

THE CANOPY GROUP, INC.

STOCK OPTION AGREEMENT (CLASS B NONVOTING)

RECITALS

The Board has adopted the Plan for the purpose of retaining the services of selected Employees, non-employee members of the Board or the board of directors of any Parent or Subsidiary and consultants who provide services to the Corporation (or any Parent or Subsidiary).

A. Optionee is to render valuable services to the Corporation (or a Parent or Subsidiary), and this Agreement is executed pursuant to, and is intended to carry out the purposes of, the Plan in connection with the Corporation's grant of an option to Optionee.

B. All capitalized terms in this Agreement shall have the meaning assigned to them in the attached Appendix or the Plan.

NOW, THEREFORE, it is hereby agreed as follows:

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

2. **OPTION TERM.** This option shall have a term commencing on the Grant Date and expiring at the close of business on the Expiration Date, unless sooner terminated in accordance with Paragraph 5 or 6.

3. **LIMITED TRANSFERABILITY.** This option shall be neither transferable nor assignable by Optionee other than by will or by the laws of descent and distribution following Optionee's death and may be exercised, during Optionee's lifetime, only by Optionee. Notwithstanding the foregoing, this option may be assigned in accordance with the terms of a Domestic Relations Order. If so assigned, the assigned option shall be exercisable only by the person or persons who acquire a proprietary interest in the option pursuant to such Domestic Relations Order. The terms applicable to the assigned option (or portion thereof) shall be the same as those in effect for this 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.

4. **DATES OF EXERCISE.** This option shall become exercisable for the Option Shares in one or more installments as specified in the Grant Notice. As the option becomes exercisable for such installments, those installments shall accumulate and the option shall remain exercisable for the accumulated installments until the Expiration Date or sooner termination of the option term under Paragraph 5 or 6.

5. **CESSATION OF SERVICE.** The option term specified in Paragraph 2 shall terminate (and this option shall cease to be outstanding) prior to the Expiration Date should any of the following provisions become applicable:

(a) Should Optionee cease to remain in Service for any reason (other than Cause, Disability or death) while this option is outstanding, then Optionee shall have the right to exercise this option for a period beginning on the date of cessation of Service and ending on the later of (i) the date that is three (3) months following the date of such cessation of Service, or (ii) the last day of the next February following the date of such cessation of Service.

(b) Should Optionee cease to remain in Service for Cause, then the Optionee shall have the right to exercise this option for 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. However, if Optionee's Service ceases for Cause, Optionee shall not have any right to elect a Cashless Exercise under Article 2, Section I (H) of the Plan.

(c) Should Optionee die while this option is outstanding, then the personal representative of Optionee's estate or the person or persons to whom the option is transferred pursuant to Optionee's will or in accordance with the laws of descent and distribution shall have the right to exercise this option for a period beginning on the date of Optionee's death and ending on the last day of the second February following the date of Optionee's death.

(d) Should Optionee cease Service by reason of Disability while this option is outstanding, then Optionee shall have the right to exercise this option for 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.

(e) During the limited period of post-Service exercisability, this option may not be exercised in the aggregate for more than the number of vested Option Shares for which the option is exercisable at the time of Optionee's cessation of Service. This option shall terminate and cease to be outstanding for any vested shares for which this option has not been exercised upon the earlier of the following: (i) expiration of the applicable post-Service exercise period, (ii) upon the termination of the option as a result of a Corporate Transaction, or (iii) upon the expiration of the option term. To the extent Optionee is not vested in the Option Shares at the time of Optionee's cessation of Service, this option shall immediately terminate and cease to be outstanding with respect to those shares. Notwithstanding anything to the contrary contained in this Agreement, in no event shall this option be exercisable at any time after the Expiration Date.

6. **SPECIAL TERMINATION OF OPTION.**

(a) In the event of a Corporate Transaction, this option shall terminate and cease to be outstanding, except to the extent assumed by the successor corporation or parent thereof in connection with such Corporate Transaction. In the event of such termination, the Optionee shall be allowed to exercise this option simultaneously and concurrently with the closing of the Corporate Transaction, or during such additional time period specified by the Plan

Administrator, during which the Optionee may exercise each outstanding vested Option held by it, including the right to elect a Cashless Exercise if applicable.

