

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

Filing Date: **2008-06-04** | Period of Report: **2008-05-29**
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FILER

CABELAS INC

CIK: **1267130** | IRS No.: **200486586** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **001-32227** | Film No.: **08881120**
SIC: **5940** Miscellaneous shopping goods stores

Mailing Address
*ONE CABELA DRIVE
SIDNEY NE 69160*

Business Address
*ONE CABELA DRIVE
SIDNEY NE 69160
308-254-5505*

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **May 29, 2008**

CABELA'S INCORPORATED

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-32227
(Commission
File Number)

20-0486586
(I.R.S. Employer
Identification No.)

One Cabela Drive, Sidney, Nebraska
(Address of principal executive offices)

69160
(Zip Code)

Registrant's telephone number, including area code: **(308) 254-5505**

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

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On May 29, 2008, Cabela's Incorporated (the "Company") entered into a proprietary matters agreement (the "Proprietary Matters Agreement") with each of the following executive officers of the Company: Dennis Highby, President and Chief Executive Officer; Patrick A. Snyder, Senior Vice President of Merchandising, Marketing, and Retail Operations; Brian J. Linneman, Senior Vice President of Global Supply Chain and Operations; and Charles Baldwin, Vice President and Chief Human Resources Officer. In addition, on May 29, 2008, the Company entered into a proprietary matters agreement, World's Foremost Bank (the "Proprietary Matters Agreement – World's Foremost Bank") with each of the following executive officers of the Company: Ralph W. Castner, Vice President and Chief Financial Officer, and Joseph M. Friebe, Vice President and President and Chief Executive Officer of World's Foremost Bank, the Company's wholly-owned bank subsidiary.

The Proprietary Matters Agreement and Proprietary Matters Agreement – World's Foremost Bank contain certain confidentiality, intellectual property, and non-solicitation provisions. The foregoing description of the Proprietary Matters Agreement and Proprietary Matters Agreement – World's Foremost Bank does not purport to be complete and is qualified in its entirety by reference to the form of Proprietary Matters Agreement and form of Proprietary Matters Agreement – World's Foremost Bank, copies of which are filed as Exhibits 10.1 and 10.2 hereto and incorporated herein by reference.

On May 29, 2008, in connection with its annual grant of stock options to its executive officers, which were previously reported on Forms 4 with the Securities and Exchange Commission, the Company entered into a stock option agreement (the "Employee Stock Option Agreement") with each of its executive officers. The Employee Stock Option Agreement is used to evidence the award of stock options to the Company's employees under the Cabela's Incorporated 2004 Stock Plan (as amended and restated effective May 14, 2008) (the "2004 Stock Plan").

The Employee Stock Option Agreement provides for the grant of an option to purchase a specified number of shares of the Company's common stock at a specified exercise price. The Employee Stock Option Agreement also requires each grantee to enter into a proprietary matters agreement with the Company as a condition to being granted the option. The foregoing description of the Employee Stock Option Agreement does not purport to be complete and is qualified in its entirety by reference to the form of Employee Stock Option Agreement, a copy of which is filed as Exhibit 10.3 hereto and incorporated herein by reference.

On May 29, 2008, the Company also adopted a new form of non-employee director stock option agreement (the "Non-Employee Director Stock Option Agreement"). The form of Non-Employee Director Stock Option Agreement is used to evidence the award of stock options to the Company's non-employee directors under the 2004 Stock Plan. A copy of the form of Non-Employee Director Stock Option Agreement is filed as Exhibit 10.4 hereto and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

[10.1](#) Form of Proprietary Matters Agreement

[10.2](#) Form of Proprietary Matters Agreement – World's Foremost Bank

[10.3](#) Form of 2004 Stock Plan Employee Stock Option Agreement (2008)

[10.4](#) Form of 2004 Stock Plan Non-Employee Director Stock Option Agreement (2008)

SIGNATURES

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

CABELA'S INCORPORATED

Dated: June 4, 2008

By: /s/ Ralph W. Castner
Ralph W. Castner
Vice President and Chief Financial Officer

INDEX TO EXHIBITS

Exhibit No. Description

- [10.1](#) Form of Proprietary Matters Agreement
- [10.2](#) Form of Proprietary Matters Agreement – World’s Foremost Bank
- [10.3](#) Form of 2004 Stock Plan Employee Stock Option Agreement (2008)
- [10.4](#) Form of 2004 Stock Plan Non-Employee Director Stock Option Agreement (2008)

PROPRIETARY MATTERS AGREEMENT

THIS PROPRIETARY MATTERS AGREEMENT (“Agreement”) is made by and between Cabela's Incorporated, a Delaware corporation (“Company”), and [] (“Employee”), effective as of [].

WITNESSETH:

WHEREAS, Company has invested, and will continue to invest, substantial time, effort, and money in the development of its trade secrets, business methods and procedures, technology, and other specific confidential and proprietary information which enables Company to compete successfully in its business of the marketing and sale of hunting, fishing, and camping equipment and other outdoor sporting and recreational goods, apparel, and services through retail stores and through direct marketing, including paper or other tangible catalogs, electronic catalogs, or other electronic media;

WHEREAS, during the course of Employee’s employment, Company has disclosed and will continue to disclose to Employee, and allow Employee access to and the use of, knowledge concerning its trade secrets, business methods and procedures, technology, and other specific confidential and proprietary information, all of which constitute the property of Company;

WHEREAS, the unauthorized use or disclosure of such information would be greatly damaging to Company and the success of its business;

WHEREAS, Company established the Cabela's Incorporated 2004 Stock Plan (the "2004 Plan") and has conditioned the grant of certain stock options pursuant to the 2004 Plan upon the execution of certain confidentiality and noncompetition agreements; and

WHEREAS, Company desires to grant Employee certain stock options pursuant to the 2004 Plan (the “2008 Options”), the grant of which is conditioned upon Employee entering into this Agreement (any prior options granted to Employee pursuant to the 2004 Plan and the 2008 Options shall be collectively referred to as the "Stock Options”).

NOW, THEREFORE, in consideration of the mutual promises contained herein, and as a condition to Company granting Employee the 2008 Options, and to allow Employee access to and use of its confidential and proprietary information, Company and Employee agree as follows:

1. **Nondisclosure of Confidential Information.**

a. *Access.* Employee acknowledges that employment with Company or any of its affiliates necessarily has involved, and will involve, exposure to, familiarity with, and the opportunity to learn highly sensitive, confidential, and proprietary information of Company, which may include, without limitation, information about Company’s products and services, markets, customers and prospective customers, the buying patterns and needs of customers and prospective customers, vendors and suppliers, miscellaneous business relationships, investment products, pricing, quoting, costing systems, billing and collection procedures, proprietary software and the source code thereof, financial and accounting data, data processing and communications, technical data, marketing concepts and strategies, business plans, mergers and acquisitions, research and development of new or improved products and services, and general know-how

regarding the business of Company and its products and services (collectively referred to herein as “Confidential Information”). Employee expressly acknowledges and agrees that Confidential Information may include, without limitation, confidential and proprietary information belonging to various third parties, such as Company’s subsidiaries, affiliates, vendors, agents, or customers, but which has been and will be entrusted to Company for use by Company to conduct its business. The failure to mark or designate information as “confidential” or “proprietary” shall not prevent information that has been or will be accessed by or disclosed to Employee from being deemed Confidential Information under this Agreement.

b. *Valuable Asset.* Employee further acknowledges that the Confidential Information is a valuable, special, and unique asset of Company, such that the unauthorized disclosure or use by Employee or persons or entities outside Company would cause irreparable damage to the business of Company. Accordingly, Employee agrees that, during and after Employee’s employment with Company or any of its affiliates, Employee shall not directly or indirectly disclose to any person or entity or use for any purpose or permit the exploitation, copying, or summarizing of any Confidential Information of Company, except as specifically required in the proper performance of Employee’s duties for Company. Employee represents and warrants that no such disclosure or use has occurred prior to the date hereof.

c. *Confidential Relationship.* Company considers much of its Confidential Information to constitute trade secrets of Company which have independent value, provide Company with a competitive advantage over its competitors who do not know the trade secrets, and are protected from unauthorized disclosure under applicable law (“Trade Secrets”). However, whether or not the Confidential Information constitutes Trade Secrets, Employee acknowledges and agrees that the Confidential Information is protected from unauthorized disclosure or use due to Employee’s covenants under this Agreement and Employee’s fiduciary duties as an employee of Company or any of its affiliates.

d. *Duties.* Employee acknowledges that Company has instituted, and will continue to institute, update, and amend policies and procedures designed to protect the confidentiality and security of Company’s Confidential Information, including, but not limited to, policies and procedures designed by Company to protect the status of Company’s Trade Secrets. Employee agrees to take all appropriate action, whether by instruction, agreement, or otherwise, to ensure the protection, confidentiality, and security of Company’s Confidential Information, to protect the status of Company’s Trade Secrets, and to satisfy Employee’s obligations under this Agreement.

e. *Return of Documents.* Employee acknowledges and agrees that the Confidential Information is and at all times shall remain the sole and exclusive property of Company. Upon the termination of Employee’s employment with Company or any of its affiliates or upon request by Company at any time, Employee will promptly return to Company in good condition all Company property, including, without limitation, all documents, data, and records of any kind, whether in hard copy or electronic form, which contain any Confidential Information or which were prepared based on Confidential Information, including any and all copies thereof, as well as all such materials furnished to or acquired by Employee during the course of Employee’s employment with Company or any of its affiliates.

