated bylaws also permit it to secure insurance on behalf of any officer, director, employee or other agent for any liability arising out of his or her actions in this capacity, regardless of whether the Registrant would have the power to indemnify such person against such expense, liability or loss under the General Corporation Law of the State of Delaware. The Registrant has obtained directors' and officers' liability insurance.

The Registrant has entered into separate indemnification agreements with its directors and executive officers, in addition to indemnification provided for in the Registrant's amended and restated certificate of incorporation and amended and restated bylaws. These agreements, among other things, provide for indemnification of the Registrant's directors and executive officers for expenses, judgments, fines and settlement amounts incurred by this person in any action or proceeding arising out of this person's services as a director or executive officer or at the Registrant's request. The Registrant believes that these provisions in its amended and restated certificate of incorporation and amended and restated bylaws and indemnification agreements are necessary to attract and retain qualified persons as directors and executive officers.

The above description of the indemnification provisions of the Registrant's amended and restated certificate of incorporation and amended and restated bylaws is not complete and is qualified in its entirety by reference to these documents, each of which is filed as an exhibit to this Registration Statement.

The limitation of liability and indemnification provisions in the Registrant's amended and restated certificate of incorporation and amended and restated bylaws may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duties. They may also reduce the likelihood of derivative litigation against directors and officers, even though an action, if successful, might benefit the Registrant and its stockholders. A stockholder's investment may be harmed to the extent the Registrant pays the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions. Insofar as indemnification for liabilities under the Securities Act may be permitted to directors, officers or persons controlling the Registrant pursuant to the foregoing provisions, the Registrant has been informed that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable. There is no pending litigation or proceeding naming any of the Registrant's directors or officers as to which indemnification is being sought, nor is the Registrant aware of any pending or threatened litigation that may result in claims for indemnification by any director or officer.

Item 7. Exemption From Registration Claimed.

Not Applicable.

Item 8. Exhibits.

The following exhibits are filed herewith or incorporated by reference as part of this Registration Statement:

<u>Exhibit No.</u>	<u>Description</u>	<u>Where Located</u>
4.1	Third Amended and Restated Certificate of Incorporation of the Registrant	Incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the Commission on May 23, 2017
4.2	Amended and Restated Bylaws of the Registrant	Incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed with the Commission on May 23, 2017
4.3	Specimen certificate evidencing shares of common stock of the Registrant	Incorporated by reference to Exhibit 4.1 to the Registrant's Registration Statement on Form S-1/A (File No. 333- 216726) filed with the Commission on April 28, 2017
4.4	Investor Rights Agreement dated July 15, 2014 among the Registrant and certain of its stockholders, together with Amendment No. 1 thereto	Incorporated by reference to Exhibit 4.2 to the Registrant's Registration Statement on Form S-1 (No. 333-216726) filed with the Commission on March 15, 2017
5.1	Opinion of K&L Gates LLP	Filed herewith
23.1	Consent of Grant Thornton LLP, an independent registered public accounting firm	Filed herewith
23.2	Consent of K&L Gates LLP (included as part of Exhibit 5.1)	Filed herewith
24.1	Power of Attorney (included on signature page to this Registration Statement)	Filed herewith
99.1	Veritone, Inc. Inducement Grant Plan (the "Inducement Plan")	Filed herewith
99.2	Form of Notice of Grant of Stock Option under the Inducement Plan	Filed herewith
99.3	Form of Stock Option Agreement under the Inducement Plan	Filed herewith
99.4	Form of Notice of Grant of Performance-Based Stock Option under the Inducement Plan	Filed herewith
99.5	Form of Performance-Based Stock Option Agreement under the Inducement Plan	Filed herewith
99.6	Form of Restricted Stock Unit Agreement under the Inducement Plan	Filed herewith

Item 9. Undertakings.

(a) The undersigned Registrant hereby undertakes:

1. To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement.

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) of this section do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in this Registration Statement.

2. That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

3. To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in this Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Costa Mesa, State of California on the 7th day of October, 2020.

VERITONE, INC.

By: /s/ Chad Steelberg

Chad Steelberg
Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints each of Chad Steelberg and Jeffrey B. Coyne as his or her true and lawful attorneys-in-fact and agents, with the full power of substitution, for him or her and in his or her name, place or stead, in any and all capacities, to sign any and all amendments to this registration statement (including post-effective amendments), and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Chad Steelberg</u> Chad Steelberg	Chief Executive Officer and Chairman of the Board (Principal Executive Officer)	October 7, 2020
<u>/s/ Peter F. Collins</u> Peter F. Collins	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	October 7, 2020
<u>/s/ Ryan Steelberg</u> Ryan Steelberg	President and Director	October 7, 2020
<u>/s/ Jeff P. Gehl</u> Jeff P. Gehl	Director	October 7, 2020
<u>/s/ G. Louis Graziadio, III</u> Louis Graziadio, III	Director	October 7, 2020
<u>/s/ Knute P. Kurtz</u> Knute P. Kurtz	Director	October 7, 2020
<u>/s/ Nayaki R. Nayyar</u> Nayaki R. Nayyar	Director	October 7, 2020
<u>/s/ Richard H. Taketa</u> Richard H. Taketa	Director	October 7, 2020



K&L GATES LLP
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October 7, 2020

Veritone, Inc.
575 Anton Blvd., Suite 100
Costa Mesa, California 92626

Ladies and Gentlemen:

We have acted as counsel to Veritone, Inc., a Delaware corporation (the “Company”), in connection with the preparation of a Registration Statement on Form S-8 (the “Registration Statement”), filed by the Company with the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended (the “Securities Act”), registering 750,000 shares (the “Shares”) of the Company’s common stock, par value \$0.001 per share (the “Common Stock”), issuable under the Veritone, Inc. Inducement Grant Plan (the “Inducement Plan”). This opinion letter is being furnished to you in accordance with the requirements of Item 601(b)(5) of Regulation S-K.

You have requested our opinion as to the matters set forth below in connection with the Registration Statement. For purposes of rendering our opinion, we have examined: (i) the Registration Statement, (ii) the Third Amended and Restated Certificate of Incorporation of the Company, (iii) the Amended and Restated Bylaws of the Company, (iv) certain resolutions of the Board of Directors of the Company (the “Board”) and such other records of corporate actions of the Company relating to the Registration Statement and the authorization for issuance and sale of the Shares, and matters in connection therewith, (v) the Inducement Plan and the forms of award agreements approved by the Board for use in the Inducement Plan, and (vi) a certificate of an officer of the Company, dated as of the date hereof (the “Fact Certificate”). We have also made such other investigation as we have deemed appropriate. We have examined and relied upon certificates of public officials and, as to certain matters of fact that are material to our opinion, we have also relied on the Fact Certificate.

In rendering our opinion, we have made the assumptions that are customary in opinion letters of this kind, including that: (i) each document submitted to us is accurate and complete, (ii) each document submitted to us as an original is authentic, (iii) each document submitted to us as a copy conforms to an authentic original, (iv) all signatures on original documents are genuine, (v) all documents were duly executed and delivered where due execution and delivery are prerequisites to the effectiveness thereof, and (vi) the Company is and shall remain at all times a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware. We have further assumed the legal capacity of natural persons and we have assumed that each party to the documents we have examined or relied on has the legal capacity or authority and has satisfied all legal requirements that are applicable to that party to the extent necessary to make such documents enforceable against that party. We have not verified any of those assumptions.

In rendering our opinion below, we also have assumed that: (i) the Company will have sufficiently authorized and unissued shares of Common Stock at the time of each issuance of a Share under the Inducement Plan, (ii) the Shares will be evidenced by appropriate certificates, duly executed and delivered, or the Board will adopt a resolution providing that all Shares shall be uncertificated in accordance with Section 158 of the Delaware General Corporation Law (the “DGCL”) prior to their issuance, (iii) the issuance of each Share will be duly noted in the Company’s stock ledger upon issuance,

and (iv) the Company will receive consideration for each Share at least equal to the par value of each share of Common Stock, in the amount required by the Inducement Plan and approved by the Board pursuant to a resolution authorizing the issuance of such Share adopted at a meeting or by unanimous consent to action without meeting in accordance with the DGCL.

The opinion expressed below is limited to the DGCL.

Based upon and subject to the foregoing, it is our opinion that the Shares have been duly authorized for issuance by the Company and, when, and if, issued and sold in accordance with the terms of the Inducement Plan and any underlying award agreements, will be validly issued, fully paid and nonassessable. This opinion is expressed as of the date hereof and we disclaim any undertaking to advise you of any subsequent changes in the facts stated or assumed herein or of any subsequent changes in applicable laws.

We hereby consent to the filing of this opinion letter as an exhibit to the Registration Statement. In giving our consent, we do not hereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations thereunder.

Yours truly,

/s/ K&L Gates LLP

K&L Gates LLP

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our report dated March 11, 2020 with respect to the consolidated financial statements of Veritone, Inc. included in the Annual Report on Form 10-K for the year ended December 31, 2019, which is incorporated by reference in this Registration Statement. We consent to the incorporation by reference of the aforementioned report in this Registration Statement.

/s/ GRANT THORNTON LLP
Los Angeles, CA
October 7, 2020

VERITONE, INC.

INDUCEMENT GRANT PLAN

ARTICLE 1

GENERAL PROVISIONS**1.1 PURPOSE OF THE PLAN**

This Inducement Grant Plan (the “Plan”) is intended to promote the interests of Veritone, Inc., a Delaware corporation, by providing an inducement material for eligible persons to enter into employment with the Corporation in accordance with the Inducement Award Rules. Capitalized terms shall have the meanings assigned to such terms in Section 3.14.

1.2 TYPES OF AWARDS

Awards may be made under the Plan in the form of (i) nonstatutory options, (ii) stock appreciation rights, (iii) stock awards, (iv) restricted stock units and (v) dividend equivalent rights.

1.3 ADMINISTRATION OF THE PLAN

(a) Awards under the Plan must be approved, and the Plan must be administered, by either a majority of the Corporation’s “Independent Directors” (as such term is defined in NASDAQ Listing Rule 5605(a)(2)) or the Compensation Committee, provided such committee is comprised solely of Independent Directors, in order to comply with the exemption from the stockholder approval requirement for “inducement grants” provided under the Inducement Award Rules. The Compensation Committee shall have sole and exclusive authority to approve awards, and administer the Plan, with respect to Section 16 Insiders.

(b) Each Plan Administrator shall, within the scope of its administrative functions under the Plan and subject to the Inducement Award Rules, have full authority to determine which eligible persons are to receive Awards under the Plan, the time or times when Awards are to be made, the type of Award to be made to each Participant, the number of shares to be covered by each such Award, the time or times when the Award is to become exercisable, the maximum term for which the Award is to remain outstanding, the vesting and issuance schedules applicable to the shares which are the subject of the Award, the cash consideration (if any) payable for those shares, the form (cash or shares of Common Stock) in which the Award is to be settled, and other terms and conditions applicable to the Award, and, with respect to performance based Awards, the performance objectives for each such Award, the amounts payable at designated levels of attained performance, any applicable service vesting requirements, and the payout schedule for each such Award.

(c) Each Plan Administrator shall, within the scope of its administrative functions under the Plan and subject to the Inducement Award Rules, have full power and authority (subject to the provisions of the Plan) to establish such rules and regulations as it may deem appropriate for proper administration of the Plan and to make such determinations under, and issue

such interpretations of, the provisions of the Plan and any outstanding Awards thereunder as it may deem necessary or advisable. Decisions of the Plan Administrator within the scope of its administrative functions under the Plan shall be final and binding on all parties who have an interest in the Plan under its jurisdiction or any Award thereunder.