(b) If this option is assumed in connection with a Corporate Transaction, then this option shall be appropriately adjusted, immediately after such Corporate Transaction, to apply to the number and class of securities which would have been issuable to Optionee in consummation of such Corporate Transaction had the option been exercised immediately prior to such Corporate Transaction. Appropriate adjustments shall also be made to (i) the number and class of securities available for issuance under the Plan following the consummation of such Corporate Transaction and (ii) the Exercise Price payable per share under each outstanding Option, provided the aggregate Exercise Price shall remain the same.

(c) This Agreement shall not in any 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.

7. **ADJUSTMENT IN OPTION SHARES.** 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 total number and/or class of securities subject to this option and (ii) the Exercise Price in order to reflect such change and thereby preclude a dilution or enlargement of benefits hereunder. Notwithstanding the foregoing, Optionee will not 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.

8. **SHAREHOLDER RIGHTS.** The holder of this option shall not have any shareholder rights with respect to the Option Shares until such person shall have exercised the option, paid the Exercise Price and become a holder of record of the purchased shares.

9. **MANNER OF EXERCISING OPTION.**

(a) In order to exercise this option with respect to all or any part of the Option Shares for which this option is at the time exercisable, Optionee (or any other person or persons exercising the option) must take the following actions:

(i) Execute and deliver to the Corporation a Purchase Agreement and/or such other agreements or documents as requested by the Corporation for the Option Shares for which the option is exercised.

(ii) Pay the aggregate Exercise Price for the purchased shares in cash or check made payable to the Corporation or by Cashless Exercise if permitted under the terms of the Plan.

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

(iv) Execute and deliver to the Corporation such written representations as may be requested by the Corporation in order for it to comply with the applicable requirements of Federal and state securities laws.

(v) Make appropriate arrangements with the Corporation (or Parent or Subsidiary employing or retaining Optionee) for the satisfaction of all Federal, state and local income and employment tax withholding requirements applicable to the option exercise.

(b) As soon as practical after the Exercise Date, the Corporation shall issue to or on behalf of Optionee (or any other person or persons exercising this option) a certificate for the purchased Option Shares, with the appropriate legends affixed thereto.

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

10. **RESALE RIGHTS.** All Option Shares acquired upon the exercise of this option shall include a limited resale right under which Optionee may elect to sell to the Corporation any shares of Common Stock purchased by the exercise of this option or any previously exercised option in accordance with, and subject to the limitations included in, the terms of Article 2, Section II(B) of the Plan.

11. **REPURCHASE RIGHTS.** ALL OPTION SHARES ACQUIRED UPON THE EXERCISE OF THIS OPTION SHALL BE SUBJECT TO CERTAIN RIGHTS OF THE CORPORATION AND ITS ASSIGNS TO REPURCHASE THOSE SHARES IN ACCORDANCE WITH THE TERMS SPECIFIED IN THE PURCHASE AGREEMENT.

12. **COMPLIANCE WITH LAWS AND REGULATIONS.**

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

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

13. **SUCCESSORS AND ASSIGNS.** Except to the extent otherwise provided in Paragraphs 3 and 6, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the Corporation and its successors and assigns and Optionee, Optionee's assigns and the legal representatives, heirs and legatees of Optionee's estate.

14. **NOTICES.** Any notice required to be given or delivered to the Corporation under the terms of this Agreement shall be in writing and addressed to the Corporation at its Principal corporate offices. Any notice required to be given or delivered to Optionee shall be in

writing and addressed to Optionee at the address indicated below Optionee's signature line on the Grant Notice. All notices shall be deemed effective upon personal delivery or upon deposit in the U. S. mail, postage prepaid and properly addressed to the party to be notified.

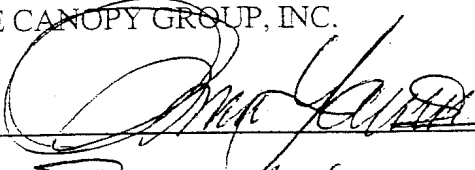
15. **CONSTRUCTION.** This Agreement and the option evidenced hereby are made and granted pursuant to the Plan and are in all respects limited by and subject to the terms of the Plan. All decisions of the Plan Administrator with respect to any question or issue arising under the Plan or this Agreement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

16. **GOVERNING LAW.** The interpretation, performance and enforcement of this Agreement shall be governed by the laws of the State of Utah without resort to that State's conflict-of-laws rules.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year as dated herein.

Dated: _____, _____

THE CANOPY GROUP, INC.

By: 

Title: PRESIDENT & CEO


OPTIONAL

Address: 4526 NORTH Vantage Drive
Provo UT 84604