2. **Development of Intellectual Property.**

a. *Definition of Intellectual Property.* As used herein, the term “Intellectual Property” shall include, without limitation, any inventions, technological innovations, discoveries, designs, formulas, know-how, processes, business methods, patents, trademarks, service marks, copyrights, computer software, ideas, creations, writings, lectures, illustrations, photographs, motion pictures, scientific and mathematical models, improvements to all such property, and all recorded material defining, describing, or illustrating all such property, whether in hard copy or electronic form.

b. *Company’s Rights in Intellectual Property.* Employee agrees that all right, title, and interest of every kind and nature, whether now known or unknown, in and to any Intellectual Property invented, created, written, developed, conceived, or produced by Employee during Employee’s employment with Company or any of its affiliates (i) whether using Company’s equipment, supplies, facilities, and/or Confidential Information, (ii) whether alone or jointly with others, (iii) whether or not contemplated by the terms of Employee’s employment, and (iv) whether or not during normal working hours, that are within the scope of Company’s actual or anticipated business operations or that relate to any of Company’s actual or anticipated products or services are, and shall be, the exclusive property of Company and shall hereinafter be referred to as “Company Intellectual Property.” Employee hereby assigns, transfers, and conveys to Company all of Employee’s right, title, and interest in and to all Company Intellectual Property existing as of the date of this Agreement.

c. *Employee’s Obligations.* Employee agrees to take all reasonably necessary actions to enable Company to obtain, register, perfect, and/or otherwise protect its rights in Company Intellectual Property in the United States and all foreign countries. Employee irrevocably waives any “moral rights,” or other rights with respect to attribution of authorship or integrity of Company Intellectual Property, that Employee may have under any applicable law or under any legal theory.

i. Without limiting the generality of the foregoing, Employee hereby consents and agrees to: a) promptly and fully disclose to Company any and all Company Intellectual Property; b) assign to Company all rights to Company Intellectual Property without limitation or royalty; and c) execute all documents necessary for Company to obtain, register, perfect, or otherwise protect its rights in Company Intellectual Property. Consideration for Employee’s assignment to Company is hereby acknowledged. In the event Company is unable, after reasonable effort, to secure Employee’s signature on any documents necessary to effectuate this provision, Employee hereby irrevocably designates and appoints Company as Employee’s agent and attorney-in-fact, to act for and on Employee’s behalf, and to execute any such documents and to do all other lawfully permitted acts to further the protection of Company Intellectual Property with the same legal force and effect as if executed by Employee.

ii. To the extent, if any, that any Company Intellectual Property is unassignable or that Employee retains any right, title, or interest in and to any Company Intellectual Property, Employee: a) unconditionally and irrevocably waives the enforcement of such rights, and all claims and causes of action of any kind against Company with respect to such rights; b) agrees, at Company's request, to consent to and join in any action to enforce such rights; and c) hereby grants to Company a perpetual, exclusive, irrevocable, fully paid-up, royalty-free, transferable, sub-licensable (through multiple levels of sublicenses), worldwide right and license to use, reproduce, distribute, display, and perform (whether publicly or otherwise), prepare derivative works of and otherwise modify, make, have made, sell, offer to sell, import and otherwise use, disclose, and exploit (and have others exercise such rights on behalf of Company) all or any portion of Company Intellectual Property, in any form or media (now known or later developed). The foregoing license includes, without limitation, the right to make any modifications to Company Intellectual Property regardless of the effect of such modifications on the integrity of Company Intellectual Property, and to identify Employee, or not to identify Employee, as one or more authors of or contributors to Company Intellectual Property or any portion thereof, whether or not Company Intellectual Property or any portion thereof has been modified.

iii. Employee agrees to assist Company in connection with any demands, reissues, oppositions, litigation, controversy, or other actions involving any item of Company Intellectual Property.

iv. Employee agrees to undertake the foregoing obligations both during and after Employee's employment with Company or any of its affiliates, without charge, but at Company's expense with respect to Employee's reasonable out-of-pocket costs. Employee further agrees that Company may, in its sole discretion, deem Company Intellectual Property as a Trade Secret, in which case Employee will comply with the Confidential Information provisions in this Agreement.

3. **Acknowledgment of Company's Goodwill.** Employee acknowledges that Company has expended and will continue to expend considerable time, effort, and resources to develop and market its products and services, that the relationships between Company and its employees, independent contractors, customers, prospective customers, vendors, and suppliers are valuable assets of Company and key to its success, and that employees of Company establish close professional relationships with other employees, independent contractors, customers, vendors, and suppliers of Company in the course of their relationship with Company, all of which constitute goodwill of Company ("Goodwill").

4. **Nonsolicitation of Customers.** In order to prevent the improper use of Confidential Information and the resulting unfair competition and misappropriation of Goodwill and other proprietary interests, Employee agrees that while Employee is employed by Company or any of its affiliates and for a period of eighteen (18) months following the termination of Employee's employment for any reason whatsoever, whether such termination is voluntary or involuntary, and regardless of cause, Employee will not, directly or indirectly, on Employee's own behalf or by aiding any other individual or entity, call on, solicit the business of, sell to, service, or accept business from any of Company's customers (with whom Employee had personal contact and did business with during the twelve (12) month period immediately prior to the termination of Employee's employment) for the purpose of providing said customers with products and/or services of the type or character typically provided to such customers by Company.

5. **Nonsolicitation of Vendors/Employees.** In order to prevent the improper use of Confidential Information and the resulting unfair competition and misappropriation of Goodwill and other proprietary interests, Employee agrees that while Employee is employed by Company or any of its affiliates and for a period of eighteen (18) months following the termination of Employee's employment for any reason whatsoever, whether such termination is voluntary or involuntary, and regardless of cause, Employee will not, directly or indirectly, on Employee's own behalf or by aiding any other individual or entity:

- a. Encourage, discourage, interfere with, or otherwise cause, in any manner, any business partner, independent contractor, vendor, or supplier of Company to curtail, sever, or alter its relationship or business with Company; or
- b. Employ or solicit for employment any employee of Company with whom Employee had personal contact while employed by Company or any of its affiliates.

6. **Inevitable Disclosure.** Employee acknowledges that because Trade Secrets and other Confidential Information cannot practicably be disregarded, the provision of similar employment services to a Competitor of Company (as defined in this Section 6) immediately following the termination of Employee's employment with Company or any of its affiliates would inherently and inevitably result in the use of Trade Secrets and/or Confidential Information by Employee, even if Employee were to use Employee's best efforts to avoid using such Trade Secrets and/or Confidential Information. For purposes of this Agreement, a "Competitor" of Company shall mean Bass Pro Shops, Gander Mountain, Sportsman's Warehouse, The Sportsman's Guide, Orvis, Dick's Sporting Goods, The Sport's Authority, Big 5 Sporting Goods, Scheels, L.L. Bean, Lands' End, REI, or any other multi-state and/or multi-channel retailer engaged in the sale of products and/or services associated with hunting, fishing, camping, and/or casual outdoor apparel and footwear. In recognition of the foregoing and in order to prevent the improper use of Trade Secrets and Confidential Information and the resulting unfair competition and misappropriation of Goodwill and other proprietary interests, Employee agrees that while Employee is employed by Company or any of its affiliates and for a period of eighteen (18) months following the termination of Employee's employment for any reason whatsoever, whether such termination is voluntary or involuntary, and regardless of cause, Employee will not, directly or indirectly, perform services for a Competitor within the United States of America or Canada similar to the services Employee currently performs for Company in a capacity that poses the threatened or inevitable disclosure or use by Employee of Trade Secrets and/or Confidential Information known to Employee. Notwithstanding the foregoing, Employee shall thereafter be restricted from utilizing the Confidential Information of Company pursuant to Section 1 of this Agreement.

7. **Reasonable Restrictions.**

- a. *Applicable to any Status.* Employee acknowledges and agrees that the post-employment obligations of this Agreement shall be applicable to Employee regardless of whether Employee engages in any such competing business activity as an individual or as a sole proprietor, stockholder, partner, member, officer, director, employee, agent, consultant, or independent contractor of any other entity.
- b. *Tolling.* In the event Employee is in breach of the post-employment obligations of this Agreement, the eighteen (18) month post-employment enforcement period of this Agreement shall be tolled until such breach is ended unless an injunction is in place to protect Company's interests.

c. **Reasonable Restriction.** In signing this Agreement, Employee is fully aware of the restrictions that this Agreement places upon Employee's future employment or contractual opportunities with someone other than Company. However, Employee understands and agrees that Employee's employment by Company or any of its affiliates, Employee's privileged position within Company, and Employee's access to Company Confidential Information and Intellectual Property of Company makes such restrictions both necessary and reasonable. Employee further acknowledges and agrees that the eighteen months provided in Section 6 of this Agreement may not be an adequate period of time for Company to implement changes or additional procedures to protect Company's Trade Secrets and/or Confidential Information, but that such period is a reasonable approximation of the amount of time necessary. Employee finally acknowledges and agrees that the restrictions hereby imposed constitute reasonable protections of the legitimate business interests of Company and that they will not unduly restrict Employee's opportunity to earn a reasonable living following the termination of Employee's employment.

8. **Intended Third Party Beneficiaries.** Employee acknowledges and understands that some of the Confidential Information, Intellectual Property, and/or Trade Secret information accessible to Employee in the performance of Employee's duties during Employee's employment may belong to and be provided by Company's affiliates ("Third Party Beneficiaries"). For purposes of this Agreement, the term "affiliates" means any entity under common control or ownership with Company, including, without limitation, Company's subsidiaries. Employee expressly acknowledges and agrees that the Third Party Beneficiaries are intended third party beneficiaries of this Agreement as it pertains to Employee's obligations under this Agreement and shall have the right to enforce this Agreement directly against Employee in their own names or jointly with Company or each other. This Agreement, without more, is not intended to and shall not be construed as granting any Third Party Beneficiary with any ownership interest of any kind in any of Company's Confidential Information.