(d) Service as a Plan Administrator by the members of the Compensation Committee shall constitute service as Board members, and the members of each such committee shall accordingly be entitled to full indemnification and reimbursement as Board members for their service on such committee. No member of the Compensation Committee shall be liable for any act or omission made in good faith with respect to the Plan or any Award thereunder.

1.4 ELIGIBILITY

The only persons eligible to participate in the Plan are Employees.

1.5 STOCK SUBJECT TO THE PLAN

(a) The stock issuable under the Plan shall be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Corporation on the open market. The number of shares of Common Stock initially reserved for issuance over the term of the Plan shall be limited to 750,000 shares, subject to Section 1.5(b), Section 1.5(c) and adjustment pursuant to Section 1.5(d).

(b) Shares of Common Stock subject to outstanding Awards shall be added to the number of shares of Common Stock reserved for issuance under the Plan and shall accordingly be available for subsequent award and issuance under the Plan to the extent those Awards expire, are forfeited or cancelled or terminate for any reason prior to the issuance of the shares of Common Stock subject to those Awards. Unvested shares issued under the Plan and subsequently forfeited, or repurchased by the Corporation at a price per share not greater than the original issue price paid per share, pursuant to the forfeiture provisions or the Corporation's repurchase rights under the Plan shall be added to the number of shares of Common Stock reserved for issuance under the Plan and shall accordingly be available for subsequent award and issuance under the Plan.

(c) Shares that are surrendered by a Participant or withheld by the Corporation as full or partial payment in connection with any Award, as well as any shares surrendered by a Participant or withheld by the Corporation or one of its affiliates to satisfy the tax withholding obligations related to any such Award, shall not be available for subsequent Awards under the Plan. To the extent an Award is settled in cash rather than shares, then the share reserve shall be reduced by such shares (in the case of a dividend equivalent right that is settled in cash, the share reserve shall be reduced by a number of shares having a Fair Market Value equal to the amount of such cash).

(d) Should any change be made to the Common Stock by reason of any stock split, stock dividend, recapitalization, combination of shares, exchange of shares, spin-off transaction or other change affecting the outstanding Common Stock as a class without the Corporation's receipt of consideration, or should the value of outstanding shares of Common Stock be substantially reduced as a result of a spin-off transaction or an extraordinary dividend or distribution, or should there occur any merger, consolidation, reincorporation or other

reorganization, then equitable adjustments shall be made by the Plan Administrator to (i) the maximum number and/or class of securities issuable under the Plan, (ii) the number and/or class of securities and the exercise or base price per share in effect under each outstanding Award under the Plan and the consideration (if any) payable per share, and (iii) the number and/or class of securities subject to forfeiture or the Corporation's outstanding repurchase rights under the Plan and the repurchase price payable per share. The adjustments shall be made in such manner as the Plan Administrator deems appropriate and such adjustments shall be final, binding and conclusive. In addition, in the event of a Change in Control, the provisions of Section 2.6 shall apply.

(e) Outstanding Awards granted pursuant to the Plan shall in no way affect the right of the Corporation to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate or sell or transfer all or any part of its business or assets.

(f) To the extent permitted under the Inducement Award Rules, awards may be granted under the Plan in substitution for or in connection with an assumption of employee stock options, stock appreciation rights, restricted stock or other stock-based awards granted by other entities to persons who are or who will become Employees in respect of the Corporation or one of its Subsidiaries in connection with a distribution, merger or other reorganization by or with the granting entity or an affiliated entity, or the acquisition by the Corporation or one of its Subsidiaries, directly or indirectly, of all or a substantial part of the stock or assets of the granting entity. The Awards so granted may reflect the original terms of the related award being assumed or substituted for and need not comply with other specific terms of the Plan, with Common Stock substituted for the securities covered by the original award and with the number of shares subject to such awards, as well as any exercise or purchase prices applicable to such awards, adjusted to account for differences in stock prices in connection with the transaction. Any shares that are delivered and any Awards that are granted by, or become obligations of, the Corporation, as a result of any such assumption or substitution in connection with any such transaction shall not be counted against the share limit or other limits on the number of shares available for issuance under the Plan, unless determined otherwise by the Plan Administrator.

ARTICLE 2

AWARDS

2.1 OPTIONS

(a) **Authority.** Subject to the Inducement Award Rules, the Plan Administrator shall have full power and authority, exercisable in its sole discretion, to grant Non-Statutory Options evidenced by an Award Agreement in the form approved by the Plan Administrator; provided, however, that the terms of each such agreement shall not be inconsistent with the terms specified below. Incentive Options may not be granted under the Plan.

(b) **Exercise Price.**

(i) The exercise price per share shall be fixed by the Plan Administrator; provided, however, that such exercise price shall not be less than one hundred percent (100%) of the Fair Market Value per share of Common Stock on the option grant date.

(ii) The exercise price shall become immediately due upon the exercise of the option and shall be payable in one or more of the following forms as determined by the Plan Administrator and specified in the Award Agreement:

(A) cash or check made payable to the Corporation,

(B) shares of Common Stock (whether delivered in the form of actual stock certificates or through attestation of ownership) held for the requisite period (if any) necessary to avoid any resulting charge to the Corporation's earnings for financial reporting purposes and valued at Fair Market Value on the Exercise Date,

(C) shares of Common Stock otherwise issuable under the option but withheld by the Corporation in satisfaction of the exercise price, with such withheld shares to be valued at Fair Market Value on the Exercise Date, or

(D) to the extent the option is exercised for vested shares of Common Stock, through a special sale and remittance procedure pursuant to which the Participant shall concurrently provide instructions to (a) a brokerage firm (reasonably satisfactory to the Corporation for purposes of administering such procedure in compliance with the Corporation's pre-clearance/pre-notification policies) to effect the immediate sale of the purchased shares and remit to the Corporation, out of the sale proceeds available on the settlement date, sufficient funds to cover the aggregate exercise price payable for the purchased shares plus all applicable Withholding Taxes and (b) the Corporation to deliver the certificates for the purchased shares directly to such brokerage firm on such settlement date in order to complete the sale.

Except to the extent such sale and remittance procedure is utilized, payment of the exercise price for the purchased shares must be made on the Exercise Date.

(c) **Term of Options.** The term during which each option shall be exercisable shall be determined by the Plan Administrator and set forth in the Award Agreement evidencing the option. However, no option shall have a term in excess of ten (10) years measured from the option grant date.

(d) **Vesting Provisions.**

(i) Each option may, in the discretion of the Plan Administrator, vest and become exercisable in one or more installments at such time or times, either over a period of time during Participant's Service or upon the attainment of specified pre-established performance objectives measured over a specified performance period, as determined by the Plan Administrator at the time of the grant of the Award and set forth in the Award Agreement.

(ii) Outstanding options shall automatically terminate if the performance objectives or Service requirements established for those Awards are not attained or satisfied. The Plan Administrator, however, shall have the discretionary authority to allow one or more outstanding options as to which the designated performance objectives or Service requirements have not been attained or satisfied to vest and become exercisable.

(e) **Effect of Termination of Service.**

(i) The following provisions shall govern the exercise of any options that are outstanding at the time of the Participant' s cessation of Service or death:

(A) Any option outstanding and exercisable at the time of the Participant' s cessation of Service for any reason shall remain exercisable for such period of time thereafter as shall be determined by the Plan Administrator and set forth in the Award Agreement evidencing the option, but no such option shall be exercisable after the expiration of the option term.

(B) Any option held by the Participant at the time of the Participant' s death and exercisable in whole or in part at that time may be subsequently exercised by the personal representative of the Participant' s estate or by the person or persons to whom the option is transferred pursuant to the Participant' s will or the laws of inheritance or by the Participant' s designated beneficiary or beneficiaries of that option for such period of time thereafter as shall be determined by the Plan Administrator and set forth in the Award Agreement evidencing the option, but no such option shall be exercisable after the expiration of the option term.

(C) Should the Participant' s Service be terminated for Cause or should the Participant be determined by the Plan Administrator to have otherwise engaged in Misconduct following termination of Service while holding one or more outstanding options, then all of those options (vested and unvested) shall terminate immediately and cease to be outstanding.

(D) During the applicable post-Service exercise period, the option may not be exercised for more than the number of vested shares for which the option is at the time exercisable. No additional shares shall vest under the option following the Participant' s cessation of Service except to the extent (if any) specifically authorized by the Plan Administrator in its sole discretion. Upon the expiration of the applicable exercise period or (if earlier) upon the expiration of the option term, the option shall terminate and cease to be outstanding for any shares for which the option has not been exercised.

(ii) The Plan Administrator shall have complete discretion, exercisable either at the time an option is granted or at any time while the option remains outstanding, to:

(A) extend the period of time for which the option is to remain exercisable following the Participant' s cessation of Service from the limited exercise period otherwise in effect for that option to such greater period of time as the Plan Administrator shall deem appropriate, but in no event beyond the expiration of the option term;

(B) include an automatic extension provision whereby the specified post-Service exercise period in effect for any option shall automatically be extended by an additional period of time equal in duration to any interval within the specified post-Service exercise period during which the exercise of that option or the immediate sale of the shares acquired under such option could not be effected in compliance with applicable federal and state securities laws, but in no event shall such an extension result in the continuation of such option beyond the expiration date of the term of that option; and/or

(C) permit the option to be exercised, during the applicable post-Service exercise period, not only with respect to the number of vested shares of Common Stock for which such option is exercisable at the time of the Participant' s cessation of Service but also with respect to one or more additional installments in which the Participant would have vested had the Participant continued in Service.

(f) **Repurchase Rights.** The Plan Administrator shall have the discretion to grant options which are exercisable for unvested shares of Common Stock. Should the Participant cease Service while any shares acquired upon exercise of such option are unvested, the Corporation shall have the right to repurchase any or all of those unvested shares at a price per share equal to the *lower* of (i) the exercise price paid per share or (ii) the Fair Market Value per share of Common Stock at the time of repurchase. The terms upon which such repurchase right shall be exercisable (including the period and procedure for exercise and the appropriate vesting schedule for the purchased shares) shall be established by the Plan Administrator and set forth in the document evidencing such repurchase right.

2.2 STOCK APPRECIATION RIGHTS

(a) **Authority.** Subject to the Inducement Award Rules, the Plan Administrator shall have full power and authority, exercisable in its sole discretion, to grant stock appreciation rights evidenced by an Award Agreement in the form approved by the Plan Administrator; provided, however, that the terms of each such agreement shall not be inconsistent with the terms specified below.

(b) **Number of Underlying Shares; Base Price.** Each stock appreciation right shall relate to a specified number of underlying shares of Common Stock as determined by the Plan Administrator. The base price per share of each stock appreciation right shall be fixed by the Plan Administrator; provided, however, that such base price shall not be less than one hundred percent (100%) of the Fair Market Value per underlying share of Common Stock on the grant date.

(c) **Term of Stock Appreciation Rights.** The term during which each stock appreciation right shall be exercisable shall be determined by the Plan Administrator and set forth in the Award Agreement evidencing the stock appreciation right. However, no stock appreciation right shall have a term in excess of ten (10) years measured from the grant date.

(d) **Vesting Provisions.**

(i) Each stock appreciation right may, in the discretion of the Plan Administrator, vest and become exercisable in one or more installments at such time or times, either over a period of time during Participant' s Service or upon the attainment of specified pre-established performance objectives measured over a specified performance period, as determined by the Plan Administrator at the time of the grant of the Award and set forth in the Award Agreement.

(ii) Outstanding stock appreciation rights shall automatically terminate if the performance objectives or Service requirements established for those Awards are not attained or satisfied. The Plan Administrator, however, shall have the discretionary authority to allow one or more outstanding stock appreciation rights as to which the designated performance objectives or Service requirements have not been attained or satisfied to vest and become exercisable.

