

**THE CANOPY GROUP, INC.**

**2000 STOCK OPTION PLAN**

**ARTICLE**

**1**

**GENERAL PROVISIONS**

**I. PURPOSE OF THE PLAN**

This 2000 Stock Option Plan is intended to promote the interests of THE CANOPY GROUP, INC., a Utah corporation, by providing eligible persons with the opportunity to acquire a proprietary interest, or otherwise increase their proprietary interest, in the Corporation as an incentive for them to remain in the service of the Corporation.

Capitalized terms herein shall have the meanings assigned to such terms in the attached Appendix.

**II. ADMINISTRATION OF THE PLAN**

A. The Plan shall be administered by the Board. However, any or all administrative functions otherwise exercisable by the Board may be delegated to the Committee. Members of the Committee shall serve for such period of time as the Board may determine and shall be subject to removal by the Board at any time. The Board may also at any time terminate the functions of the Committee and reassume all powers and authority previously delegated to the Committee.

B. The Plan Administrator shall have full power and authority (subject to the provisions of the Plan) to establish such rules and regulations as it may deem appropriate for proper administration of the Plan and to make such determinations under, and issue such interpretations of, the Plan and any outstanding Options as it may deem necessary or advisable. Decisions of the Plan Administrator shall be final and binding on all parties who have an interest in the Plan or any Option.

**III. ELIGIBILITY**

A. The persons eligible to participate in the Plan are as follows:

- (i) Employees,
- (ii) non-employee members of the Board or the non-employee members of the board of directors of any Parent or Subsidiary, and
- (iii) consultants who provide services to the Corporation (or any Parent or Subsidiary).

B. The Plan Administrator shall have discretionary authority to interpret and apply the provisions of the Plan concerning the persons who are eligible to receive Option grants, the time or times when such Option grants are to be made, the number of shares to be covered by each such grant, the Option exercise price, the time or times at which each Option is to become exercisable, the vesting schedule applicable to the Option shares and the maximum term for which the Option is to remain exercisable. In addition, the Plan Administrator shall have full power to set the terms of the foregoing to the extent not inconsistent with the specific Plan provisions pertaining to such matters.

#### IV. STOCK SUBJECT TO THE PLAN

A. The stock issuable under the Plan shall be shares of authorized but unissued or re-acquired shares of Common Stock, consisting of the Class A Shares and the Class B Shares. The maximum number of shares which may be issued over the term of the Plan shall be Fifteen Million (15,000,000) shares of Common Stock, of which 15,000 shares shall be Class A Shares and 14,985,000 shares shall be Class B Shares.

B. Each separate grant of an Option for either the Class A Shares or the Class B Shares must be coupled with a corresponding, but separately documented, grant of an Option for the other Class of shares, in the fixed ratio of One (1) Class A Share for every Nine Hundred Ninety Nine (999) Class B Shares. Except as otherwise required in the case of a Cashless Exercise, the separate Classes of Options must be exercised and otherwise dealt with separately. Notice of exercise of one Class of Options shall not be deemed sufficient notice with respect to the other Class.

C. Shares of Common Stock subject to outstanding Options shall be available for subsequent issuance under the Plan to the extent (i) the Options expire or terminate for any reason prior to exercise in full or (ii) the Options are canceled in accordance with the cancellation-regrant provisions of Article 2. All shares issued under the Plan, whether or not those shares are subsequently repurchased by the Corporation pursuant to its repurchase rights or obligations under the Plan, shall reduce on a share-for-share basis the number of shares of Common Stock available for subsequent issuance under the Plan.

D. Should any change be made to the Common Stock by reason of any stock split, stock dividend, recapitalization, combination of shares, exchange of shares or other change affecting the outstanding Common Stock as a class without the Corporation's receipt of consideration, appropriate adjustments shall be made to (i) the maximum number and/or class of securities issuable under the Plan and (ii) the number and/or class of securities and the exercise price per share in effect under each outstanding Option in order to prevent the dilution or enlargement of benefits thereunder. The adjustments determined by the Plan Administrator shall be final, binding and conclusive. Notwithstanding the foregoing, no Optionee or holder of shares acquired pursuant to Option exercises will be entitled to any of the foregoing adjustments as a result of the issuance of shares of Common Stock by the Corporation to tax-exempt charitable organizations in fulfillment of charitable pledge obligations.

ARTICLE  
2  
OPTION GRANTS

I. **OPTION TERMS**

Each Option shall be a Non-Statutory Option and shall be evidenced by one or more documents in the form approved by the Plan Administrator; provided, however, that each such document shall comply with the terms specified below:

A. Exercise Price.

(i) The exercise price per share shall be fixed by the Committee, which may be less than the Fair Market Value per share on the Option grant date.