9. **Notification.** Employee acknowledges and agrees that Company may notify anyone employing or contracting with Employee or evidencing an intention to employ or contract with Employee as to the existence and provisions of this Agreement.

10. **Future Stock Options.** Nothing contained in this Agreement is intended to or shall be construed to impose any obligation on Company to grant stock options to Employee other than the Stock Options granted by Company's Board of Directors or a duly authorized committee thereof prior to execution of this Agreement.

11. **Enforcement and/or Reimbursement.** Employee acknowledges and agrees that, by reason of the sensitive nature of the Confidential Information, Intellectual Property, Trade Secrets, and Goodwill referred to in this Agreement, a breach of any of the promises or agreements contained herein will result in irreparable and continuing damage to Company for which there may not be an adequate remedy at law. If Employee violates any of the terms of this Agreement, all Company obligations under this Agreement shall cease without relieving Employee of Employee's continuing obligations hereunder and Employee shall forfeit all unexercised Stock Options and all Company obligations to Employee regarding such options shall cease. In addition to the foregoing, to the extent Employee breaches any provision of this Agreement, Employee shall be required to reimburse Company for any amounts received as profit or gain from any previously exercised Stock Options. Employee acknowledges and agrees that said stock option forfeitures and/or reimbursements represent only a small portion of the actual irreparable and continuing damages Company would experience if Employee violates the terms of this Agreement. As such, Employee further acknowledges and agrees that, in addition to the foregoing, and the recovery of any additional damages to which Company may

be entitled in the event of Employee's violation of this Agreement, Company shall also be entitled to equitable relief, including such injunctive relief as may be necessary to protect the interests of Company in such Confidential Information, Company Intellectual Property, Trade Secrets, and Goodwill and as may be necessary to specifically enforce this Agreement. Employee further acknowledges and agrees that the remedies of forfeiture, reimbursement, and injunctive relief are cumulative and the stock option forfeiture/reimbursement is not intended as a "buyout" option for Employee or as a substitute for Employee's performance under this Agreement.

12. **Reformation and Severability.** Employee and Company intend and agree that if a court of competent jurisdiction determines that the scope of any provision of this Agreement is too broad to be enforced as written, the court should reform such provision(s) to such narrower scope as it determines to be enforceable. Employee and Company further agree that if any provision of this Agreement is determined to be unenforceable for any reason, and such provision cannot be reformed by the court as anticipated above, such provision shall be deemed separate and severable and the unenforceability of any such provision shall not invalidate or render unenforceable any of the remaining provisions hereof. Employee and Company further agree that in the event a court of competent jurisdiction determines this Agreement to be unenforceable and void in its entirety, Company shall be entitled to rescission of all unexercised Stock Options given Employee as partial consideration for Employee's obligations under this Agreement, and all Company obligations to Employee regarding such options shall cease.

13. **Integration and Amendments.** This Agreement, including the initial paragraph and the recitals to this Agreement, each of which is incorporated herein and made part of this Agreement by this reference, is a complete agreement between the parties and supersedes any confidentiality and noncompetition agreement(s) between Employee and Company executed in conjunction with the grant of Stock Options pursuant to the 2004 Plan. The previous sentence notwithstanding, Employee expressly acknowledges that as an employee of Company or any of its affiliates, Employee was and is subject to additional policies and agreements instituted for the purpose of protecting the confidential and proprietary information, trade secrets, and goodwill of Company and its subsidiaries and affiliates; and as such, Employee expressly acknowledges that all such policies and agreements shall not be replaced and superseded by this Agreement, but shall be used together with this Agreement to protect the interests of Company and its subsidiaries and affiliates to the fullest extent allowed by law. This Agreement shall be binding upon and for the benefit of the parties and their respective heirs, executors, administrators, successors, devisees, permissible assigns, personal representatives, and legal representatives. No supplement, modification, or amendment to this Agreement shall be binding unless executed in writing by Employee and Company.

14. **Waiver.** Any waiver by either party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach or provision hereof.

15. **Miscellaneous.**

a. *At-will Employment.* Nothing contained in this Agreement shall be deemed to alter or modify Employee's status as an at-will employee of Company or any of its affiliates.

b. *Jurisdiction, Venue, and Governing Law.* Employee hereby expressly consents to personal jurisdiction and venue of the state and federal courts located in Nebraska for any lawsuit that arises from or relates to this Agreement. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Nebraska.

c. *Survival.* Employee's obligations hereunder shall survive the termination of Employee's employment with Company or any of its affiliates or any other agreement or relationship between Employee and Company.

d. *Assignability.* This Agreement is assignable by Company. This Agreement is not assignable by Employee.

16. **Employee's Copy.** EMPLOYEE ACKNOWLEDGES THAT EMPLOYEE HAS RECEIVED A COPY OF THIS AGREEMENT AND HAS READ, UNDERSTOOD, AND AGREES TO BE BOUND BY THE TERMS AND CONDITIONS CONTAINED IN THIS AGREEMENT.

The parties have executed this Proprietary Matters Agreement effective as of the date and year first written above.

CABELA'S INCORPORATED

By: _____
Its: _____ Employee

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PROPRIETARY MATTERS AGREEMENT

THIS PROPRIETARY MATTERS AGREEMENT (“Agreement”) is made by and between Cabela's Incorporated, a Delaware corporation (“Company”), and [] (“Employee”), effective as of [].

WITNESSETH:

WHEREAS, Company has invested, and will continue to invest, substantial time, effort, and money in the development of its trade secrets, business methods and procedures, technology, and other specific confidential and proprietary information which enables Company to compete successfully in its business of the marketing and sale of hunting, fishing, and camping equipment and other outdoor sporting and recreational goods, apparel, and services through retail stores and through direct marketing, including paper or other tangible catalogs, electronic catalogs, or other electronic media, and in its business of marketing and issuing credit cards (the “Credit Card Business”) through its wholly-owned bank subsidiary, World’s Foremost Bank (“WFB”); and

WHEREAS, during the course of Employee’s employment, Company has disclosed and will continue to disclose to Employee, and allow Employee access to and the use of, knowledge concerning its trade secrets, business methods and procedures, technology, and other specific confidential and proprietary information, all of which constitute the property of Company;

WHEREAS, the unauthorized use or disclosure of such information would be greatly damaging to Company and the success of its business;

WHEREAS, Company established the Cabela's Incorporated 2004 Stock Plan (the "2004 Plan") and has conditioned the grant of certain stock options pursuant to the 2004 Plan upon the execution of certain confidentiality and noncompetition agreements; and

WHEREAS, Company desires to grant Employee certain stock options pursuant to the 2004 Plan (the “2008 Options”), the grant of which is conditioned upon Employee entering into this Agreement (any prior options granted to Employee pursuant to the 2004 Plan and the 2008 Options shall be collectively referred to as the "Stock Options”).

NOW, THEREFORE, in consideration of the mutual promises contained herein, and as a condition to Company granting Employee the 2008 Options, and to allow Employee access to and use of its confidential and proprietary information, Company and Employee agree as follows:

1. **Nondisclosure of Confidential Information.**

a. *Access.* Employee acknowledges that employment with Company or any of its affiliates necessarily has involved, and will involve, exposure to, familiarity with, and the opportunity to learn highly sensitive, confidential, and proprietary information of Company, which may include, without limitation, information about Company’s products and services, markets, customers and prospective customers, the buying patterns and needs of customers and prospective customers, vendors and suppliers, miscellaneous business relationships, investment products, pricing, quoting, costing systems, billing and collection procedures, proprietary software and the source code thereof, financial and accounting data, data processing and communications, technical data, marketing

concepts and strategies, business plans, mergers and acquisitions, research and development of new or improved products and services, and general know-how regarding the business of Company and its products and services (collectively referred to herein as “Confidential Information”). Employee expressly acknowledges and agrees that Confidential Information may include, without limitation, confidential and proprietary information belonging to various third parties, such as Company’s subsidiaries, affiliates, vendors, agents, or customers, but which has been and will be entrusted to Company for use by Company to conduct its business. The failure to mark or designate information as “confidential” or “proprietary” shall not prevent information that has been or will be accessed by or disclosed to Employee from being deemed Confidential Information under this Agreement.

b. *Valuable Asset.* Employee further acknowledges that the Confidential Information is a valuable, special, and unique asset of Company, such that the unauthorized disclosure or use by Employee or persons or entities outside Company would cause irreparable damage to the business of Company. Accordingly, Employee agrees that, during and after Employee’s employment with Company or any of its affiliates, Employee shall not directly or indirectly disclose to any person or entity or use for any purpose or permit the exploitation, copying, or summarizing of any Confidential Information of Company, except as specifically required in the proper performance of Employee’s duties for Company. Employee represents and warrants that no such disclosure or use has occurred prior to the date hereof.

c. *Confidential Relationship.* Company considers much of its Confidential Information to constitute trade secrets of Company which have independent value, provide Company with a competitive advantage over its competitors who do not know the trade secrets, and are protected from unauthorized disclosure under applicable law (“Trade Secrets”). However, whether or not the Confidential Information constitutes Trade Secrets, Employee acknowledges and agrees that the Confidential Information is protected from unauthorized disclosure or use due to Employee’s covenants under this Agreement and Employee’s fiduciary duties as an employee of Company or any of its affiliates.

d. *Duties.* Employee acknowledges that Company has instituted, and will continue to institute, update, and amend policies and procedures designed to protect the confidentiality and security of Company’s Confidential Information, including, but not limited to, policies and procedures designed by Company to protect the status of Company’s Trade Secrets. Employee agrees to take all appropriate action, whether by instruction, agreement, or otherwise, to ensure the protection, confidentiality, and security of Company’s Confidential Information, to protect the status of Company’s Trade Secrets, and to satisfy Employee’s obligations under this Agreement.

e. *Return of Documents.* Employee acknowledges and agrees that the Confidential Information is and at all times shall remain the sole and exclusive property of Company. Upon the termination of Employee’s employment with Company or any of its affiliates or upon request by Company at any time, Employee will promptly return to Company in good condition all Company property, including, without limitation, all documents, data, and records of any kind, whether in hard copy or electronic form, which contain any Confidential Information or which were prepared based on Confidential Information, including any and all copies thereof, as well as all such materials furnished to or acquired by Employee during the course of Employee’s employment with Company or any of its affiliates.