(c) **Exercise.**

(i) Upon exercise of a stock appreciation right, the holder shall be entitled to receive a distribution from the Corporation in an amount equal to the excess of (i) the aggregate Fair Market Value (on the Exercise Date) of the shares of Common Stock underlying the exercised right over (ii) the aggregate base price in effect for those shares.

(ii) The distribution with respect to an exercised stock appreciation right may be made in (i) shares of Common Stock valued at Fair Market Value on the Exercise Date, (ii) cash or (iii) a combination of cash and shares of Common Stock, as specified in the applicable Award agreement.

(f) **Post-Service Exercise.** The provisions governing the exercise of stock appreciation rights following the cessation of the Participant's Service shall be substantially the same as those set forth in Section 2.1(e) for the options granted under the Plan, and the Plan Administrator's discretionary authority under Section 2.1(e)(ii) shall also extend to any outstanding stock appreciation rights.

2.3 STOCK AWARDS

(a) **Authority.** Subject to the Inducement Award Rules, the Plan Administrator shall have full power and authority, exercisable in its sole discretion, to grant stock awards either as vested or unvested shares of Common Stock, through direct and immediate issuances. Each stock award shall be evidenced by an Award Agreement in the form approved by the Plan Administrator; provided, however, that the terms of each such agreement shall not be inconsistent with the terms specified below.

(b) **Consideration.**

Shares of Common Stock may be issued under a stock award for any of the following items of consideration which the Plan Administrator may deem appropriate in each individual instance:

- (i) cash or check made payable to the Corporation,
- (ii) services to the Corporation (or any Parent or Subsidiary); or

(iii) any other valid consideration under the State in which the Corporation is at the time incorporated.

(c) **Vesting Provisions.**

(i) Stock awards may vest in one or more installments at such time or times, either over a period of time during Participant' s Service or upon the attainment of specified pre-established performance objectives measured over a specified performance period, as determined by the Plan Administrator at the time of the grant of the Award and set forth in the Award Agreement.

(ii) Should the Participant cease to remain in Service while holding one or more unvested shares of Common Stock issued under a stock award or should the performance objectives not be attained with respect to one or more such unvested shares of Common Stock, then those shares shall be immediately surrendered to the Corporation for cancellation, and the Participant shall have no further stockholder rights with respect to those shares. To the extent the surrendered shares were previously issued to the Participant for consideration paid in cash or cash equivalent, the Corporation shall repay to the Participant the *lower* of (i) the cash consideration paid for the surrendered shares or (ii) the Fair Market Value of those shares at the time of cancellation.

(iii) The Plan Administrator may in its discretion waive the surrender and cancellation of one or more unvested shares of Common Stock which would otherwise occur upon the cessation of the Participant' s Service or the non-attainment of the performance objectives applicable to those shares. Any such waiver shall result in the immediate vesting of the Participant' s interest in the shares of Common Stock as to which the waiver applies.

(iv) Any new, substituted or additional securities or other property (including money paid other than as a regular cash dividend) which the Participant may have the right to receive with respect to the Participant' s unvested shares of Common Stock by reason of any stock dividend, stock split, recapitalization, combination of shares, exchange of shares, spin-off transaction, extraordinary dividend or distribution or other change affecting the outstanding Common Stock as a class without the Corporation' s receipt of consideration shall be issued subject to (i) the same vesting requirements applicable to the Participant' s unvested shares of Common Stock and (ii) such escrow arrangements as the Plan Administrator shall deem appropriate, unless and to the extent the Plan Administrator determines at the time to vest and distribute such securities or other property. Equitable adjustments to reflect each such transaction shall also be made by the Plan Administrator to the repurchase price payable per share by the Corporation for any unvested securities subject to its existing repurchase rights under the Plan; provided the aggregate repurchase price shall in each instance remain the same.

2.4 RESTRICTED STOCK UNITS

(a) **Authority.** Subject to the Inducement Award Rules, the Plan Administrator shall have the full power and authority, exercisable in its sole discretion, to grant restricted stock units evidenced by an Award Agreement in the form approved by the Plan Administrator; provided, however, that the terms of each such agreement shall not be inconsistent with the terms specified below.

(b) **Terms.** Each restricted stock unit award shall entitle the Participant to receive the shares underlying that Award (or an amount based on the value of the shares) automatically upon vesting or upon the expiration of a designated time period following the vesting of those Awards. Restricted stock units subject to vesting based on achievement of performance objectives may also be structured so that the underlying shares are convertible into shares of Common Stock (or a payment based on the value of the shares), but the rate at which each share is to so convert shall be based on the attained level of performance for each applicable performance objective.

(c) **Vesting Provisions.**

(i) Restricted stock units may, in the discretion of the Plan Administrator, vest in one or more installments at such time or times, either over a period of time during Participant's Service or upon the attainment of specified pre-established performance objectives measured over a specified performance period, as determined by the Plan Administrator at the time of the grant of the Award and set forth in the Award Agreement.

(ii) Outstanding restricted stock units shall automatically terminate without settlement if the performance objectives or Service requirements established for those Awards are not attained or satisfied. The Plan Administrator, however, shall have the discretionary authority to settle one or more outstanding Awards of restricted stock units as to which the designated performance objectives or Service requirements have not been attained or satisfied.

(d) **Settlement.** Restricted stock units that vest may be settled in (i) cash, (ii) shares of Common stock valued at Fair Market Value on the settlement date or (iii) a combination of cash and shares of Common Stock, as determined by the Plan Administrator in its sole discretion. Settlement of a restricted stock unit may be deferred for a period specified by the Plan Administrator at the time the restricted stock unit is initially granted or (to the extent permitted by the Plan Administrator) designated by the Participant pursuant to a timely deferral election made in accordance with the requirements of Code Section 409A.

2.5 DIVIDEND EQUIVALENT RIGHTS

(a) **Authority.** Subject to the Inducement Award Rules, the Plan Administrator shall have full power and authority, exercisable in its sole discretion, to grant dividend equivalent rights evidenced by an Award Agreement in the form approved by the Plan Administrator; provided however, that the terms of each such agreement shall not be inconsistent with the terms specified below.

(b) **Terms.** The dividend equivalent rights may be granted as stand-alone awards or in tandem with other Awards made under the Plan, except dividend equivalent rights shall not be granted in connection with an option or stock appreciation right. The term of each dividend equivalent right award shall be established by the Plan Administrator at the time of grant, but no such award shall have a term in excess of ten (10) years.

(c) **Entitlement.** Each dividend equivalent right shall represent the right to receive the economic equivalent of each dividend or distribution, whether in cash, securities or other property (other than shares of Common Stock), which is made per issued and outstanding share of Common Stock during the term the dividend equivalent right remains outstanding. A special account on the books of the Corporation shall be maintained for each Participant to whom a dividend equivalent right is granted, and that account shall be credited per dividend equivalent right with each such dividend or distribution made per issued and outstanding share of Common Stock during the term of that dividend equivalent right remains outstanding.

(d) **Timing of Payment.** Payment of the amounts credited to such book account may be made to the Participant either concurrently with the actual dividend or distribution made per issued and outstanding share of Common Stock or may be deferred for a period specified by the Plan Administrator at the time the dividend equivalent right is initially granted or (to the extent permitted by the Plan Administrator) designated by the Participant pursuant to a timely deferral election made in accordance with the requirements of Code Section 409A. In no event, however, shall any dividend equivalent right award made with respect to an Award become payable prior to the vesting of that Award (or the portion thereof to which the dividend equivalent right award relates) and shall accordingly be subject to cancellation and forfeiture to the same extent as the underlying Award.

(e) **Form of Payment.** Payment of the amounts due with respect to dividend equivalent rights may be made in (i) cash, (ii) shares of Common Stock or (iii) a combination of cash and shares of Common Stock, as determined by the Plan Administrator in its sole discretion and set forth in the Award Agreement. If payment is to be made in the form of Common Stock, the number of shares of Common Stock into which the cash dividend or distribution amounts are to be converted for purposes of the Participant's book account may be based on the Fair Market Value per share of Common Stock on the date of conversion, a prior date or an average of the Fair Market Value per share of Common Stock over a designated period, as determined by the Plan Administrator in its sole discretion.

2.6 EFFECT OF CHANGE IN CONTROL

Unless otherwise provided in an Award Agreement, the following provisions shall apply with respect to Awards in the event of a Change in Control:

(a) In the event of a Change in Control, each outstanding Award, as determined by the Plan Administrator in its sole discretion, may be (i) assumed by the successor corporation (or parent thereof), (ii) canceled and substituted with an economically equivalent Award granted by the successor corporation (or parent thereof), (iii) otherwise continued in full force and effect pursuant to the terms of the Change in Control transaction, or (iv) replaced with a cash retention program of the Corporation or any successor corporation (or parent thereof) which preserves the spread existing on the unvested shares subject to the Award at the time of the Change in Control (the excess of the Fair Market Value of those shares over the aggregate purchase price payable for such shares) and provides for subsequent payout of that spread in accordance with the same exercise/vesting schedule applicable to those unvested Award shares, but only if such replacement cash program would not result in the treatment of the Award as an item of deferred compensation subject to Code Section 409A.

(b) To the extent an outstanding Award is not assumed, substituted, continued or replaced as set forth above, such Award shall automatically vest in full immediately prior to the effective date of the Change in Control, unless the acceleration of such Award is subject to other limitations imposed by the Plan Administrator at the time of the grant of the Award. The Plan Administrator in its sole discretion shall have the authority to provide that to the extent any such Award, as so accelerated, remains unexercised and outstanding on the effective date of the Change in Control, such Award shall terminate and cease to be outstanding and the holder of such Award shall become entitled to receive, upon consummation of the Change in Control, a lump sum cash payment in an amount equal to the product of (i) the number of shares of Common Stock subject to such Award and (ii) the excess of (a) the Fair Market Value per share of Common Stock on the date of the Change in Control *over* (b) the per share exercise price or purchase price in effect for such Award. However, any such Award shall be subject to cancellation and termination, without cash payment or other consideration due the Award holder, if the Fair Market Value per share of Common Stock on the date of such Change in Control is less than the per share exercise price or purchase price in effect for such Award. If any Award is subject to a performance-based vesting condition tied to the attainment of one or more specified performance objectives, and such Award is not to be so assumed, substituted, continued, or replaced, that Award shall vest immediately prior to the effective date of the Change in Control transaction, with the target level (or actual level, if determinable by the Plan Administrator) for each applicable performance objective deemed to have been achieved as of the Change in Control.

(c) The Plan Administrator shall have the authority to provide that any escrow, holdback, earn-out or similar provisions in the definitive agreement effecting the Change in Control shall apply to any cash payment made pursuant to Section 2.6(a) or Section 2.6(b) to the same extent and in the same manner as such provisions apply to a holder of a share of Common Stock.

(d) Immediately following the consummation of the Change in Control, all outstanding Awards shall terminate and cease to be outstanding, except to the extent assumed by the successor corporation (or parent thereof) or otherwise continued in full force and effect pursuant to the terms of the Change in Control transaction.

(e) In the event of any Change in Control, the Plan Administrator in its sole discretion may determine that all outstanding repurchase rights (i) are to be assigned to the successor corporation (or parent thereof) or otherwise continued in full force and effect pursuant to the terms of the Change in Control transaction or (ii) are to be terminated and the shares of Common Stock subject to those terminated rights are to immediately vest in full.