(ii) The exercise price shall become immediately due upon exercise of the Option and shall, subject to the documents evidencing the Option and to the terms of a Cashless Exercise if applicable, be payable in cash or check made payable to the Corporation.

(iii) The Optionee may pay the exercise price and any withholding tax payments due to the Company by offset of any proceeds due from the Company to the Optionee under a Resale Right exercised in the same calendar month in which the Option is exercised.

B. Vesting and Term of Options. Each Option shall vest and become exercisable at such time or times, during such period, and for such number of shares as shall be determined by the Committee and set forth in the documents evidencing the Option. All Options shall terminate if not exercised by 5:00 p.m. MDT on October 31, 2020. Options may terminate on any earlier date specified elsewhere in this Plan or in the documents evidencing the Option.

C. Effect of Termination of Service or Termination of Option in a Corporate Transaction. The following provisions shall govern the exercise of any Options held by the Optionee at the time of cessation of Service, death, or the termination of Options in a Corporate Transaction:

(i) Should the Optionee cease to remain in Service for any reason other than Cause, Disability or death, then the Optionee shall have a period beginning on the date of cessation of Service and ending on the later of (1) the date that is three (3) months following the date of such cessation of Service, or (2) the last day of the next February following the date of such cessation of Service, during which it may exercise each outstanding vested Option held by such Optionee.

(ii) Should the Optionee cease to remain in Service for Cause, then the Optionee shall have a period beginning on the date of cessation of Service and ending on the date that is one (1) month following the date of such cessation of Service during which it may exercise each outstanding vested Option held by such Optionee. As provided

below, however, an Optionee whose Service ceases for Cause shall not have any right to elect a Cashless Exercise.

(iii) Should the Optionee cease to remain in Service by reason of Disability, then the Optionee shall have a period beginning on the date of cessation of Service and ending on the last day of the second February following the date of such cessation of Service, during which it may exercise each outstanding vested Option held by such Optionee.

(iv) Should the Optionee die while holding one or more outstanding Options, then the personal representative of the Optionee's estate or the person or persons to whom the Option is transferred pursuant to the Optionee's will or in accordance with the laws of descent and distribution shall have a period beginning on the date of the Optionee's death and ending on the last day of the second February following the date of the Optionee's death, during which it may exercise each outstanding vested Option held by such Optionee.

(v) In the event of any Corporate Transaction in which a vested Option will terminate because it will not be assumed by the successor corporation, then the Optionee shall be allowed to exercise the Option simultaneously and concurrently with the closing of the Corporate Transaction, or during such additional time period specified by the Plan Administrator, during which Optionee may exercise each outstanding vested Option held by it, including the right to elect a Cashless Exercise if applicable.

(vi) Except as provided above, under no circumstances, however, shall any such Option be exercisable after the specified expiration of the Option term or earlier termination of the Option.

(vii) Subject to any exceptions granted by the Plan Administrator in its sole discretion: (1) the Option shall, immediately upon the Optionee's cessation of Service, terminate and cease to be outstanding to the extent the Option has not vested on the date of such cessation of Service; (2) the Option may not be exercised in the aggregate, during the applicable post-Service exercise period, for more than the number of vested shares for which the Option is exercisable on the date of the Optionee's cessation of Service; and (3) the Option shall terminate and cease to be outstanding for any vested shares for which the Option has not been exercised upon the earlier of the expiration of the applicable post-Service exercise period or upon the expiration of the Option term.

D. Shareholder Rights. The holder of an Option shall have no shareholder rights with respect to the shares subject to the Option until such person shall have exercised the Option, paid the exercise price and become a holder of record of the purchased shares.

E. Unvested Shares. The Plan Administrator shall have the discretion to grant Options which are exercisable for unvested shares of Common Stock. Should the Optionee cease Service while holding such unvested shares, the Corporation shall have the right to repurchase, at the exercise price paid per share, all or (at the discretion of the Corporation and with the consent

of the Optionee) any of those unvested shares. The terms upon which such repurchase right shall be exercisable (including the period and procedure for exercise and the appropriate vesting schedule for the purchased shares) shall be established by the Plan Administrator and set forth in the document evidencing such repurchase right.

F. First Refusal Rights. Until such time as the Common Stock is first registered under Section 12(g) of the 1934 Act, the Corporation shall have the right of first refusal with respect to any proposed disposition by the Optionee (or any successor in interest) of any shares of Common Stock issued under the Plan. Such right of first refusal shall be exercisable in accordance with the terms established by the Plan Administrator and set forth in the document evidencing such right.