2. **Development of Intellectual Property.**

a. *Definition of Intellectual Property.* As used herein, the term “Intellectual Property” shall include, without limitation, any inventions, technological innovations, discoveries, designs, formulas, know-how, processes, business methods, patents, trademarks, service marks, copyrights, computer software, ideas, creations, writings, lectures, illustrations, photographs, motion pictures, scientific and mathematical models, improvements to all such property, and all recorded material defining, describing, or illustrating all such property, whether in hard copy or electronic form.

b. *Company’s Rights in Intellectual Property.* Employee agrees that all right, title, and interest of every kind and nature, whether now known or unknown, in and to any Intellectual Property invented, created, written, developed, conceived, or produced by Employee during Employee’s employment with Company or any of its affiliates (i) whether using Company’s equipment, supplies, facilities, and/or Confidential Information, (ii) whether alone or jointly with others, (iii) whether or not contemplated by the terms of Employee’s employment, and (iv) whether or not during normal working hours, that are within the scope of Company’s actual or anticipated business operations or that relate to any of Company’s actual or anticipated products or services are, and shall be, the exclusive property of Company and shall hereinafter be referred to as “Company Intellectual Property.” Employee hereby assigns, transfers, and conveys to Company all of Employee’s right, title, and interest in and to all Company Intellectual Property existing as of the date of this Agreement.

c. *Employee’s Obligations.* Employee agrees to take all reasonably necessary actions to enable Company to obtain, register, perfect, and/or otherwise protect its rights in Company Intellectual Property in the United States and all foreign countries. Employee irrevocably waives any “moral rights,” or other rights with respect to attribution of authorship or integrity of Company Intellectual Property, that Employee may have under any applicable law or under any legal theory.

i. Without limiting the generality of the foregoing, Employee hereby consents and agrees to: a) promptly and fully disclose to Company any and all Company Intellectual Property; b) assign to Company all rights to Company Intellectual Property without limitation or royalty; and c) execute all documents necessary for Company to obtain, register, perfect, or otherwise protect its rights in Company Intellectual Property. Consideration for Employee’s assignment to Company is hereby acknowledged. In the event Company is unable, after reasonable effort, to secure Employee’s signature on any documents necessary to effectuate this provision, Employee hereby irrevocably designates and appoints Company as Employee’s agent and attorney-in-fact, to act for and on Employee’s behalf, and to execute any such documents and to do all other lawfully permitted acts to further the protection of Company Intellectual Property with the same legal force and effect as if executed by Employee.

ii. To the extent, if any, that any Company Intellectual Property is unassignable or that Employee retains any right, title, or interest in and to any Company Intellectual Property, Employee: a) unconditionally and irrevocably waives the enforcement of such rights, and all claims and causes of action of any kind against Company with respect to such rights; b) agrees, at Company's request, to consent to and join in any action to enforce such rights; and c) hereby grants to Company a perpetual, exclusive, irrevocable, fully paid-up, royalty-free, transferable, sub-licensable (through multiple levels of sublicenses), worldwide right and license to use, reproduce, distribute, display, and perform (whether publicly or otherwise), prepare derivative works of and otherwise modify, make, have made, sell, offer to sell, import and otherwise use, disclose, and exploit (and have others exercise such rights on behalf of Company) all or any portion of Company Intellectual Property, in any form or media (now known or later developed). The foregoing license includes, without limitation, the right to make any modifications to Company Intellectual Property regardless of the effect of such modifications on the integrity of Company Intellectual Property, and to identify Employee, or not to identify Employee, as one or more authors of or contributors to Company Intellectual Property or any portion thereof, whether or not Company Intellectual Property or any portion thereof has been modified.

iii. Employee agrees to assist Company in connection with any demands, reissues, oppositions, litigation, controversy, or other actions involving any item of Company Intellectual Property.

iv. Employee agrees to undertake the foregoing obligations both during and after Employee's employment with Company or any of its affiliates, without charge, but at Company's expense with respect to Employee's reasonable out-of-pocket costs. Employee further agrees that Company may, in its sole discretion, deem Company Intellectual Property as a Trade Secret, in which case Employee will comply with the Confidential Information provisions in this Agreement.

3. **Acknowledgment of Company's Goodwill.** Employee acknowledges that Company has expended and will continue to expend considerable time, effort, and resources to develop and market its products and services, that the relationships between Company and its employees, independent contractors, customers, prospective customers, vendors, and suppliers are valuable assets of Company and key to its success, and that employees of Company establish close professional relationships with other employees, independent contractors, customers, vendors, and suppliers of Company in the course of their relationship with Company, all of which constitute goodwill of Company ("Goodwill").

4. **Nonsolicitation of Customers.** In order to prevent the improper use of Confidential Information and the resulting unfair competition and misappropriation of Goodwill and other proprietary interests, Employee agrees that while Employee is employed by Company or any of its affiliates and for a period of eighteen (18) months following the termination of Employee's employment for any reason whatsoever, whether such termination is voluntary or involuntary, and regardless of cause, Employee will not, directly or indirectly, on Employee's own behalf or by aiding any other individual or entity, call on, solicit the business of, sell to, service, or accept business from any of Company's customers (with whom Employee had personal contact and did business with during the twelve (12) month period immediately prior to the termination of Employee's employment) for the purpose of providing said customers with products and/or services of the type or character typically provided to such customers by Company.

5. **Nonsolicitation of Vendors/Employees.** In order to prevent the improper use of Confidential Information and the resulting unfair competition and misappropriation of Goodwill and other proprietary interests, Employee agrees that while Employee is employed by Company or any of its affiliates and for a period of eighteen (18) months following the termination of Employee's employment for any reason whatsoever, whether such termination is voluntary or involuntary, and regardless of cause, Employee will not, directly or indirectly, on Employee's own behalf or by aiding any other individual or entity:

- a. Encourage, discourage, interfere with, or otherwise cause, in any manner, any business partner, independent contractor, vendor, or supplier of Company to curtail, sever, or alter its relationship or business with Company; or
- b. Employ or solicit for employment any employee of Company with whom Employee had personal contact while employed by Company or any of its affiliates.

6. **Inevitable Disclosure.** Employee acknowledges that because Trade Secrets and other Confidential Information cannot practicably be disregarded, the provision of similar employment services to a Competitor of Company (as defined in this Section 6) immediately following the termination of Employee's employment with Company or any of its affiliates would inherently and inevitably result in the use of Trade Secrets and/or Confidential Information by Employee, even if Employee were to use Employee's best efforts to avoid using such Trade Secrets and/or Confidential Information. For purposes of this Agreement, a "Competitor" of Company shall mean any person or entity which is engaged in the Credit Card Business in competition with WFB and Bass Pro Shops, Gander Mountain, Sportsman's Warehouse, The Sportsman's Guide, Orvis, Dick's Sporting Goods, The Sport's Authority, Big 5 Sporting Goods, Scheels, L.L. Bean, Lands' End, REI, or any other multi-state and/or multi-channel retailer engaged in the sale of products and/or services associated with hunting, fishing, camping, and/or casual outdoor apparel and footwear. In recognition of the foregoing and in order to prevent the improper use of Trade Secrets and Confidential Information and the resulting unfair competition and misappropriation of Goodwill and other proprietary interests, Employee agrees that while Employee is employed by Company or any of its affiliates and for a period of eighteen (18) months following the termination of Employee's employment for any reason whatsoever, whether such termination is voluntary or involuntary, and regardless of cause, Employee will not, directly or indirectly, perform services for a Competitor within the United States of America or Canada similar to the services Employee currently performs for Company in a capacity that poses the threatened or inevitable disclosure or use by Employee of Trade Secrets and/or Confidential Information known to Employee. Notwithstanding the foregoing, Employee shall thereafter be restricted from utilizing the Confidential Information of Company pursuant to Section 1 of this Agreement.

7. **Reasonable Restrictions.**

- a. *Applicable to any Status.* Employee acknowledges and agrees that the post-employment obligations of this Agreement shall be applicable to Employee regardless of whether Employee engages in any such competing business activity as an individual or as a sole proprietor, stockholder, partner, member, officer, director, employee, agent, consultant, or independent contractor of any other entity.
- b. *Tolling.* In the event Employee is in breach of the post-employment obligations of this Agreement, the eighteen (18) month post-employment enforcement period of this Agreement shall be tolled until such breach is ended unless an injunction is in place to protect Company's interests.

c. *Reasonable Restriction.* In signing this Agreement, Employee is fully aware of the restrictions that this Agreement places upon Employee's future employment or contractual opportunities with someone other than Company. However, Employee understands and agrees that Employee's employment by Company or any of its affiliates, Employee's privileged position within Company, and Employee's access to Company Confidential Information and Intellectual Property of Company makes such restrictions both necessary and reasonable. Employee further acknowledges and agrees that the eighteen months provided in Section 6 of this Agreement may not be an adequate period of time for Company to implement changes or additional procedures to protect Company's Trade Secrets and/or Confidential Information, but that such period is a reasonable approximation of the amount of time necessary. Employee finally acknowledges and agrees that the restrictions hereby imposed constitute reasonable protections of the legitimate business interests of Company and that they will not unduly restrict Employee's opportunity to earn a reasonable living following the termination of Employee's employment.