(f) Each Award which is assumed in connection with a Change in Control or otherwise continued in effect shall be appropriately adjusted, immediately after such Change in Control, to apply to the number and class of securities into which the shares of Common Stock subject to that Award would have been converted in consummation of such Change in Control had those shares actually been outstanding at that time. Appropriate adjustments to reflect such Change in Control shall also be made to (i) the exercise or base price or cash consideration payable per share in effect under each outstanding Award, provided the aggregate exercise or base price or cash consideration in effect for such securities shall remain the same, (ii) the maximum number and/or class of securities available for issuance over the remaining term of the Plan, and (iii) the

number and/or class of securities subject to the Corporation's outstanding repurchase rights under the Plan and the repurchase price payable per share. To the extent the actual holders of the Corporation's outstanding Common Stock receive cash consideration for their Common Stock in consummation of the Change in Control, the successor corporation may, in connection with the assumption or continuation of the outstanding Awards under the Plan and subject to the Plan Administrator's approval, substitute, for the securities underlying those assumed Awards, one or more shares of its own common stock with a fair market value equivalent to the cash consideration paid per share of Common Stock in such Change in Control transaction, provided such common stock is readily traded on an established U.S. securities exchange or market.

(g) The Plan Administrator shall have the discretion, exercisable either at the time an Award is granted or at any time while an Award remains outstanding, to structure such Award so that (i) it shall automatically accelerate and vest in full (and any repurchase rights of the Corporation with respect to the unvested shares subject to that Award shall immediately terminate) upon the occurrence of a Change in Control, whether or not such Award is to be assumed in the Change in Control or otherwise continued in effect or (ii) the shares subject to such Award will automatically vest on an accelerated basis should the Participant's Service terminate by reason of a qualifying termination within a designated period following the effective date of any Change in Control in which the Award is assumed or otherwise continued in effect and the repurchase rights applicable to those shares do not otherwise terminate.

ARTICLE 3

MISCELLANEOUS

3.1 DEFERRED COMPENSATION

(a) The Plan Administrator may, in its sole discretion, structure one or more Awards (other than options and stock appreciation rights) so that the Participants may be provided with an election to defer the compensation associated with those Awards for federal income tax purposes. Any such deferral opportunity shall comply with all applicable requirements of Code Section 409A.

(b) To the extent the Corporation maintains one or more separate non-qualified deferred compensation arrangements which allow the Participants the opportunity to make notional investments of their deferred account balances in shares of Common Stock, the Plan Administrator may authorize the share reserve under the Plan to serve as the source of any shares of Common Stock that become payable under those deferred compensation arrangements. In such event, the share reserve under the Plan shall be reduced on a share-for-share basis for each share of Common Stock issued under the Plan in settlement of the deferred compensation owed under those separate arrangements.

3.2 TRANSFERABILITY OF AWARDS

The transferability of Awards granted under the Plan shall be governed by the following provisions:

(a) *Transferability*. During the lifetime of the Participant, Non-Statutory Options shall be exercisable only by the Participant. During the lifetime of the Participant, awards shall not be assignable or transferable other than by will or the laws of inheritance following the Participant's death, except that the Plan Administrator may structure one or more such Awards so that the Award may be assigned in whole or in part during the Participant's lifetime to one or more Family Members of the Participant or to a trust established exclusively for the Participant and/or such Family Members, to the extent such assignment is in connection with the Participant's estate plan or pursuant to a domestic relations order. The assigned portion of an Award may only be exercised (if applicable) by the person or persons who acquire a proprietary interest in the Award pursuant to the assignment. The terms applicable to the assigned portion of the Award shall be the same as those in effect for the Award immediately prior to such assignment and shall be set forth in such documents issued to the assignee as the Plan Administrator may deem appropriate.

(b) *Beneficiary Designation*. Notwithstanding the foregoing, a Participant may, to the extent permitted by the Plan Administrator, designate one or more persons as the beneficiary or beneficiaries of some or all of his or her outstanding Awards, and those Awards shall, in accordance with such designation, automatically be transferred to such beneficiary or beneficiaries upon the Participant's death while holding those Awards. Such beneficiary or beneficiaries shall take the transferred Awards subject to all the terms and conditions of the applicable agreement evidencing each such transferred Award, including (without limitation) the limited time period during which the Award may be exercised (if applicable) following the Participant's death.

3.3 STOCKHOLDER RIGHTS

A Participant shall not have any of the rights of a stockholder with respect to shares of Common Stock covered by an Award until the Participant becomes the holder of record of such shares. However, a Participant may be granted the right to receive dividend equivalent rights under Section 2.5 with respect to one or more outstanding Awards.

3.4 TAX WITHHOLDING

The Corporation's obligation to deliver shares of Common Stock or pay cash upon the exercise, issuance or vesting of an Award under the Plan shall be subject to the satisfaction of all applicable Withholding Taxes. The Corporation shall, to the extent permitted by law, have the right to deduct any such Withholding Taxes from any payment of cash under an Award or any other payment of any kind otherwise due to the Participant. With respect to Awards paid in shares of Common Stock, the Corporation shall have the right to require the Participant to pay to the Corporation the amount of any Withholding Taxes and to take whatever action it deems necessary to protect the interests of the Corporation in respect of such tax liabilities, including, without limitation, subject to such terms as the Plan Administrator may approve, withholding (or allowing the Participant to elect to have the Corporation withhold), or requiring the Participant to sell (or allowing Participant to elect to sell) through a special sale and remittance procedure arranged through a brokerage firm, a portion of the shares of Common Stock otherwise issuable under an Award in satisfaction of all or a portion of such Withholding Taxes. The number of shares of Common Stock that may be withheld pursuant to this Section 3.4 shall be limited to the number of shares that have a Fair Market Value on the date of withholding not exceeding the aggregate

amount of such Withholding Taxes, as determined based on the maximum statutory withholding rates (or such other withholding rates that have been determined by the Plan Administrator). To the extent approved by the Plan Administrator, the Participant may pay the Withholding Taxes with respect to an Award paid in shares of Common Stock by delivering shares of Common Stock previously acquired by the Participant (other than in connection with such Award) with an aggregate Fair Market Value equal to the Withholding Taxes.

3.5 SHARE ESCROW/LEGENDS

Unvested shares may, in the Plan Administrator's discretion, be held in escrow by the Corporation until the Participant's interest in such shares vests or may be issued directly to the Participant with restrictive legends on the certificates evidencing those unvested shares.

3.6 EFFECTIVE DATE AND TERM OF THE PLAN

(a) The Plan shall become effective on the Plan Effective Date.

(b) The Plan shall terminate upon the *earliest* to occur of (i) the date immediately preceding the tenth anniversary of the Plan Effective Date, (ii) the date on which all shares available for issuance under the Plan shall have been issued as fully vested shares, (iii) the termination of all outstanding Awards in connection with a Change in Control, or (iv) the termination of the Plan by the Board. Should the Plan terminate under subsection (i) or subsection (iv) above, then all Awards outstanding at that time shall continue to have force and effect in accordance with the provisions of the documents evidencing those Awards.

3.7 AMENDMENT OF THE PLAN

The Board shall have complete and exclusive power and authority to amend or modify the Plan in any or all respects, subject to stockholder approval to the extent required under applicable law or regulation or pursuant to the listing standards of the Stock Exchange on which the Common Stock is at the time primarily traded. However, no such amendment or modification shall adversely affect the rights and obligations with respect to Awards at the time outstanding under the Plan unless the Participant consents to such amendment or modification.

3.8 USE OF PROCEEDS

Any cash proceeds received by the Corporation from the sale of shares of Common Stock under the Plan shall be used for general corporate purposes.

3.9 REGULATORY APPROVALS

(a) The implementation of the Plan, the granting of any Award under the Plan and the issuance of any shares of Common Stock in connection with the issuance, exercise, vesting or settlement of any Award under the Plan shall be subject to the Corporation's procurement of all approvals and permits required by regulatory authorities having jurisdiction over the Plan, the Awards made under the Plan and the shares of Common Stock issuable pursuant to those Awards.

(b) No shares of Common Stock or other assets shall be issued or delivered under the Plan unless and until there shall have been compliance with all applicable requirements of applicable securities laws, and all applicable listing requirements of any Stock Exchange on which Common Stock is then listed for trading.

3.10 EMPLOYEES RESIDENT OR SUBJECT TO TAXATION OUTSIDE THE UNITED STATES.

With respect to Participants who are resident in or subject to taxation in countries other than the United States, the Plan Administrator may make Awards on such terms and conditions as the Plan Administrator deems appropriate to comply with the laws of the applicable countries, and the Plan Administrator may create such procedures, addenda and subplans and make such modifications as may be necessary or advisable to comply with such laws.

3.11 NO EMPLOYMENT/SERVICE RIGHTS

Nothing in the Plan shall confer upon the Participant any right to continue in Service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Corporation (or any Parent or Subsidiary employing or retaining such person) or of the Participant, which rights are hereby expressly reserved by each, to terminate such person's Service at any time for any reason, with or without cause.

3.12 RECOUPMENT

Participants shall be subject to any clawback, recoupment or other similar policy required by law or regulations or adopted by the Board as in effect from time to time and Awards and any cash, shares of Common Stock or other property or amounts due, paid or issued to a Participant shall be subject to the terms of such policy, as in effect from time to time.

3.13 CODE SECTION 409A.

This Plan is intended to comply with the requirements of Code Section 409A or an exemption or exclusion therefrom and, with respect to amounts that are subject to Code Section 409A, it is intended that this Plan be administered in all respects in accordance with Code Section 409A. Each payment under any Award that constitutes nonqualified deferred compensation subject to Code Section 409A shall be treated as a separate payment for purposes of Code Section 409A. In no event may a Participant, directly or indirectly, designate the calendar year of any payment to be made under any Award that constitutes nonqualified deferred compensation subject to Code Section 409A. Notwithstanding any other provision of this Plan or any Award Agreement to the contrary, if a Participant is a "specified employee" within the meaning of Code Section 409A (as determined in accordance with the methodology established by the Corporation), amounts in respect of an Award that constitute "nonqualified deferred compensation" within the meaning of Code Section 409A that would otherwise be payable by reason of a Participant's separation from service during the six-month period immediately following such separation from service shall instead be paid or provided on the first business day following the date that is six months following the Participant's separation from service (if the Participant dies following the separation from service and prior to the payment of any amounts delayed on account of Code Section 409A, such amounts shall be paid to the personal representative of the Participant's estate within 30 days

following the date of the Participant' s death). No benefit under the Plan payable in connection with a termination of Service or employment that is considered deferred compensation under Code Section 409A will be paid or otherwise provided until the relevant Participant has a "separation from service" within the meaning of Code Section 409A.

3.14 DEFINITIONS

The following definitions shall be in effect under the Plan:

(a) **1934 Act** shall mean the Securities Exchange Act of 1934, as amended.

(b) **Award** shall mean any of the following awards authorized for issuance or grant under the Plan: Non-Statutory Options, stock appreciation rights, stock awards, restricted stock units and dividend equivalent rights.

(c) **Award Agreement** shall mean the written agreement(s) (which may be in electronic form) between the Corporation and the Participant evidencing a particular Award made to that individual under the Plan, as such agreement(s) may be in effect from time to time.

(d) **Board** shall mean the Corporation' s Board of Directors.

(e) **Cause** shall mean, with respect to the termination of the Participant' s Service, that such termination is for "Cause" as such term (or word of like import) is expressly defined in a then-effective written agreement between the Participant and the Company or Parent or Subsidiary of the Company (as applicable), or in the absence of such then-effective written agreement and definition, is based on, in the determination of the Plan Administrator, the Participant' s: (i) performance of any act or failure to perform any act in bad faith and to the detriment of the Company or a Parent or Subsidiary of the Company; (ii) dishonesty, intentional misconduct or material breach of any agreement with the Company or a Parent or Subsidiary of the Company; or (iii) commission of any act of fraud, embezzlement or other crime involving dishonesty, breach of trust, or physical or emotional harm to any person. The foregoing definition shall not in any way preclude or restrict the right of the Corporation (or any Parent or Subsidiary) to discharge or dismiss any Participant or other person in the Service of the Corporation (or any Parent or Subsidiary) for any other acts or omissions, but such other acts or omissions shall not be deemed, for purposes of the Plan, to constitute grounds for termination for Cause.