G. Limited Transferability of Options. Except as may otherwise be permitted by the Plan Administrator in its sole discretion, during the lifetime of the Optionee, the Option shall be exercisable only by the Optionee and shall not be assignable or transferable other than by will, by the laws of descent and distribution following the Optionee's death, or be assigned in accordance with the terms of a Domestic Relations Order. An Option assigned in accordance with the permission of the Plan Administrator may only be exercised by the person or persons who acquire a proprietary interest in the Option pursuant to such assignment. The terms applicable to an assigned Option (or portion thereof) shall be the same as those in effect for the Option immediately prior to such assignment and shall be set forth in such documents issued to the assignee as the Plan Administrator may deem appropriate.

H. Cashless Exercise. Until such time as any Class B Shares are first registered under Section 12(g) of the 1934 Act and a public market exists for such shares, or upon the conversion or exchange in a Corporate Transaction of the Class B Shares into publicly traded shares, each Class B Option shall include the right to elect a "Cashless Exercise" with respect to Options whose termination date is accelerated by reason of the Optionee's cessation of Service for any reason other than for Cause. Election of a Cashless Exercise must be made in the same manner and by the same ending date applicable to the regular exercise of the Option except that a Cashless Exercise may only be made in the month of February of each year. An Optionee who elects a Cashless Exercise shall pay the exercise price and all applicable withholding taxes payable by the Corporation with respect to such exercise by receiving a reduced number of shares. For this purpose, the reduction in shares shall be based upon the Fair Market Value per share in accordance with the definition of Fair Market Value for this purpose included in the Appendix; the actual exercise price payable for the gross number of shares subject to the Option; and an amount of applicable state and federal withholding taxes determined in good faith by the Plan Administrator by estimating the actual federal and state income tax that will be payable by the Optionee with respect to the Cashless Exercise using the same tax assumptions (as applied to the Class B Shares) set forth below that are used with respect to calculating Tax Protection Payments.

I. Corporate Transaction.

(i) In the event of any Corporate Transaction, each outstanding Option shall terminate and cease to be outstanding, except to the extent such Option is assumed

by the successor corporation (or parent thereof) in connection with such Corporate Transaction.

(ii) Each Option, vested or unvested, that is assumed in connection with a Corporate Transaction shall be appropriately adjusted, immediately after such Corporate Transaction, to apply to the number and class of securities which would have been issuable to the Optionee in the consummation of such Corporate Transaction, had the Option been exercised immediately prior to such Corporate Transaction. Appropriate adjustments shall also be made to (1) the number and class of securities available for issuance under the Plan following the consummation of such Corporate Transaction and (2) the exercise price payable per share under each outstanding Option, provided the aggregate exercise price payable for such securities shall remain the same.

(iii) The grant of Options under the Plan shall in no way affect the right of the Corporation to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate, or sell or transfer all or any part of its business or assets.

## II. TAX PROTECTION PAYMENTS AND RESALE RIGHTS

### A. Tax Protection Payments.

(i) Eligibility. Each Class A Option shall include a tax protection payment clause (“Tax Protection Payment”) under which the Corporation will pay a cash bonus to the Optionee (or the estate or other transferee of a deceased Optionee) in approximately the amount of the state and federal income taxes payable with respect to the ordinary taxable compensation income deemed received as a result of such exercise. The amount of the Tax Protection Payment shall be determined in good faith by the Plan Administrator and shall be approximately equal to the Federal and State income tax payable by the Optionee with respect to the amount of gross ordinary taxable compensation income arising from (1) the qualifying exercise of the Class A Option, plus (2) the receipt of the Tax Protection Payment itself.

(ii) Tax Assumptions. For purposes of calculating the Tax Protection Payment, the following assumptions will apply:

(1) The fair market value of the Class A Shares issued pursuant to the qualifying exercise of a Class A Option is equal to the Fair Market Value per share determined in accordance with the definition of Fair Market Value for this purpose included in the Appendix;

(2) Income tax on the gross ordinary compensation income is determined at rates equal to the then highest Federal and State marginal rates applicable to an individual taxpayer.