8. **Intended Third Party Beneficiaries.** Employee acknowledges and understands that some of the Confidential Information, Intellectual Property, and/or Trade Secret information accessible to Employee in the performance of Employee's duties during Employee's employment may belong to and be provided by Company's affiliates ("Third Party Beneficiaries"). For purposes of this Agreement, the term "affiliates" means any entity under common control or ownership with Company, including, without limitation, Company's subsidiaries. Employee expressly acknowledges and agrees that the Third Party Beneficiaries are intended third party beneficiaries of this Agreement as it pertains to Employee's obligations under this Agreement and shall have the right to enforce this Agreement directly against Employee in their own names or jointly with Company or each other. This Agreement, without more, is not intended to and shall not be construed as granting any Third Party Beneficiary with any ownership interest of any kind in any of Company's Confidential Information.

9. **Notification.** Employee acknowledges and agrees that Company may notify anyone employing or contracting with Employee or evidencing an intention to employ or contract with Employee as to the existence and provisions of this Agreement.

10. **Future Stock Options.** Nothing contained in this Agreement is intended to or shall be construed to impose any obligation on Company to grant stock options to Employee other than the Stock Options granted by Company's Board of Directors or a duly authorized committee thereof prior to execution of this Agreement.

11. **Enforcement and/or Reimbursement.** Employee acknowledges and agrees that, by reason of the sensitive nature of the Confidential Information, Intellectual Property, Trade Secrets, and Goodwill referred to in this Agreement, a breach of any of the promises or agreements contained herein will result in irreparable and continuing damage to Company for which there may not be an adequate remedy at law. If Employee violates any of the terms of this Agreement, all Company obligations under this Agreement shall cease without relieving Employee of Employee's continuing obligations hereunder and Employee shall forfeit all unexercised Stock Options and all Company obligations to Employee regarding such options shall cease. In addition to the foregoing, to the extent Employee breaches any provision of this Agreement, Employee shall be required to reimburse Company for any amounts received as profit or gain from any previously exercised Stock Options. Employee acknowledges and agrees that said stock option forfeitures and/or reimbursements represent only a small portion of the actual irreparable and continuing damages Company would experience if Employee violates the terms of this Agreement. As such, Employee further acknowledges and agrees that, in addition to the foregoing, and the recovery of any additional damages to which Company may be entitled in the event of Employee's violation of this Agreement, Company shall also be entitled to equitable relief, including such injunctive relief as may be necessary to protect the interests of Company in such Confidential Information, Company Intellectual Property, Trade Secrets, and Goodwill and as may be necessary to specifically enforce this Agreement. Employee further acknowledges and agrees that the remedies of forfeiture, reimbursement, and injunctive relief are cumulative and the stock option forfeiture/reimbursement is not intended as a "buyout" option for Employee or as a substitute for Employee's performance under this Agreement.

12. **Reformation and Severability.** Employee and Company intend and agree that if a court of competent jurisdiction determines that the scope of any provision of this Agreement is too broad to be enforced as written, the court should reform such provision(s) to such narrower scope as it determines to be enforceable. Employee and Company further agree that if any provision of this Agreement is determined to be unenforceable for any reason, and such provision cannot be reformed by the court as anticipated above, such provision shall be deemed separate and severable and the unenforceability of any such provision shall not invalidate or render unenforceable any of the remaining provisions hereof. Employee and Company further agree that in the event a court of competent jurisdiction determines this Agreement to be unenforceable and void in its entirety, Company shall be entitled to rescission of all unexercised Stock Options given Employee as partial consideration for Employee's obligations under this Agreement, and all Company obligations to Employee regarding such options shall cease.

13. **Integration and Amendments.** This Agreement, including the initial paragraph and the recitals to this Agreement, each of which is incorporated herein and made part of this Agreement by this reference, is a complete agreement between the parties and supersedes any confidentiality and noncompetition agreement(s) between Employee and Company executed in conjunction with the grant of Stock Options pursuant to the 2004 Plan. The previous sentence notwithstanding, Employee expressly acknowledges that as an employee of Company or any of its affiliates, Employee was and is subject to additional policies and agreements instituted for the purpose of protecting the confidential and proprietary information, trade secrets, and goodwill of Company and its subsidiaries and affiliates; and as such, Employee expressly acknowledges that all such policies and agreements shall not be replaced and superseded by this Agreement, but shall be used together with this Agreement to protect the interests of Company and its subsidiaries and affiliates to the fullest extent allowed by law. This Agreement shall be binding upon and for the benefit of the parties and their respective heirs, executors, administrators, successors, devisees, permissible assigns, personal representatives, and legal representatives. No supplement, modification, or amendment to this Agreement shall be binding unless executed in writing by Employee and Company.

14. **Waiver.** Any waiver by either party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach or provision hereof.

15. **Miscellaneous.**

a. *At-will Employment.* Nothing contained in this Agreement shall be deemed to alter or modify Employee's status as an at-will employee of Company or any of its affiliates.

b. *Jurisdiction, Venue, and Governing Law.* Employee hereby expressly consents to personal jurisdiction and venue of the state and federal courts located in Nebraska for any lawsuit that arises from or relates to this Agreement. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Nebraska.

c. *Survival.* Employee's obligations hereunder shall survive the termination of Employee's employment with Company or any of its affiliates or any other agreement or relationship between Employee and Company.

d. *Assignability.* This Agreement is assignable by Company. This Agreement is not assignable by Employee.

16. **Employee's Copy.** EMPLOYEE ACKNOWLEDGES THAT EMPLOYEE HAS RECEIVED A COPY OF THIS AGREEMENT AND HAS READ, UNDERSTOOD, AND AGREES TO BE BOUND BY THE TERMS AND CONDITIONS CONTAINED IN THIS AGREEMENT.

The parties have executed this Proprietary Matters Agreement effective as of the date and year first written above.

CABELA'S INCORPORATED

By: _____
Its: _____
_____ Employee

[Back to Form 8-K](#)

Name of Grantee: _____

Number of Shares: Incentive _____ Nonqualified _____

Option Price: []

STOCK OPTION AGREEMENT

STOCK OPTION AGREEMENT dated as of the Grant Date (as hereafter defined), by and between Cabela's Incorporated, a Delaware corporation (the "Company"), and the undersigned employee of the Company or one of its Subsidiaries (the "Grantee").

WITNESSETH:

WHEREAS, to motivate key employees, consultants and non-employee directors of the Company and the Subsidiaries by providing them an ownership interest in the Company, the Board of Directors of the Company (the "Board") has established and the stockholders of the Company have approved, the Cabela's Incorporated 2004 Stock Plan, as the same may be amended from time to time (the "Plan"); and

WHEREAS, pursuant to the Plan, the Compensation Committee of the Board (the "Committee") has authorized the grant to the Grantee of [incentive/nonqualified] stock options to purchase [] shares of Common Stock (each, a "Share" and, collectively, the "Shares") at the exercise price of [] per Share; and

WHEREAS, the Grantee and the Company desire to enter into an agreement to evidence and confirm the grant of such stock options on the terms and conditions set forth herein.

NOW, THEREFORE, to evidence the stock options so granted, and to set forth the terms and conditions governing such stock options, the Company and the Grantee hereby agree as follows:

1. Certain Definitions. Capitalized terms used herein without definition shall have the meanings set forth in the Plan. As used in this Agreement, the following terms shall have the following meanings:

- a. "Aggregate Exercise Price" shall have the meaning set forth in Section 6 hereof.
- b. "Alternative Option" shall have the meaning set forth in Section 7(c) hereof.
- c. "Covered Options" shall have the meaning set forth in Section 4(b) hereof.
- d. "Exercise Date" shall have the meaning set forth in Section 6 hereof.

- e. "Exercise Price" shall have the meaning set forth in Section 2(b).
- f. "Exercise Shares" shall have the meaning set forth in Section 6 hereof.
- g. "Grant Date" shall mean [].
- h. "Grantee" shall have the meaning set forth in the introductory paragraph hereto.
- i. "Normal Expiration Date" shall mean the [] anniversary of the Grant Date.
- j. "Option" shall mean the right granted to the Grantee hereunder to purchase one share of Common Stock for a purchase price equal to the Exercise Price and otherwise subject to the terms and conditions of this Agreement.
- k. "Securities Act" shall mean the U.S. Securities Act of 1933, as amended.
- l. "Share" or "Shares" shall have the meaning specified in the preambles hereto.

2. Grant of Options.

a. Confirmation of Grant. The Company hereby evidences and confirms its grant to the Grantee, effective as of the Grant Date, of Options to purchase [] Shares. The Options [are/are not] intended to be incentive stock options under the U.S. Internal Revenue Code of 1986, as amended. This Agreement is subordinate to, and the terms and conditions of the Options granted hereunder are subject to, the terms and conditions of the Plan, which are incorporated by reference herein. If there is any inconsistency between the terms hereof and the terms of the Plan, the terms of the Plan shall govern. The Grantee hereby acknowledges that a copy of the Plan has been made available to the Grantee.

b. Exercise Price. Each Share covered by an Option shall have an exercise price of [] (the "Exercise Price").