(f) **Change in Control** shall, with respect to each Award made under the Plan, be defined in accordance with the following provisions:

(i) Change in Control shall have the meaning assigned to such term in the Award Agreement for the particular Award or in any other agreement incorporated by reference into the Award Agreement for purposes of defining such term.

(ii) In the absence of any other Change in Control definition in the Award Agreement (or in any other agreement incorporated by reference into the Award Agreement), Change in Control shall mean a change in ownership or control of the Corporation effected through any of the following transactions:

(A) consummation of a merger, consolidation or other reorganization approved by the Corporation's stockholders, unless securities representing more than fifty percent (50%) of the total combined voting power of the voting securities of the successor corporation are immediately thereafter beneficially owned, directly or indirectly and in substantially the same proportion, by the persons who beneficially owned the Corporation's outstanding voting securities immediately prior to such transaction;

(B) a sale, transfer or other disposition of all or substantially all of the Corporation's assets;

(C) the closing of any transaction or series of related transactions pursuant to which any person or any group of persons comprising a "group" within the meaning of Rule 13d-5(b)(1) of the 1934 Act (other than the Corporation or a person that, prior to such transaction or series of related transactions, directly or indirectly controls, is controlled by or is under common control with, the Corporation) becomes directly or indirectly (whether as a result of a single acquisition or by reason of one or more acquisitions within the twelve (12)-month period ending with the most recent acquisition) the beneficial owner (within the meaning of Rule 13d-3 of the 1934 Act) of securities possessing (or convertible into or exercisable for securities possessing) more than fifty percent (50%) of the total combined voting power of the Corporation's securities (as measured in terms of the power to vote with respect to the election of Board members) outstanding immediately after the consummation of such transaction or series of related transactions, whether such transaction involves a direct issuance from the Corporation or the acquisition of outstanding securities held by one or more of the Corporation's existing stockholders; or

(D) a change in the composition of the Board over a period of twenty-four (24) consecutive months or less such that a majority of the Board members ceases to be comprised of individuals who either (I) have been Board members continuously since the beginning of such period ("Incumbent Directors") or (II) have been elected or nominated for election as Board members during such period by at least a majority of the Incumbent Directors who were still in office at the time the Board approved such election or nomination; provided that any individual who becomes a Board member subsequent to the beginning of such period and whose election or nomination was approved by two-thirds of the Board members then comprising the Incumbent Directors will be considered an Incumbent Director.

(g) **Code** shall mean the Internal Revenue Code of 1986, as amended.

(h) **Common Stock** shall mean the Corporation's common stock, \$0.001 par value.

(i) **Compensation Committee** shall mean the Compensation Committee of the Board comprised of two (2) or more non-employee Board members, each of whom is intended to qualify as a "non-employee director" (as defined in Rule 16b-3 under the Exchange Act) and an "independent director" under the rules of any securities exchange or automated quotation system on which the Common Stock is then listed, quoted or traded; provided that any action taken by the Compensation Committee shall be valid and effective, whether or not one or more members of the Compensation Committee at the time of such action are later determined not to have satisfied the requirements for membership set forth in this definition or otherwise provided in the charter of the Compensation Committee.

(j) **Corporation** shall mean Veritone, Inc., a Delaware corporation, and any corporate successor to all or substantially all of the assets or voting stock of Veritone, Inc.

(k) **Employee** shall mean an individual who satisfies the standards for inducement grants under the Inducement Award Rules at the time such grants are made to such individual.

(l) **Exercise Date** shall mean the date on which the Corporation shall have received written notice of the option exercise, accompanied by payment in full of the aggregate exercise price plus any required withholdings (unless satisfactory arrangements have been made to satisfy such exercise price or withholdings in accordance with the Plan).

(m) **Fair Market Value** per share of Common Stock on any relevant date shall be determined in accordance with the following provisions:

(i) If the Common stock is at the time traded on a Stock Exchange, then the Fair Market Value shall be the closing selling price per share of Common Stock at the close of regular hours trading (i.e., before after-hours trading begins) on date in question on the Stock Exchange serving as the primary market for the Common Stock, as such price is reported by the National Association of Securities Dealers (if primarily traded on the Nasdaq Capital Market, Nasdaq Global Market or Global Select Market) or as officially quoted in the composite tape of transactions on any other Stock Exchange on which the Common Stock is then primarily traded. If there is no closing selling price for the Common Stock on the date in question, then the Fair Market Value shall be the closing selling price on the last preceding date for which such quotation exists.

(ii) If the Common Stock is at the time quoted on a national or regional securities exchange or market system (including over-the-counter markets) determined by the Plan Administrator to be the primary market for the Common Stock, then the Fair Market Value shall be the closing selling price per share of Common Stock on the date in question, as such price is officially reported by such exchange or market system (or if such exchange or market system does not report closing sale prices, the average of the closing bid and asked prices on the date in question). If there is no closing selling price for the Common Stock on the date in question, then the Fair Market Value shall be the closing selling price of a share of Common Stock on the last preceding date for which such quotation exists.

(iii) If neither (i) nor (ii) is applicable as of the date of valuation, then the Fair Market Value shall be determined by the Plan Administrator in good faith using any reasonable method of valuation, which determination shall be conclusive and binding on all interested parties.

(n) **Family Member** shall mean, with respect to a particular Participant, any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law.

(o) **Incentive Option** shall mean an option which satisfies the requirements of Code Section 422.

(p) **Inducement Award Rules** shall mean NASDAQ Marketplace Rule 5635(c)(4) and the related guidance under NASDAQ IM 5635-1, and any amendments or supplements thereto then in effect.

(q) **Misconduct** shall, with respect to each Award made under the Plan, be defined in accordance with the following provisions:

(i) Misconduct shall have the meaning assigned to such term in the Award Agreement for the particular Award or in any other agreement incorporated by reference into the Award Agreement for purposes of defining such term.

(ii) In the absence of any other Misconduct definition in the Award Agreement for a particular Award (or in any other agreement incorporated by reference into the Award Agreement), Misconduct shall mean any unauthorized use or disclosure by such person of confidential information or trade secrets of the Corporation (or any Parent or Subsidiary), or any other intentional misconduct by such person adversely affecting the business or affairs of the Corporation (or any Parent or Subsidiary) in a material manner.

(r) **Non-Statutory Option** shall mean an option not an Incentive Option.

(s) **Parent** shall mean any corporation (other than the Corporation) in an unbroken chain of corporations ending with the Corporation, provided each corporation in the unbroken chain (other than the Corporation) owns, at the time of the determination, stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

(t) **Participant** shall mean any person who is granted an Award under the Plan.

(u) **Permanent Disability** shall mean the inability of the Participant to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment expected to result in death or to be of continuous duration of twelve (12) months or more.

(v) **Plan** shall mean the Corporation's Inducement Grant Plan, as set forth in this document.

(w) **Plan Administrator** shall mean the particular entity, whether the Compensation Committee, the Board, or any delegate of the Board or the Compensation Committee authorized to administer the Plan with respect to one or more classes of eligible persons, to the extent such entity is carrying out its administrative functions under the Plan with respect to the persons under its jurisdiction.

(x) **Plan Effective Date** shall mean the date upon which the Plan is approved by the Board.

(y) **Section 16 Insider** shall mean an officer or director of the Corporation subject to the short-swing profit liabilities of Section 16 of the 1934 Act.

(z) **Service** shall, with respect to each Award made under the Plan, be defined in accordance with the following provisions:

(i) Service shall have the meaning assigned to such term in the Award Agreement for the particular Award or in any other agreement incorporated by reference into the Award Agreement for purposes of defining such term.

(ii) In the absence of any other definition of Service in the Award Agreement for a particular Award (or in any other agreement incorporated by reference into the Award Agreement), Service shall mean the performance of services for the Corporation (or any Parent or Subsidiary, whether now existing or subsequently established) by a person in the capacity of an Employee, a non-employee member of the Board (or the board of directors of any Parent or Subsidiary) or a consultant or independent advisor, except to the extent otherwise specifically provided in the documents evidencing the Award. For purposes of this particular definition of Service, a Participant shall be deemed to cease Service immediately upon the occurrence of either of the following events: (i) the Participant no longer performs services in any of the foregoing capacities for the Corporation or any Parent or Subsidiary or (ii) the entity for which the Participant is performing such services ceases to remain a Parent or Subsidiary of the Corporation, even though the Participant may subsequently continue to perform services for that entity.

(iii) Service shall not be deemed to cease during a period of military leave, sick leave or other personal leave approved by the Corporation. Except to the extent otherwise required by law or expressly authorized by the Plan Administrator or by the Corporation's written policy on leaves of absence, no Service credit shall be given for vesting purposes for any period the Participant is on a leave of absence.

(aa) **Stock Exchange** shall mean the American Stock Exchange, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market or the New York Stock Exchange.

(bb) **Subsidiary** shall mean any corporation (other than the Corporation) in an unbroken chain of corporations beginning with the Corporation, provided each corporation (other than the last corporation) in the unbroken chain owns, at the time of the determination, stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

(cc) **Withholding Taxes** shall mean the applicable federal, state and foreign income and employment taxes and other taxes, contributions and payments required to be withheld, collected or accounted for by the Corporation in connection with the issuance, exercise, vesting or settlement of an Award.

VERITONE, INC.

NOTICE OF GRANT OF STOCK OPTION

Notice is hereby given of the following grant of a non-statutory option (the "*Option*") to purchase shares of the Common Stock of Veritone, Inc. (the "*Corporation*"):

Participant: []

Grant Date: []

Vesting Commencement Date: []

Exercise Price: \$[] per share

Number of Option Shares ("Option Shares"): [] shares of Common Stock

Expiration Date: []

Exercise Schedule: [].

The Participant understands and agrees that the Option is granted subject to and in accordance with the terms of the Veritone, Inc. Inducement Grant Plan (the "*Plan*"). The Participant further agrees to be bound by the terms of the Plan and the terms of the Option as set forth in the Stock Option Agreement attached hereto as Exhibit A. The Participant hereby acknowledges the receipt of a copy of the prospectus for the Plan in the form attached hereto as Exhibit B. A copy of the Plan is available upon request made to the Corporate Secretary at the Corporation's principal offices.

At Will Employment. Nothing in this Notice or in the attached Stock Option Agreement or Plan shall confer upon Participant any right to continue in Service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Corporation (or any Parent or Subsidiary employing or retaining Participant) or of Participant, which rights are hereby expressly reserved by each, to terminate Participant's Service at any time for any reason, with or without cause.

Definitions. All capitalized terms in this Notice shall have the meaning assigned to them in this Notice, the Plan or in the attached Stock Option Agreement.

DATED: []

VERITONE, INC.

By: _____

Name: _____

Title: _____

PARTICIPANT NAME: _____

Attachments:

Exhibit A - Stock Option Agreement

Exhibit B - Plan Summary and Prospectus

EXHIBIT A

STOCK OPTION AGREEMENT
(attached hereto)

EXHIBIT B

PLAN SUMMARY AND PROSPECTUS
(attached hereto)

VERITONE, INC.

STOCK OPTION AGREEMENT**RECITALS**

A. The Board has adopted the Plan for the purpose of providing an inducement material for eligible persons to enter into employment with the Corporation in accordance with the Inducement Award Rules.