### B. Resale Right.

(i) Eligibility and Termination. Each Option shall include a limited resale right ("Resale Right") under which an Optionee may elect to sell to the Corporation any shares of Common Stock purchased by the exercise of the Option or any previously exercised Option. The Resale Right can be exercised only once per calendar year, at any time during the month of February, by the Optionee giving the Corporation written notice of the number and Class of shares that are to be resold. The Resale Right shall not be exercisable on any day on which there exists a public market for either Class of shares, or for publicly traded shares exchanged for either Class of Shares in a Corporate Transaction. All Resale Rights shall terminate at the close of business on February 28, 2020 (the last business day of February 2020). The Resale Right shall terminate immediately upon the termination of an Optionee's Service for Cause. Should an Optionee cease to remain in Service for any reason other than Cause, Disability, or death, the Optionee's Resale Right shall continue only through the last day of the next February following the date of such cessation of Service. Should an Optionee cease to remain in Service by reason of Disability or death, the Optionee's Resale Right shall continue through the close of business on February 28, 2020.

(ii) Limitation on Number of Shares. The Resale Right for each calendar year may be exercised by an Optionee only with respect to a number of shares equal to the 5% of the sum of (1) the total number of shares of Common Stock that the Optionee has previously purchased by the exercise of Options; and (2) the total number of shares of Common Stock then subject to outstanding Options held by the Optionee; provided, however, that the Optionee may also exercise the Resale Right with respect to any shares of Common Stock for which the Optionee had, but did not exercise, a Resale Right in a prior calendar year.

(iii) Resale Date and Price. All purchases of Common Stock pursuant to the Resale Rights for a calendar year shall be completed during the month of February. The purchase price shall be paid in cash by the Corporation upon delivery by the seller of good title to the shares. The price per share shall be equal to the Fair Market Value per share determined in accordance with the definition of Fair Market Value for this purpose included in the Appendix.

### **III. CANCELLATION AND REGRANT OF OPTIONS**

The Plan Administrator shall have the authority to effect, at any time and from time to time, with the consent of the affected Optionees, the cancellation of any or all outstanding Options and to grant in substitution therefor new Options covering the same or different number of shares of Common Stock but with an exercise price per share based on the Fair Market Value per share of Common Stock on the new Option grant date.

### **IV. ADDITIONAL AUTHORITY**

Notwithstanding any provision to the contrary contained in this Plan, the Plan Administrator shall have the discretion, exercisable either at the time an Option is granted or at any time while the Option remains outstanding, to:

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

(ii) permit the Option to be exercised, during the applicable post-Service exercise period, not only with respect to the number of vested shares of Common Stock for which such Option is exercisable at the time of the Optionee's cessation of Service or death but also with respect to one or more additional installments in which the Optionee would have vested under the Option had the Optionee continued in Service; and/or

(iii) accelerate or waive the vesting schedule and/or the date the Option first becomes exercisable.

**ARTICLE**  
**3**  
**MISCELLANEOUS**

**I. EFFECTIVE DATE AND TERM OF THE PLAN**

A. The Plan shall become effective when adopted by the Board. The Plan Administrator may grant Options and issue shares under the Plan at any time after the effective date of the Plan and before the date fixed herein for termination of the Plan.

B. The Plan shall terminate upon the earliest of (i) the expiration of the twenty (20)-year period measured from the date the Plan is adopted by the Board, or (ii) the date on which all shares available for issuance under the Plan shall have been issued pursuant to the exercise of Options or the issuance of shares (whether vested or unvested) under the Plan. Upon such Plan termination, all Options and all agreements restricting outstanding unvested stock issued under the Plan shall continue to have full force and effect in accordance with the provisions of the documents evidencing such Options or restrictions on such outstanding unvested stock.

**II. AMENDMENT OF THE PLAN**

The Board shall have complete and exclusive power and authority to amend or modify the Plan in any or all respects. However, no such amendment or modification shall adversely affect the rights and obligations with respect to Options or unvested stock at the time outstanding under the Plan, unless the Optionee consents to such amendment or modification.

**III. USE OF PROCEEDS**

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



#### **IV. WITHHOLDING**

The Corporation's obligation to deliver shares of Common Stock upon the exercise of any Options or upon the issuance or vesting of any shares issued under the Plan shall be subject to the satisfaction of all applicable Federal, state and local income and employment tax withholding requirements.

#### **V. REGULATORY APPROVALS**

The implementation of the Plan, the granting of any Options, the issuance of any shares of Common Stock upon the exercise of any Option, and the repurchase of Option shares by the Corporation shall be subject to the Corporation's procurement of all approvals and permits required by regulatory authorities having jurisdiction over the Plan, the Options, and the shares of Common Stock issued pursuant to it.

#### **VI. NO EMPLOYMENT OR SERVICE RIGHTS**

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