3. Exercisability.

a. Options. Except as otherwise provided in Section 7(a) of this Agreement and subject to the continuous employment of the Grantee with the Company or one or more of the Subsidiaries until the applicable vesting date, the Options shall become vested and be exercisable as follows: [].

b. Conditions. Shares covered by vested Options may, subject to the provisions hereof, be purchased at any time and from time to time on or after the date the corresponding Options become vested in accordance with the provisions of this Section 3 until the date one day prior to the date on which such Options terminate.

c. Proprietary Matters Agreement. The Grantee acknowledges that, as a condition to granting the Options covered hereby, the Company has required the Grantee to enter into a Proprietary Matters Agreement with the Company pursuant to Section 3.2 of the Plan. The Grantee acknowledges that the Proprietary Matters Agreement supersedes and replaces any Confidentiality and Noncompetition Agreement previously executed in conjunction with the grant of options pursuant to the Plan.

4. Termination of Options.

a. Normal Expiration Date. Subject to Sections 4 and 7, the Options shall terminate and be canceled on the Normal Expiration Date.

b. Early Termination.

i. Except as provided in this Section 4 and Section 7, if the Grantee's employment with the Company or any Subsidiary is voluntarily or involuntarily terminated for any reason prior to the Normal Expiration Date, any Options held by the Grantee that have not become vested on or before the effective date of such termination of employment shall terminate and be canceled immediately upon such termination of employment. For purposes of this Agreement, all Options held by the Grantee on the effective date of such termination of employment that shall have become vested on or before such effective date shall be referred to as the "Covered Options".

ii. Notwithstanding anything to the contrary contained herein, but subject to the provisions of Section 7, following a termination of Grantee's employment by reason of such Grantee's death or Disability, all of the Grantee's Options (whether or not then vested or exercisable) shall become immediately exercisable in full and shall remain exercisable solely until the first to occur of (A) the twelve-month anniversary of the date of such termination of employment or (B) the Normal Expiration Date, and shall automatically terminate and be canceled upon the expiration of such period.

iii. Subject to the provisions of Section 7, following a termination of Grantee's employment by reason of the Grantee's Retirement, the Covered Options shall remain exercisable solely until the first to occur of (A) the twelve-month anniversary following the date of such Grantee's Retirement or (B) the Normal Expiration Date, and shall automatically terminate and be canceled upon the expiration of such period.

iv. Subject to the provisions of Section 7, if the Grantee's employment is terminated for any reason other than (x) Retirement, (y) death or Disability or (z) for Cause, the Covered Options shall remain exercisable solely until the first to occur of (A) the 90th day following the date of such termination or (B) the Normal Expiration Date, and shall automatically terminate and be canceled upon the expiration of such period.

v. Notwithstanding anything else contained in this Agreement, if the Grantee's employment with the Company or any Subsidiary is terminated for Cause (or if, following the date of termination of the Grantee's employment for any reason, the Committee determines that circumstances exist such that the Grantee's employment could have been terminated for Cause), all Options (whether or not then vested or exercisable) shall automatically terminate and be canceled immediately upon such termination.

5. Restrictions on Exercise; Non-Transferability of Options.

a. Restrictions on Exercise. Once vested in accordance with the provisions of this Agreement, the Options may be exercised only with respect to full shares of Common Stock. No fractional shares of Common Stock shall be issued. Notwithstanding any other provision of this Agreement, the Options may not be exercised in whole or in part, and no certificates representing Shares shall be delivered, (i) unless all requisite approvals and consents of any governmental authority of any kind having jurisdiction over the exercise of the Options shall have been secured, and (ii) unless Section 5(c) shall have been satisfied.

b. Non-Transferability of Options. Except as provided in the Plan, the Options may be exercised only by the Grantee or, following his death, by the Grantee's estate. Except as provided in the Plan, the Options are not assignable or transferable, in whole or in part, and may not, directly or indirectly, be offered, transferred, sold, pledged, assigned, alienated, hypothecated or otherwise disposed of or encumbered (including, without limitation, by gift, operation of law or otherwise) other than by will or by the laws of descent and distribution to the estate of the Grantee upon the Grantee's death, provided that the deceased Grantee's beneficiary or the representative of the Grantee's estate shall acknowledge and agree in writing, in a form reasonably acceptable to the Company, to be bound by the provisions of this Agreement and the Plan as if such beneficiary or the estate were the Grantee.

c. Withholding. Whenever Shares are to be issued pursuant to the Options, the Company may require the recipient of the Shares to remit to the Company an amount in cash sufficient to satisfy the statutory minimum U.S. federal, state and local and non-U.S. tax withholding requirements as a condition to the issuance of such Shares. In the event any cash is paid to the Grantee or the Grantee's estate or beneficiary pursuant to Section 7 hereof or any provision of the Plan, the Company shall have the right to withhold an amount from such payment sufficient to satisfy the statutory minimum U.S. federal, state and local and non-U.S. tax withholding requirements. The Committee may, in its discretion, require or permit the Grantee to elect, subject to such conditions as the Committee shall impose, to meet such obligations by having the Company withhold the number of Shares having a Fair Market Value sufficient to satisfy all or part of the Grantee's estimated total statutory minimum U.S. federal, state, and local and non-U.S. tax obligation with respect to the issuance of Shares upon exercise of Options.

6. Manner of Exercise. To the extent that any outstanding Options shall have become and remain vested and exercisable as provided in Sections 3 and 4 and subject to such reasonable administrative regulations as the Committee may have adopted, such Options may be exercised, in whole or in part, by notice to the designated officer of the Company (or designated third party administrator, if any) in writing given at least 5 business days (or shorter period permitted by any third party administrator) prior to the date as of which the Grantee will so exercise the Options (the "Exercise Date"), specifying the number of whole Shares with respect to which the Options are being exercised (the "Exercise Shares") and the aggregate Exercise Price for such Exercise Shares. On or before the Exercise Date, the Grantee (i) shall deliver to the Company full payment for the Exercise Shares in United States dollars in cash, or cash equivalents satisfactory to the Company, and in an amount equal to the product of the

number of Exercise Shares multiplied by the Exercise Price (such product, the "Aggregate Exercise Price") and (ii) the Company shall deliver to the Grantee a certificate or certificates representing the Exercise Shares and registered in the name of the Grantee. In lieu of tendering cash, the Grantee may tender shares of Common Stock that have been owned by the Grantee for at least six months having an aggregate Fair Market Value on the Exercise Date equal to the Aggregate Exercise Price or may deliver a combination of cash and such shares of Common Stock having an aggregate Fair Market Value equal to the difference between the Aggregate Exercise Price and the amount of such cash as payment of the Aggregate Exercise Price, subject to such rules and regulations as may be adopted by the Committee to provide for the compliance of such payment procedure with applicable law, including Section 16(b) of the Exchange Act. The Company may require the Grantee to furnish or execute such other documents as the Company shall reasonably deem necessary (i) to evidence such exercise and (ii) to comply with or satisfy the requirements of the Securities Act, applicable state or non-U.S. securities laws or any other law.

7. Change in Control.

a. Options. Subject to Section 7(c), in the event of a Change in Control, all of the Options outstanding immediately prior to the consummation of the transaction constituting the Change in Control (regardless of whether such Options are at such time otherwise vested or exercisable) shall become exercisable or, at the discretion of the Committee, any or all of such Options shall be canceled in exchange for a payment in accordance with Section 7(b) of an amount equal to the product of (i) the Change in Control Price over the Exercise Price, multiplied by (ii) the aggregate number of Shares covered by all such Options immediately prior to the Change in Control.

b. Timing of Option Cancellation Payments. Payment of the amount calculated in accordance with Section 7(a) shall be made in cash or, if determined by the Committee (as constituted immediately prior to the Change in Control), in shares of the common stock of the New Employer having an aggregate fair market value equal to such amount and shall be payable in full, as soon as reasonably practicable, but in no event later than 30 days, following the Change in Control. For purposes hereof, the fair market value of a share of common stock of the New Employer shall be determined by the Committee (as constituted immediately prior to the Change in Control), in good faith.

c. Alternative Options. Notwithstanding Sections 7(a) and 7(b), no cancellation, termination, acceleration of exercisability or vesting or settlement or other payment shall occur with respect to any Option if the Committee (as constituted immediately prior to the consummation of the transaction constituting the Change in Control) reasonably determines, in good faith, prior to the Change in Control that the Options shall be honored or assumed, or new rights substituted therefor (such honored, assumed or substituted Option being hereinafter referred to as an "Alternative Option") by the New Employer, provided that any Alternative Options must:

i. be based on shares of voting capital stock that are traded on an established U.S. securities market;

ii. provide the Grantee with rights and entitlements substantially equivalent to or better than the rights and entitlements applicable under the terms of the Options immediately prior to the consummation of the transaction constituting the Change in Control, including, but not limited to, an identical or better exercise and vesting schedule and identical or better timing and methods of payment;

iii. have substantially equivalent economic value to the Options (determined at the time of the Change in Control); and

iv. have terms and conditions which provide that in the event that the Grantee suffers an involuntary termination within two years following the Change in Control any conditions on the Grantee's rights under, or any restrictions on transfer or exercisability applicable to, each such Alternative Option shall be waived or shall lapse, as the case may be.

8. No Rights as Stockholder. The Grantee shall have no voting or other rights as a stockholder of the Company with respect to any Shares covered by the Options until the exercise of the Options and the issuance of a certificate or certificates to the Grantee for such Shares. No adjustment shall be made for dividends or other rights for which the record date is prior to the issuance of such certificate or certificates.