B. The Participant is an individual who satisfies the standards for inducement grants under the Inducement Award Rules, and this Agreement is executed pursuant to, and is intended to carry out the purposes of, the Plan in connection with the Corporation's grant of an inducement award of a non-statutory stock option to the Participant.

C. All capitalized terms in this Agreement and not defined or specified in the Plan or the Grant Notice shall have the meaning assigned to them in this Agreement, including Paragraph 17.

NOW, THEREFORE, it is hereby agreed as follows:

1. **Grant of Option**. The Corporation hereby grants to the Participant, as of the Grant Date, an option (the "option" or "Option") to purchase up to the number of Option Shares specified in the Grant Notice. The Option Shares shall be purchasable from time to time during the option term specified in Paragraph 2 at the Exercise Price.

2. **Option Term**. This option shall have a term of ten (10) years measured from the Grant Date and shall accordingly expire at the close of business on the Expiration Date, unless sooner terminated in accordance with Paragraph 5 or 6.

3. **Limited Transferability**. This option, together with the Option Shares during the period prior to exercise, shall be neither transferable nor assignable by the Participant other than by will or the laws of inheritance following the Participant's death and may be exercised, during the Participant's lifetime, only by the Participant.

4. **Dates of Exercise**. This option shall become exercisable for the Option Shares in one or more installments in accordance with the Exercise Schedule set forth in the Grant Notice. As the option becomes exercisable for such installments, those installments shall accumulate, and the option shall remain exercisable for the accumulated installments until the Expiration Date or earlier termination of the option term under Paragraph 5 or 6.

5. **Cessation of Service**. Except as otherwise provided in a separate employment agreement between the Participant and the Corporation containing provisions relating to cessation of the Participant's Service that are applicable to this option, the option term specified in Paragraph 2 shall terminate (and this option shall cease to be outstanding) prior to the Expiration Date should any of the following provisions become applicable:

(a) Should the Participant cease to remain in Service for any reason (other than death, Disability or termination for Cause) while this option is outstanding, then the Participant shall have a period of three (3) months (commencing with the date of such cessation of Service) during which to exercise this option, but in no event shall this option be exercisable at any time after the Expiration Date.

(b) Should the Participant die while this option is outstanding, then the personal representative of the Participant's estate or the person or persons to whom the option is transferred pursuant to the Participant's will or the laws of inheritance following the Participant's death shall have the right to exercise this option. Any such right to exercise this option shall lapse, and this option shall cease to be outstanding, upon the earlier of (i) the expiration of the twelve (12)-month period measured from the date of the Participant's death or (ii) the Expiration Date.

(c) Should the Participant cease Service by reason of Disability while this option is outstanding, then the Participant shall have a period of twelve (12) months (commencing with the date of such cessation of Service) during which to exercise this option, but in no event shall this option be exercisable at any time after the Expiration Date.

(d) During the limited period of post-Service exercisability, this option may not be exercised in the aggregate for more than the number of Option Shares for which this option is, at the time of the Participant's cessation of Service, exercisable pursuant to the Exercise Schedule specified in the Grant Notice. This option shall not become exercisable for any additional Option Shares, whether pursuant to the normal Exercise Schedule specified in the Grant Notice or otherwise, following the Participant's cessation of Service, except to the extent (if any) specifically authorized by the Plan Administrator pursuant to an express written agreement with the Participant. Upon the expiration of such limited exercise period or (if earlier) upon the Expiration Date, this option shall terminate and cease to be outstanding for any Option Shares for which the option has not been exercised.

(e) Should the Participant's Service be terminated for Cause or should the Participant otherwise engage in Misconduct following termination of Service while this option is outstanding, then this option shall terminate immediately and cease to remain outstanding.

6. **Change in Control.** This option shall be subject to Section 2.6 of the Plan in the event of a Change in Control; provided, however, that if Participant's employment is subject to a separate employment agreement containing provisions relating to a Change in Control that are applicable to this option, such provisions are incorporated by reference into this Agreement.

7. **Adjustment to Option Shares.** Should any change be made to the outstanding Common Stock by reason of any stock split, stock dividend, recapitalization, combination of shares, exchange of shares, spin-off transaction or other change affecting the outstanding Common Stock as a class without the Corporation's receipt of consideration, or should the value of outstanding shares of Common Stock be substantially reduced as a result of a spin-off transaction or an extraordinary dividend or distribution, or should there occur any merger, consolidation, reincorporation or other reorganization, then equitable adjustments shall be made to (i) the total number and/or class of securities subject to this option and (ii) the Exercise Price. The adjustments shall be made by the Plan Administrator in such manner as the Plan Administrator deems appropriate in order to reflect such change, and those adjustments shall be final, binding and conclusive.

8. **Stockholder Rights.** The holder of this option shall not have any stockholder rights with respect to the Option Shares until such person shall have exercised the option, paid the Exercise Price and related tax withholdings in accordance with the Plan, and become the record holder of the purchased shares.

9. **Manner of Exercising Option.**

(a) In order to exercise this option with respect to all or any part of the Option Shares, the Participant (or any other person or persons exercising the option) must take the following actions:

(i) Execute and deliver to the Corporation a Notice of Exercise, or comply with such procedures as the Corporation may establish for notifying the Corporation of the exercise of the option, for the Option Shares for which the option is exercised.

(ii) Pay the aggregate Exercise Price for the purchased shares in one or more of the following forms:

(A) cash or check made payable to the Corporation;

(B) in shares of Common Stock valued at Fair Market Value on the Exercise Date and held for the period (if any) necessary to avoid a charge to the Corporation's earnings for financial reporting purposes; or

(C) through a special sale and remittance procedure pursuant to which the Participant shall concurrently provide instructions (A) to a brokerage firm (with such brokerage firm reasonably satisfactory to the Corporation for purposes of administering such procedure in compliance with the Corporation's pre-clearance or pre-notification policies) to effect the immediate sale of the purchased shares and remit to the Corporation, out of the sale proceeds available on the settlement date, sufficient funds to cover the aggregate Exercise Price payable for the purchased shares plus all applicable income and employment taxes required to be withheld by the Corporation by reason of such exercise and (B) to the Corporation to deliver the certificates for the purchased shares directly to such brokerage firm on the settlement date in order to complete the sale.

Except to the extent the sale and remittance procedure is utilized in connection with the option exercise, payment of the Exercise Price must accompany the Notice of Exercise delivered to the Corporation in connection with the option exercise.

(iii) Furnish to the Corporation appropriate documentation that the person or persons exercising the option (if other than the Participant) have the right to exercise this option.

(iv) Make appropriate arrangements with the Corporation (or Parent or Subsidiary employing or retaining the Participant) for the satisfaction of all applicable tax withholding requirements applicable to the option exercise in accordance with the Plan.

(v) As soon as practical after the Exercise Date, the Corporation shall issue to or on behalf of the Participant (or any other person or persons exercising this option) a certificate (which may be in electronic form) for the purchased Option Shares, with any appropriate legends affixed thereto.

(b) In no event may this option be exercised for any fractional shares.

10. Compliance with Laws and Regulations.

(a) The exercise of this option and the issuance of the Option Shares upon such exercise shall be subject to compliance by the Corporation and the Participant with all applicable requirements of law relating thereto and with all applicable regulations of any Stock Exchange on which the Common Stock may be listed for trading at the time of such exercise and issuance.

(b) The inability of the Corporation to obtain approval from any regulatory body having authority deemed by the Corporation to be necessary to the lawful issuance and sale of any Common Stock pursuant to this option shall relieve the Corporation of any liability with respect to the non-issuance or sale of the Common Stock as to which such approval shall not have been obtained. The Corporation, however, shall use its best efforts to obtain all such approvals.

11. **Successors and Assigns.** Except to the extent otherwise provided in Paragraphs 3 and 6, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the Corporation and its successors and assigns and the Participant, the Participant's assigns and the legal representatives, heirs and legatees of the Participant's estate.

12. **Notices.** Any notice required to be given or delivered to the Corporation under the terms of this Agreement shall be in writing and addressed to the Corporation at its principal corporate offices. Any notice required to be given or delivered to the Participant shall be in writing and addressed to the Participant at the address on record with the Corporation. All notices shall be deemed effective upon personal delivery or upon deposit in the U.S. mail, postage prepaid and properly addressed to the party to be notified.

13. **Construction.** This Agreement and the option evidenced hereby are made and granted pursuant to the Plan and are in all respects limited by and subject to the terms of the Plan. All decisions of the Plan Administrator with respect to any question or issue arising under the Plan or this Agreement shall be conclusive and binding on all persons having an interest in this option.

14. **Governing Law.** The interpretation, performance and enforcement of this Agreement shall be governed by the laws of the State of Delaware without resort to that state's conflict-of-laws rules.

15. **Employment at Will.** Nothing in this Agreement or in the Plan shall confer upon the Participant any right to continue in Service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Corporation (or any Parent or Subsidiary employing or retaining the Participant) or of the Participant, which rights are hereby expressly reserved by each, to terminate the Participant' s Service at any time for any reason, with or without cause.

16. **Data Privacy.** By accepting this option, Participant: (a) explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of any of Participant' s personal data that is necessary to facilitate the implementation, administration and management of the Plan and Awards granted to Participant under the Plan; (b) understands that the Corporation and the Subsidiary (if applicable) employing Participant may, for the purpose of implementing, administering and managing the Plan and Awards granted to Participant under the Plan, hold certain personal information about Participant, including, but not limited to, Participant' s name, home address and telephone number, personal email address, date of birth, social security, social insurance number or other identification number, salary, nationality, job title, date of hire, date of termination and details of all Awards or entitlements to Common Stock granted to Participant under the Plan or otherwise ("Data"); (c) understands that Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan and awards granted to Participant under the Plan, including, but not limited to, any broker, transfer agent or trustee providing recordkeeping, account maintenance and/or transaction services or with whom the shares of Common Stock issued upon vesting of the Option may be deposited, and that these recipients may be located in Participant' s country or elsewhere, that the recipient' s country may have different data privacy laws and protections than Participant' s country, and that the recipient may hold the Data and make it accessible to the Corporation for the period of time required under the recipient' s data retention policies and procedures and/or contractual obligations to the Corporation in order to fulfill financial and tax reporting, inheritance and other contractual or legal purposes; and (d) authorizes the Corporation, any Subsidiary and their respective agents to store and transmit such information in electronic form.

17. **Definitions.** The following definitions shall be in effect under the Agreement:

(a) **Agreement** shall mean this Stock Option Agreement.

(b) **Grant Notice** shall mean the Notice of Grant of Stock Option accompanying the Agreement, pursuant to which the Participant has been informed of the basic terms of the option evidenced hereby.

(c) **Notice of Exercise** shall mean the notice of exercise in such form as provided by the Corporation.

(d) **Plan** shall mean the Corporation' s Inducement Grant Plan.

VERITONE, INC.

NOTICE OF GRANT OF PERFORMANCE-BASED STOCK OPTION

Notice is hereby given of the following grant of a non-statutory option (the "*Option*") to purchase shares of the Common Stock of Veritone, Inc. (the "*Corporation*"):

Participant: []

Grant Date: []

Exercise Price: \$[] per share

Number of Option Shares ("Option Shares"): [] shares of Common Stock

Expiration Date: []

Exercise Schedule: The Option shall become exercisable in three substantially equal tranches (with any fractional shares rounded down to the nearest whole number) upon the achievement of the applicable stock price milestone set forth in the table below (each a "Stock Price Milestone"). Each Stock Price Milestone shall be determined to be achieved when the Fair Market Value of one share of Common Stock of the Corporation equals or exceeds the applicable Stock Price Milestone for thirty (30) consecutive days on which the Stock Exchange upon which the Common Stock is traded is open (each, a "Trading Day").

<u>Tranche</u>	<u>Stock Price Milestone</u>
1	\$ 17.50
2	\$ 22.50
3	\$ 27.50

The Participant understands and agrees that the Option is granted subject to and in accordance with the terms of the Veritone, Inc. Inducement Grant Plan (the "*Plan*"). The Participant further agrees to be bound by the terms of the Plan and the terms of the Option as set forth in the Performance-Based Stock Option Agreement attached hereto as Exhibit A. The Participant hereby acknowledges the receipt of a copy of the prospectus for the Plan in the form attached hereto as Exhibit B. A copy of the Plan is available upon request made to the Corporate Secretary at the Corporation's principal offices.

At Will Employment. Nothing in this Notice or in the attached Performance-Based Stock Option Agreement or Plan shall confer upon Participant any right to continue in Service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Corporation (or any Parent or Subsidiary employing or retaining Participant) or of Participant, which rights are hereby expressly reserved by each, to terminate Participant's Service at any time for any reason, with or without cause.

Definitions. All capitalized terms in this Notice shall have the meaning assigned to them in this Notice, the Plan or in the attached Performance-Based Stock Option Agreement.

DATED: []

VERITONE, INC.

By: _____

Name: _____

Title: _____

PARTICIPANT NAME: _____

Attachments:

Exhibit A - Performance-Based Stock Option Agreement

Exhibit B - Plan Summary and Prospectus

EXHIBIT A

PERFORMANCE-BASED STOCK OPTION AGREEMENT
(attached hereto)

EXHIBIT B

PLAN SUMMARY AND PROSPECTUS
(attached hereto)

VERITONE, INC.

PERFORMANCE-BASED STOCK OPTION AGREEMENT**RECITALS**

A. The Board has adopted the Plan for the purpose of providing an inducement material for eligible persons to enter into employment with the Corporation in accordance with the Inducement Award Rules.

B. The Participant is an individual who satisfies the standards for inducement grants under the Inducement Award Rules, and this Agreement is executed pursuant to, and is intended to carry out the purposes of, the Plan in connection with the Corporation's grant of an inducement award of a non-statutory stock option to the Participant.

C. All capitalized terms in this Agreement and not defined or specified in the Plan or the Grant Notice shall have the meaning assigned to them in this Agreement, including Paragraph 17.

NOW, THEREFORE, it is hereby agreed as follows:

1. **Grant of Option**. The Corporation hereby grants to the Participant, as of the Grant Date, an option (the "option" or "Option") to purchase up to the number of Option Shares specified in the Grant Notice. The Option Shares shall be purchasable from time to time during the option term specified in Paragraph 2 at the Exercise Price.

2. **Option Term**. This option shall have a term of ten (10) years measured from the Grant Date and shall accordingly expire at the close of business on the Expiration Date, unless sooner terminated in accordance with Paragraph 5 or 6.

3. **Limited Transferability**. This option, together with the Option Shares during the period prior to exercise, shall be neither transferable nor assignable by the Participant other than by will or the laws of inheritance following the Participant's death and may be exercised, during the Participant's lifetime, only by the Participant.

4. **Dates of Exercise**. This option shall become exercisable for the Option Shares in one or more installments in accordance with the Exercise Schedule set forth in the Grant Notice. As the option becomes exercisable for such installments, those installments shall accumulate, and the option shall remain exercisable for the accumulated installments until the Expiration Date or earlier termination of the option term under Paragraph 5 or 6.

5. **Effect of Cessation of Service**. Except as otherwise provided in a separate employment agreement between Participant and the Corporation containing provisions relating to cessation of the Participant's Service that are applicable to this option, upon the Participant's separation from Service for any reason:

(a) Any exercisable portion of the Option Shares shall remain exercisable until the earlier of three (3) months from the Participant's separation from Service and the Expiration Date.

(b) Any unexercisable portion of the Option Shares shall remain eligible to become exercisable under Section 4 above and Section 6 below, for a period of nine (9) months following the Participant's separation from Service if such separation from Service is initiated by the Corporation other than for Cause. Any portion of the Option Shares that becomes exercisable during such nine-month period shall remain exercisable until the earlier of three (3) months from the date the Participant is notified that such portion becomes exercisable under this Section 5(b) and the Expiration Date.

(c) Except as specified in Section 5(b) above, any unexercisable portion of the Option Shares shall terminate immediately and cease to be outstanding upon the Participant's separation from Service for any reason.

(d) Notwithstanding Sections 5(a) and 5(b) above, should the Participant's Service be terminated for Cause or should the Participant otherwise engage in Misconduct following termination of Service while this option is outstanding, then this option shall terminate immediately and cease to remain outstanding.

(e) During the applicable post-Service exercise period, this option may not be exercised for more than the number of shares for which this option is at the time exercisable. Upon the expiration of the applicable exercise period or (if earlier) upon the Expiration Date, this option shall terminate and cease to be outstanding for any Option Shares for which the option has not been exercised.

6. Change in Control. Notwithstanding anything to the contrary stated in Section 2.6 of the Plan, the terms and conditions set forth in this Section 6 shall be applicable to this option in the event that a Change in Control of the Corporation occurs while this option is outstanding:

(a) In the event of a Change in Control, achievement of the Stock Price Milestones (as defined in the Grant Notice) shall be ascertained at the time of the Change in Control based on the per-share price of Common Stock (plus the per-share value of any other consideration) received by the Corporation's stockholders in the Change in Control without regard to the requirement to measure such achievement over a period of thirty (30) consecutive Trading Days (as defined in the Grant Notice).

(b) In the event of a Change in Control, this option shall be assumed or substituted or exchanged for an equivalent award or right (which may include a cash payment) by the successor corporation or a parent or subsidiary of the successor corporation, provided that the Plan Administrator may not accelerate the exercisability of any portion of the Option Shares, and any portion of the Option Shares that is unexercisable as of the effective time of a Change in Control (and that does not become exercisable upon the Change in Control under Section 6(a) above) shall terminate automatically upon such effective time and never shall become exercisable. Upon a Change in Control, any outstanding, exercisable portion of the Option Shares shall remain exercisable until the Expiration Date. For the purposes of this Section 6(b), this option shall be considered assumed or substituted or exchanged if, following the Change in Control, the new award confers the right to purchase or receive, for each share of Common Stock that is exercisable under this option immediately after the Change in Control, the consideration (whether stock, cash, or other securities or property) received in the Change in Control by holders of Common Stock for each share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding shares); provided, however, that if such consideration received in the Change in Control is not solely common stock of the successor corporation or its parent, the Plan Administrator may, with the consent of the successor corporation, provide for the consideration to be received upon the exercise of this option, for each share of Common Stock subject to this option, to be solely common stock of the successor corporation or its parent equal in fair market value to the per-share consideration received by holders of Common Stock in the Change in Control.

7. Adjustment to Option Shares. Should any change be made to the outstanding Common Stock by reason of any stock split, stock dividend, recapitalization, combination of shares, exchange of

shares, spin-off transaction or other change affecting the outstanding Common Stock as a class without the Corporation's receipt of consideration, or should the value of outstanding shares of Common Stock be substantially reduced as a result of a spin-off transaction or an extraordinary dividend or distribution, or should there occur any merger, consolidation, reincorporation or other reorganization, then equitable adjustments shall be made to (i) the total number and/or class of securities subject to this option and (ii) the Exercise Price. The adjustments shall be made by the Plan Administrator in such manner as the Plan Administrator deems appropriate in order to reflect such change, and those adjustments shall be final, binding and conclusive.

8. **Stockholder Rights.** The holder of this option shall not have any stockholder rights with respect to the Option Shares until such person shall have exercised the option, paid the Exercise Price and related tax withholdings in accordance with the Plan, and become the record holder of the purchased shares.

9. **Manner of Exercising Option.**

(a) In order to exercise this option with respect to all or any part of the Option Shares, the Participant (or any other person or persons exercising the option) must take the following actions:

(i) Execute and deliver to the Corporation a Notice of Exercise, or comply with such procedures as the Corporation may establish for notifying the Corporation of the exercise of the option, for the Option Shares for which the option is exercised.

(ii) Pay the aggregate Exercise Price for the purchased shares in one or more of the following forms:

(A) cash or check made payable to the Corporation;

(B) in shares of Common Stock valued at Fair Market Value on the Exercise Date and held for the period (if any) necessary to avoid a charge to the Corporation's earnings for financial reporting purposes; or

(C) through a special sale and remittance procedure pursuant to which the Participant shall concurrently provide instructions (A) to a brokerage firm (with such brokerage firm reasonably satisfactory to the Corporation for purposes of administering such procedure in compliance with the Corporation's pre-clearance or pre-notification policies) to effect the immediate sale of the purchased shares and remit to the Corporation, out of the sale proceeds available on the settlement date, sufficient funds to cover the aggregate Exercise Price payable for the purchased shares plus all applicable income and employment taxes required to be withheld by the Corporation by reason of such exercise and (B) to the Corporation to deliver the certificates for the purchased shares directly to such brokerage firm on the settlement date in order to complete the sale.

Except to the extent the sale and remittance procedure is utilized in connection with the option exercise, payment of the Exercise Price must accompany the Notice of Exercise delivered to the Corporation in connection with the option exercise.

(iii) Furnish to the Corporation appropriate documentation that the person or persons exercising the option (if other than the Participant) have the right to exercise this option.

(iv) Make appropriate arrangements with the Corporation (or Parent or Subsidiary employing or retaining the Participant) for the satisfaction of all applicable tax withholding requirements applicable to the option exercise in accordance with the Plan.

(v) As soon as practical after the Exercise Date, the Corporation shall issue to or on behalf of the Participant (or any other person or persons exercising this option) a certificate (which may be in electronic form) for the purchased Option Shares, with any appropriate legends affixed thereto.

(b) In no event may this option be exercised for any fractional shares.

10. Compliance with Laws and Regulations.

(a) The exercise of this option and the issuance of the Option Shares upon such exercise shall be subject to compliance by the Corporation and the Participant with all applicable requirements of law relating thereto and with all applicable regulations of any Stock Exchange on which the Common Stock may be listed for trading at the time of such exercise and issuance.

(b) The inability of the Corporation to obtain approval from any regulatory body having authority deemed by the Corporation to be necessary to the lawful issuance and sale of any Common Stock pursuant to this option shall relieve the Corporation of any liability with respect to the non-issuance or sale of the Common Stock as to which such approval shall not have been obtained. The Corporation, however, shall use its best efforts to obtain all such approvals.

11. **Successors and Assigns.** Except to the extent otherwise provided in Paragraphs 3 and 6, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the Corporation and its successors and assigns and the Participant, the Participant's assigns and the legal representatives, heirs and legatees of the Participant's estate.

12. **Notices.** Any notice required to be given or delivered to the Corporation under the terms of this Agreement shall be in writing and addressed to the Corporation at its principal corporate offices. Any notice required to be given or delivered to the Participant shall be in writing and addressed to the Participant at the address on record with the Corporation. All notices shall be deemed effective upon personal delivery or upon deposit in the U.S. mail, postage prepaid and properly addressed to the party to be notified.

13. **Construction.** This Agreement and the option evidenced hereby are made and granted pursuant to the Plan and are in all respects limited by and subject to the terms of the Plan. All decisions of the Plan Administrator with respect to any question or issue arising under the Plan or this Agreement shall be conclusive and binding on all persons having an interest in this option.

14. **Governing Law.** The interpretation, performance and enforcement of this Agreement shall be governed by the laws of the State of Delaware without resort to that state's conflict-of-laws rules.