9. Capital Adjustments. Subject to the terms of the Plan, in the event of any Adjustment Event affecting the Common Stock such that an adjustment is required to preserve or to prevent enlargement of the benefits or potential benefits made available to the Grantee under the Plan or this Agreement, then the Committee shall, in such manner as the Committee shall deem equitable, adjust any or all of the number of shares of Common Stock covered by the Options and the grant, exercise or conversion price with respect to such Options. In addition, the Committee may make provision for a cash payment to the Grantee. The number of shares of Common Stock subject to any Option shall be rounded to the nearest whole number.

10. Miscellaneous.

a. Notices. All notices and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given if delivered personally or sent by certified or express mail, return receipt requested, postage prepaid, or by any recognized international equivalent of such delivery, to the Company or the Grantee, as the case may be, at the following addresses or to such other address as the Company or the Grantee, as the case may be, shall specify by notice to the others:

i. if to the Company, to:

Cabela's Incorporated
One Cabela Drive
Sidney, NE 69160
Attention: Legal Department

ii. if to the Grantee, to the Grantee at the address then appearing in the personnel records of the Company for the Grantee. All such notices and communications shall be deemed to have been received on the date of delivery if delivered personally or on the third business day after the mailing thereof, provided that the party giving such notice or communication shall have attempted to telephone the party or parties to which notice is being given during regular business hours on or before the day such notice or communication is being sent, to advise such party or parties that such notice is being sent.

b. Binding Effect; Benefits. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and assigns. Nothing in this Agreement, express or implied, is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or assigns any legal or equitable right, remedy or claim under or in respect of any agreement or any provision contained herein.

c. Waiver; Amendment.

i. Waiver. Any party hereto or beneficiary hereof may by written notice to the other parties (A) extend the time for the performance of any of the obligations or other actions of the other parties under this Agreement, (B) waive compliance with any of the conditions or covenants of the other parties contained in this Agreement and (C) waive or modify performance of any of the obligations of the other parties under this Agreement. Except as provided in the preceding sentence, no action taken pursuant to this Agreement, including, without limitation, any investigation by or on behalf of any party or beneficiary, shall be deemed to constitute a waiver by the party or beneficiary taking such action of compliance with any representations, warranties, covenants or agreements contained herein. The waiver by any party hereto or beneficiary hereof of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any preceding or succeeding breach and no failure by a party or beneficiary to exercise any right or privilege hereunder shall be deemed a waiver of such party's or beneficiary's rights or privileges hereunder or shall be deemed a waiver of such party's or beneficiary's rights to exercise the same at any subsequent time or times hereunder.

ii. Amendment. This Agreement may not be amended, modified or supplemented orally, but only by a written instrument executed by the Grantee and the Company.

d. Assignability. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by the Company or the Grantee without the prior written consent of the other party; provided that the Company may assign all or any portion of its rights hereunder to one or more persons or other entities designated by it in connection with a Change in Control of the Company.

e. Applicable Law. **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEBRASKA, EXCEPT TO THE EXTENT THAT THE CORPORATE LAW OF THE STATE OF DELAWARE SPECIFICALLY AND MANDATORILY APPLIES.**

f. Consent to Electronic Delivery. By executing this Agreement, Grantee hereby consents to the delivery of information (including, without limitation, information required to be delivered to the Grantee pursuant to applicable securities laws) regarding the Company and the Subsidiaries, the Plan, the Options and the Shares subject to the Options via Company web site or other electronic delivery.

g. Severability; Blue Pencil. In the event that any one or more of the provisions of this Agreement shall be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not be affected thereby. Grantee and the Company agree that the covenants contained in this Agreement are reasonable covenants under the circumstances, and further agree that if, in the opinion of any court of competent jurisdiction such covenants are not reasonable in any respect, such court shall have the right, power and authority to excise or modify such provision or provisions of these covenants as to the court shall appear not reasonable and to enforce the remainder of these covenants as so amended.

h. Section and Other Headings, etc. The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

i. No Guarantee of Employment. Nothing in this Agreement shall interfere with or limit in any way the right of the Company or any Subsidiary to terminate the Grantee's employment at any time, nor to confer upon the Grantee any right to continue in the employ of the Company or any Subsidiary.

j. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

k. Delegation. All of the powers, duties and responsibilities of the Committee specified in this Agreement may, to the full extent permitted by applicable law, be exercised and performed by the Board or any duly constituted committee thereof to the extent authorized by the Board or the Committee to exercise and perform such powers, duties and responsibilities.

l. Gender and Number. Except when otherwise indicated by the context, words in the masculine gender used herein shall include the feminine gender, the singular shall include the plural, and the plural shall include the singular.

IN WITNESS WHEREOF, the Company and the Grantee have executed this Agreement as of the Grant Date.

CABELA'S INCORPORATED

By: _____
Its: _____

_____, Grantee

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Name of Grantee: _____

Number of Shares: Incentive N/A Nonqualified 2,000

STOCK OPTION AGREEMENT

STOCK OPTION AGREEMENT dated as of the Grant Date (as hereafter defined), by and between Cabela’s Incorporated, a Delaware corporation (the "Company"), and the undersigned non-employee director of the Company (the "Grantee").

WITNESSETH:

WHEREAS, to motivate key employees, consultants and non-employee directors of the Company and the Subsidiaries by providing them an ownership interest in the Company, the Board of Directors of the Company (the "Board") has established and the stockholders of the Company have approved, the Cabela’s Incorporated 2004 Stock Plan, as the same may be amended from time to time (the "Plan"); and

WHEREAS, pursuant to Section 5.6 of the Plan, the Grantee has been granted non-qualified stock options to purchase Two Thousand (2,000) shares of Common Stock (each, a "Share" and, collectively, the "Shares") at the exercise price per Share set forth in Section 2; and

WHEREAS, the Grantee and the Company desire to enter into an agreement to evidence and confirm the grant of such stock options on the terms and conditions set forth herein.

NOW, THEREFORE, to evidence the stock options so granted, and to set forth the terms and conditions governing such stock options, the Company and the Grantee hereby agree as follows:

1. Certain Definitions. Capitalized terms used herein without definition shall have the meanings set forth in the Plan. As used in this Agreement, the following terms shall have the following meanings:

- a. "Aggregate Exercise Price" shall have the meaning set forth in Section 6 hereof.
- b. "Alternative Option" shall have the meaning set forth in Section 7(c) hereof.
- c. "Committee" means the Compensation Committee of the Board.
- d. "Exercise Date" shall have the meaning set forth in Section 6 hereof.
- e. "Exercise Price" shall have the meaning set forth in Section 2(b).
- f. "Exercise Shares" shall have the meaning set forth in Section 6 hereof.

- g. "Grant Date" shall mean [].
- h. "Grantee" shall have the meaning set forth in the introductory paragraph hereto.
- i. "Normal Expiration Date" shall mean the eighth anniversary of the Grant Date.
- j. "Option" shall mean the right granted to the Grantee hereunder to purchase one share of Common Stock for a purchase price equal to the Exercise Price and otherwise subject to the terms and conditions of this Agreement.
- k. "Securities Act" shall mean the U.S. Securities Act of 1933, as amended.
- l. "Share" or "Shares" shall have the meaning specified in the preambles hereto.

2. Grant of Options.

a. Confirmation of Grant. The Company hereby evidences and confirms its grant to the Grantee, effective as of the Grant Date, of Options to purchase Two Thousand (2,000) Shares. The Options are not intended to be incentive stock options under the U.S. Internal Revenue Code of 1986, as amended. This Agreement is subordinate to, and the terms and conditions of the Options granted hereunder are subject to, the terms and conditions of the Plan, which are incorporated by reference herein. If there is any inconsistency between the terms hereof and the terms of the Plan, the terms of the Plan shall govern. The Grantee hereby acknowledges that a copy of the Plan has been made available to the Grantee.

b. Exercise Price. Each Share covered by an Option shall have an exercise price equal to [] (the "Exercise Price").

3. Exercisability.

a. Options. Except as otherwise provided in Section 7(a) of this Agreement, the Options shall be exercisable with respect to one hundred percent (100%) of the Shares on the first anniversary of the Grant Date.

b. Conditions. Shares covered by vested Options may, subject to the provisions hereof, be purchased at any time and from time to time on or after the date the corresponding Options become vested in accordance with the provisions of this Section 3 until the date one day prior to the date on which such Options terminate.

4. Termination of Options.

a. Normal Expiration Date. Subject to Sections 4 and 7, the Options shall terminate and be canceled on the Normal Expiration Date.

b. Early Termination. Except as provided in Section 7, if the Grantee ceases to be a member of the Board for any reason, the Grantee may exercise any Options that are exercisable on the date the Grantee ceases to be a member of the Board until the Normal Expiration Date. Any Options that are not then exercisable shall be forfeited and canceled as of the date the Grantee ceases to be a member of the Board.