15. **Employment at Will.** Nothing in this Agreement or in the Plan shall confer upon the Participant any right to continue in Service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Corporation (or any Parent or Subsidiary employing or retaining the Participant) or of the Participant, which rights are hereby expressly reserved by each, to terminate the Participant's Service at any time for any reason, with or without cause.

16. **Data Privacy.** By accepting this option, Participant: (a) explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of any of Participant's personal data that is necessary to facilitate the implementation, administration and management of the Plan and Awards granted to Participant under the Plan; (b) understands that the Corporation and the Subsidiary (if applicable) employing Participant may, for the purpose of implementing, administering and managing the Plan and

Awards granted to Participant under the Plan, hold certain personal information about Participant, including, but not limited to, Participant's name, home address and telephone number, personal email address, date of birth, social security, social insurance number or other identification number, salary, nationality, job title, date of hire, date of termination and details of all Awards or entitlements to Common Stock granted to Participant under the Plan or otherwise ("Data"); (c) understands that Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan and awards granted to Participant under the Plan, including, but not limited to, any broker, transfer agent or trustee providing recordkeeping, account maintenance and/or transaction services or with whom the shares of Common Stock issued upon vesting of the Option may be deposited, and that these recipients may be located in Participant's country or elsewhere, that the recipient's country may have different data privacy laws and protections than Participant's country, and that the recipient may hold the Data and make it accessible to the Corporation for the period of time required under the recipient's data retention policies and procedures and/or contractual obligations to the Corporation in order to fulfill financial and tax reporting, inheritance and other contractual or legal purposes; and (d) authorizes the Corporation, any Subsidiary and their respective agents to store and transmit such information in electronic form.

17. **Definitions.** The following definitions shall be in effect under the Agreement:

(a) **Agreement** shall mean this Performance-Based Stock Option Agreement.

(b) **Grant Notice** shall mean the Notice of Grant of Performance-Based Stock Option accompanying the Agreement, pursuant to which the Participant has been informed of the basic terms of the option evidenced hereby.

(c) **Notice of Exercise** shall mean the notice of exercise in such form as provided by the Corporation.

(d) **Plan** shall mean the Corporation's Inducement Grant Plan.

VERITONE, INC.

RESTRICTED STOCK UNIT AGREEMENT

RECITALS

A. The Board has adopted the Corporation’s Inducement Grant Plan (the “Plan”) for the purpose of providing an inducement material for eligible persons to enter into employment with the Corporation in accordance with the Inducement Award Rules.

B. The Participant is an individual who satisfies the standards for inducement grants under the Inducement Award Rules, and this Restricted Stock Unit Agreement (this “Agreement”) is executed pursuant to, and is intended to carry out the purposes of, the Plan in connection with the Corporation’s grant of an inducement award of restricted stock units to the Participant.

C. All capitalized terms in this Agreement not defined in the Plan shall have the meaning assigned to them in this Agreement, including in the Award Summary below.

NOW, THEREFORE, it is hereby agreed as follows:

1. **Grant of RSUs.** The Corporation hereby grants to the Participant, as of the Grant Date, an award of restricted stock units (“RSUs”) under the Plan (the “Award”). Each RSU represents the right to receive one share of Common Stock (each, a “Share”) on the specified issuance date following the vesting of that RSU. The number of RSUs subject to the Award, the applicable vesting schedule for those RSUs, the date on which Shares underlying those vested RSUs shall become issuable to the Participant and the remaining terms and conditions governing the Award shall be as set forth in this Agreement.

AWARD SUMMARY

Participant:	[]
Grant Date:	[]
Number of RSUs Subject to Award:	[]
Vesting Schedule:	[]
Issuance Schedule:	[]

2. **Limited Transferability.** Prior to the actual issuance of the Shares pursuant to RSUs which vest hereunder, the Participant may not transfer any interest in the Award or the underlying Shares; *provided, however*, any Shares issuable pursuant to vested RSUs hereunder but which otherwise remain unissued at the time of the Participant's death may be transferred pursuant to the provisions of the Participant's will or the laws of inheritance or to the Participant's designated beneficiary or beneficiaries of this Award.

3. **Cessation of Service.** Except as otherwise provided in the Plan or in a separate employment agreement between Participant and the Corporation containing provisions that are applicable to this Award, should Participant's Service cease for any reason prior to vesting in one or more RSUs subject to this Award, then the Award will be immediately cancelled with respect to those unvested RSUs, and the number of RSUs will be reduced accordingly. The Participant shall thereupon cease to have any right or entitlement to receive any Shares under those cancelled RSUs.

4. **Stockholder Rights.** The Participant shall not have any stockholder rights, including voting or dividend rights, with respect to the Shares underlying the RSUs subject to the Award until the Participant becomes the record holder of those Shares following their actual issuance.

5. **Change in Control.** This Award shall be subject to Section 2.6 of the Plan in the event of a Change in Control; provided, however, that if Participant's employment is subject to a separate employment agreement containing provisions relating to a Change in Control that are applicable to this Award, such provisions are incorporated by reference into this Agreement.

6. **Adjustment in Shares.** Should any change be made to the outstanding Common Stock by reason of any stock split, stock dividend, recapitalization, combination of shares, exchange of shares, spin-off transaction or other change affecting the outstanding Common Stock as a class without the Corporation's receipt of consideration, or should the value of outstanding shares of Common Stock be substantially reduced as a result of a spin-off transaction or an extraordinary dividend or distribution, or should there occur any merger, consolidation, reincorporation or other reorganization, then equitable adjustments shall be made to the total number and/or class of securities issuable pursuant to this Award in such manner as the Plan Administrator deems appropriate in order to reflect such change, and those adjustments shall be final, binding and conclusive.

7. **Issuance of Shares.**

(a) Upon the applicable Issue Date, the Corporation shall issue to or on behalf of the Participant a certificate (which may be in electronic form) for the applicable number of Shares.

(b) Except as otherwise provided in the Plan, the settlement of all RSUs which vest under the Award shall be made solely in Shares. In no event, however, shall any fractional Shares be issued. Accordingly, the total number of Shares to be issued pursuant to the Award shall, to the extent necessary, be rounded down to the next whole Share in order to avoid the issuance of a fractional Share.

8. **Compliance with Laws and Regulations; Tax Withholding.**

(a) The issuance of Shares pursuant to the Award shall be subject to compliance by the Corporation and the Participant with all applicable requirements of law relating thereto, including but not limited to all applicable federal, state or local employment and income tax laws or regulations, and with all applicable regulations of any Stock Exchange on which the Common Stock may be listed for trading at the time of such issuance.

(b) The inability of the Corporation to obtain approval from any regulatory body having authority deemed by the Corporation to be necessary to the lawful issuance and sale of any Common Stock pursuant to this Award shall relieve the Corporation of any liability with respect to the non-issuance or sale of the Common Stock as to which such approval shall not have been obtained. The Corporation, however, shall use its best efforts to obtain all such approvals.

(c) The Corporation shall have the right to require the Participant to pay to the Corporation the amount of any Withholding Taxes and to take whatever action it deems necessary, in its sole discretion, to protect the interests of the Corporation in respect of such tax liabilities, including, without limitation, (i) withholding (or allowing Participant to elect to have the Corporation withhold) a portion of the shares of Common Stock otherwise issuable under the Award in satisfaction of all or a portion of such Withholding Taxes, or (ii) requiring Participant to sell (or allowing Participant to elect to sell) a portion of the shares of Common Stock issuable under the Award through a special sale and remittance procedure pursuant to which Participant shall concurrently provide instructions to (1) a brokerage firm (reasonably satisfactory to the Corporation for purposes of administering such procedure in compliance with the Corporation's pre-clearance/pre-notification policies) to effect the immediate sale of the shares issuable under the Award and remit to the Corporation, out of the sale proceeds available on the settlement date, sufficient funds to cover such Withholding Taxes and (2) the Corporation to deliver the issued shares directly to such brokerage firm on such settlement date in order to complete the sale.

9. **Successors and Assigns.** Except to the extent otherwise provided in this Agreement, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the Corporation and its successors and assigns and the Participant, the Participant's assigns and the legal representatives, heirs and legatees of the Participant's estate and any beneficiaries of the Award designated by the Participant.

10. **Notices.** Any notice required to be given or delivered to the Corporation under the terms of this Agreement shall be in writing and addressed to the Corporation at its principal corporate offices. Any notice required to be given or delivered to the Participant shall be in writing and addressed to the Participant at the address indicated below the Participant's signature line on this Agreement. All notices shall be deemed effective upon personal delivery or upon deposit in the U.S. mail, postage prepaid and properly addressed to the party to be notified.

11. **Construction.** This Agreement and the Award evidenced hereby are made and granted pursuant to the Plan and are in all respects limited by and subject to the terms of the Plan. All decisions of the Plan Administrator with respect to any question or issue arising under the Plan or this Agreement shall be conclusive and binding on all persons having an interest in this

Award. To the extent there is any ambiguity as to whether any provision of this Agreement would otherwise contravene one or more applicable requirements or limitations of Code Section 409A and the Treasury Regulations thereunder, such provision shall be interpreted and applied in a manner that complies with the applicable requirements of Code Section 409A and the Treasury Regulations thereunder. For purposes of Code Section 409A, each installment distribution of Shares (or other installment distribution hereunder) shall be treated as a separate payment, and the Participant's right to receive each such installment of shares (or other installment distribution hereunder) shall accordingly be treated as a right to receive a series of separate payments.

12. **Governing Law.** The interpretation, performance and enforcement of this Agreement shall be governed by the laws of the State of Delaware without resort to that state's conflict-of-laws rules.

13. **No Impairment of Rights.** This Agreement shall not in any way affect the right of the Corporation to adjust, reclassify, reorganize or otherwise make changes in its capital or business structure or to merge, consolidate, dissolve, liquidate or sell or transfer all or any part of its business or assets. In addition, this Agreement shall not in any way be construed or interpreted so as to affect adversely or otherwise impair the right of the Corporation or its shareholders to remove the Participant from the Board at any time in accordance with the provisions of applicable law.

14. **Employment at Will.** Nothing in this Agreement or in the Plan shall confer upon the Participant any right to continue in Service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Corporation (or any Parent or Subsidiary employing or retaining the Participant) or of the Participant, which rights are hereby expressly reserved by each, to terminate the Participant's Service at any time for any reason, with or without cause.

15. **Data Privacy.** By accepting this Award, Participant: (a) explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of any of Participant's personal data that is necessary to facilitate the implementation, administration and management of the Plan and Awards granted to Participant under the Plan; (b) understands that the Corporation and the Subsidiary (if applicable) employing Participant may, for the purpose of implementing, administering and managing the Plan and Awards granted to Participant under the Plan, hold certain personal information about Participant, including, but not limited to, Participant's name, home address and telephone number, personal email address, date of birth, social security, social insurance number or other identification number, salary, nationality, job title, date of hire, date of termination and details of all Awards or entitlements to Common Stock granted to Participant under the Plan or otherwise ("Data"); (c) understands that Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan and awards granted to Participant under the Plan, including, but not limited to, any broker, transfer agent or trustee providing recordkeeping, account maintenance and/or transaction services or with whom the shares of Common Stock issued upon vesting of the Award may be deposited, and that these recipients may be located in Participant's country or elsewhere, that the recipient's country may have different data privacy laws and protections than Participant's country, and that the recipient may hold the Data and make it accessible to the Corporation for the period of time required under the recipient's data retention policies and procedures and/or contractual obligations

to the Corporation in order to fulfill financial and tax reporting, inheritance and other contractual or legal purposes; and (d) authorizes the Corporation, any Subsidiary and their respective agents to store and transmit such information in electronic form.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date indicated below.

Dated: _____

VERITONE, INC.

By: _____
Name: _____
Title: _____

[Participant Name]