5. Restrictions on Exercise; Non-Transferability of Options.

a. Restrictions on Exercise. Once vested in accordance with the provisions of this Agreement, the Options may be exercised only with respect to full shares of Common Stock. No fractional shares of Common Stock shall be issued. Notwithstanding any other provision of this Agreement, the Options may not be exercised in whole or in part, and no certificates representing Shares shall be delivered, (i) unless all requisite approvals and consents of any governmental authority of any kind having jurisdiction over the exercise of the Options shall have been secured, and (ii) unless Section 5(c) shall have been satisfied.

b. Non-Transferability of Options. Except as provided in the Plan, the Options may be exercised only by the Grantee or, following his death, by the Grantee's estate. Except as provided in the Plan, the Options are not assignable or transferable, in whole or in part, and may not, directly or indirectly, be offered, transferred, sold, pledged, assigned, alienated, hypothecated or otherwise disposed of or encumbered (including, without limitation, by gift, operation of law or otherwise) other than by will or by the laws of descent and distribution to the estate of the Grantee upon the Grantee's death, provided that the deceased Grantee's beneficiary or the representative of the Grantee's estate shall acknowledge and agree in writing, in a form reasonably acceptable to the Company, to be bound by the provisions of this Agreement and the Plan as if such beneficiary or the estate were the Grantee.

c. Withholding. Whenever Shares are to be issued pursuant to the Options, the Company may require the recipient of the Shares to remit to the Company an amount in cash sufficient to satisfy the statutory minimum U.S. federal, state and local and non-U.S. tax withholding requirements as a condition to the issuance of such Shares. In the event any cash is paid to the Grantee or the Grantee's estate or beneficiary pursuant to Section 7 hereof or any provision of the Plan, the Company shall have the right to withhold an amount from such payment sufficient to satisfy the statutory minimum U.S. federal, state and local and non-U.S. tax withholding requirements. The Committee may, in its discretion, require or permit the Grantee to elect, subject to such conditions as the Committee shall impose, to meet such obligations by having the Company withhold the number of Shares having a Fair Market Value sufficient to satisfy all or part of the Grantee's estimated total statutory minimum U.S. federal, state, and local and non-U.S. tax obligation with respect to the issuance of Shares upon exercise of Options.

6. Manner of Exercise. To the extent that any outstanding Options shall have become and remain vested and exercisable as provided in Sections 3 and 4 and subject to such reasonable administrative regulations as the Committee may have adopted, such Options may be exercised, in whole or in part, by notice to the designated officer of the Company (or designated third party administrator, if any) in writing given at least 5 business days (or shorter period permitted by any third party administrator) prior to the date as of which the Grantee will so exercise the Options (the "Exercise Date"), specifying the number of whole Shares with respect to which the Options are being exercised (the "Exercise Shares") and the aggregate Exercise Price for such Exercise Shares. On or before the Exercise Date, the Grantee (i) shall

deliver to the Company full payment for the Exercise Shares in United States dollars in cash, or cash equivalents satisfactory to the Company, and in an amount equal to the product of the number of Exercise Shares multiplied by the Exercise Price (such product, the "Aggregate Exercise Price") and (ii) the Company shall deliver to the Grantee a certificate or certificates representing the Exercise Shares and registered in the name of the Grantee. In lieu of tendering cash, the Grantee may tender shares of Common Stock that have been owned by the Grantee for at least six months having an aggregate Fair Market Value on the Exercise Date equal to the Aggregate Exercise Price or may deliver a combination of cash and such shares of Common Stock having an aggregate Fair Market Value equal to the difference between the Aggregate Exercise Price and the amount of such cash as payment of the Aggregate Exercise Price, subject to such rules and regulations as may be adopted by the Committee to provide for the compliance of such payment procedure with applicable law, including Section 16(b) of the Exchange Act. The Company may require the Grantee to furnish or execute such other documents as the Company shall reasonably deem necessary (i) to evidence such exercise and (ii) to comply with or satisfy the requirements of the Securities Act, applicable state or non-U.S. securities laws or any other law.

7. Change in Control.

a. Options. Subject to Section 7(c), in the event of a Change in Control, all of the Options outstanding immediately prior to the consummation of the transaction constituting the Change in Control (regardless of whether such Options are at such time otherwise vested or exercisable) shall become exercisable or, at the discretion of the Committee, any or all of such Options shall be canceled in exchange for a payment in accordance with Section 7(b) of an amount equal to the product of (i) the Change in Control Price over the Exercise Price, multiplied by (ii) the aggregate number of Shares covered by all such Options immediately prior to the Change in Control.

b. Timing of Option Cancellation Payments. Payment of the amount calculated in accordance with Section 7(a) shall be made in cash or, if determined by the Committee (as constituted immediately prior to the Change in Control), in shares of the common stock of the New Employer having an aggregate fair market value equal to such amount and shall be payable in full, as soon as reasonably practicable, but in no event later than 30 days, following the Change in Control. For purposes hereof, the fair market value of a share of common stock of the New Employer shall be determined by the Committee (as constituted immediately prior to the Change in Control), in good faith.

c. Alternative Options. Notwithstanding Sections 7(a) and 7(b), no cancellation, termination, acceleration of exercisability or vesting or settlement or other payment shall occur with respect to any Option if the Committee (as constituted immediately prior to the consummation of the transaction constituting the Change in Control) reasonably determines, in good faith, prior to the Change in Control that the Options shall be honored or assumed, or new rights substituted therefor (such honored, assumed or substituted Option being hereinafter referred to as an "Alternative Option") by the New Employer, provided that any Alternative Options must:

- i. be based on shares of voting capital stock that are traded on an established U.S. securities market;

ii. provide the Grantee with rights and entitlements substantially equivalent to or better than the rights and entitlements applicable under the terms of the Options immediately prior to the consummation of the transaction constituting the Change in Control, including, but not limited to, an identical or better exercise and vesting schedule and identical or better timing and methods of payment;

iii. have substantially equivalent economic value to the Options (determined at the time of the Change in Control); and

iv. have terms and conditions which provide that in the event that the Grantee suffers an involuntary termination within two years following the Change in Control any conditions on the Grantee's rights under, or any restrictions on transfer or exercisability applicable to, each such Alternative Option shall be waived or shall lapse, as the case may be.

8. No Rights as Stockholder. The Grantee shall have no voting or other rights as a stockholder of the Company with respect to any Shares covered by the Options until the exercise of the Options and the issuance of a certificate or certificates to the Grantee for such Shares. No adjustment shall be made for dividends or other rights for which the record date is prior to the issuance of such certificate or certificates.

9. Capital Adjustments. Subject to the terms of the Plan, in the event of any Adjustment Event affecting the Common Stock such that an adjustment is required to preserve or to prevent enlargement of the benefits or potential benefits made available to the Grantee under the Plan or this Agreement, then the Committee shall, in such manner as the Committee shall deem equitable, adjust any or all of the number of shares of Common Stock covered by the Options and the grant, exercise or conversion price with respect to such Options. In addition, the Committee may make provision for a cash payment to the Grantee. The number of shares of Common Stock subject to any Option shall be rounded to the nearest whole number.

10. Miscellaneous.

a. Notices. All notices and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given if delivered personally or sent by certified or express mail, return receipt requested, postage prepaid, or by any recognized international equivalent of such delivery, to the Company or the Grantee, as the case may be, at the following addresses or to such other address as the Company or the Grantee, as the case may be, shall specify by notice to the others:

i. if to the Company, to:

Cabela's Incorporated
One Cabela Drive
Sidney, NE 69160
Attention: Legal Department

ii. if to the Grantee, to the Grantee at the address then appearing in the corporate records of the Company for the Grantee. All such notices and communications shall be deemed to have been received on the date of delivery if delivered personally or on the third business day after the mailing thereof, provided that the party giving such notice or communication shall have attempted to telephone the party or parties to which notice is being given during regular business hours on or before the day such notice or communication is being sent, to advise such party or parties that such notice is being sent.

b. Binding Effect; Benefits. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and assigns. Nothing in this Agreement, express or implied, is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or assigns any legal or equitable right, remedy or claim under or in respect of any agreement or any provision contained herein.

c. Waiver; Amendment.

i. Waiver. Any party hereto or beneficiary hereof may by written notice to the other parties (A) extend the time for the performance of any of the obligations or other actions of the other parties under this Agreement, (B) waive compliance with any of the conditions or covenants of the other parties contained in this Agreement and (C) waive or modify performance of any of the obligations of the other parties under this Agreement. Except as provided in the preceding sentence, no action taken pursuant to this Agreement, including, without limitation, any investigation by or on behalf of any party or beneficiary, shall be deemed to constitute a waiver by the party or beneficiary taking such action of compliance with any representations, warranties, covenants or agreements contained herein. The waiver by any party hereto or beneficiary hereof of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any preceding or succeeding breach and no failure by a party or beneficiary to exercise any right or privilege hereunder shall be deemed a waiver of such party's or beneficiary's rights or privileges hereunder or shall be deemed a waiver of such party's or beneficiary's rights to exercise the same at any subsequent time or times hereunder.

ii. Amendment. This Agreement may not be amended, modified or supplemented orally, but only by a written instrument executed by the Grantee and the Company.

d. Assignability. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by the Company or the Grantee without the prior written consent of the other party; provided that the Company may assign all or any portion of its rights hereunder to one or more persons or other entities designated by it in connection with a Change in Control of the Company.

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g. Severability; Blue Pencil. In the event that any one or more of the provisions of this Agreement shall be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not be affected thereby. Grantee and the Company agree that the covenants contained in this Agreement are reasonable covenants under the circumstances, and further agree that if, in the opinion of any court of competent jurisdiction, such covenants are not reasonable in any respect, such court shall have the right, power and authority to excise or modify such provision or provisions of these covenants as to the court shall appear not reasonable and to enforce the remainder of these covenants as so amended.

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j. Delegation. All of the powers, duties and responsibilities of the Committee specified in this Agreement may, to the full extent permitted by applicable law, be exercised and performed by the Board or any duly constituted committee thereof to the extent authorized by the Board or the Committee to exercise and perform such powers, duties and responsibilities.

k. Gender and Number. Except when otherwise indicated by the context, words in the masculine gender used herein shall include the feminine gender, the singular shall include the plural, and the plural shall include the singular.

IN WITNESS WHEREOF, the Company and the Grantee have executed this Agreement effective as of the Grant Date.

CABELA'S INCORPORATED

By: _____
Its: _____

_____, Grantee

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