

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

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

Air Water Ventures Limited
(Exact name of registrant as specified in its charter)

Cayman Islands

(State or other jurisdiction of
incorporation or organization)

N/A

(I.R.S. Employer
Identification No.)

**c/o Air Water Ventures Ltd
Unit 3, Kizad KLP FZ, Kizad
Abu Dhabi, UAE
PO Box 109214
Telephone: +1 (305) 939-4922**
(Address of Principal Executive Offices, including zip code)

**2025 Equity Incentive Plan
2025 Employee Stock Purchase Plan**
(Full title of the plan)

**Corporation Service Company
1201 Hays Street
Tallahassee, FL 32301
Telephone: (302) 636-5400**
(Name, address and telephone number, including area code, of agent for service)

Copy to:

**Constantine Karides, Esq.
Lynwood E. Reinhardt, Esq.
Katherine E. Geddes, Esq.
Reed Smith LLP
599 Lexington Avenue
New York, NY 10022
(212) 521-5400**

**Jeffrey G. Aromatorio, Esq.
Reed Smith LLP
225 Fifth Avenue
Pittsburgh, Pennsylvania 15222
(412) 288-3364**

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

Large Accelerated Filer
Non-Accelerated Filer

☐ Accelerated Filer
☒ Smaller reporting company
Emerging growth company

☐
☐
☒

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

EXPLANATORY NOTE

On August 14, 2026, Air Water Ventures Limited, a Cayman Islands exempted company (the “Registrant”), consummated the previously announced business combination pursuant to the Business Combination Agreement, dated as of August 25, 2025 (as amended by that certain Amendment to Business Combination Agreement, dated as of December 31, 2025 and that Second Amendment to Business Combination Agreement, dated as of June 5, 2026, the “Business Combination Agreement”), by and among the Registrant, Inflection Point Acquisition Corp. III, a Cayman Islands exempted company, Air Water Ventures Holdings Limited, a Cayman Islands exempted company, and IPCX Merger Sub Limited, a Cayman Islands exempted company.

PART I
INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

Information required by Part I to be contained in the Section 10(a) prospectus is omitted from this Registration Statement in accordance with Rule 428 under the Securities Act of 1933, as amended (the “Securities Act”), and the Note to Part I of Form S-8. The documents containing information specified in this Part I will be separately provided to the participants in the equity compensation plans covered by this Registration Statement, as specified by Rule 428(b)(1) under the Securities Act.

PART II
INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

ITEM 3. INCORPORATION OF DOCUMENTS BY REFERENCE

The following documents filed with or furnished to the Securities and Exchange Commission (the “SEC”) by the Registrant are incorporated herein by reference.

- (1) The Registrant’s Shell Company Report on [Form 20-F](#), filed with the SEC on August 20, 2026 (File No. 001-43448);
- (2) The prospectus filed by the Registrant with the SEC pursuant to [Rule 424\(b\)\(3\)](#) under the Securities Act on July 8, 2026, relating to the Registration Statement on [Form F-4](#) (File No. 333-294998), as amended, originally filed with the SEC on April 10, 2026, which contains audited financial statements for the Registrant’s latest fiscal year for which such statements have been filed;
- (3) The Registrant’s Reports of Foreign Private Issuer on Form 6-K furnished to the SEC on [August 25, 2026](#) and [October 8, 2026](#); and
- (4) The description of the Registrant’s ordinary shares of a par value of \$0.0001 per share, contained in the Registrant’s registration statement on [Form 8-A](#) filed with the SEC on August 14, 2026 (File No. 001-43448) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), which incorporates by reference the description under the caption “Description of PubCo Securities” in the prospectus forming part of the Registration Statement on [Form F-4](#) (File No. 333-294998), including any amendment or report filed for the purpose of updating such description.

All reports and documents filed by the Registrant pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, and reports on Form 6-K furnished by the Registrant to the SEC which indicate that they are incorporated herein by reference on or after the date of this registration statement and prior to the filing of a post-effective amendment to this registration statement which indicates that all securities offered hereby have been sold or which de-registers all such securities then remaining unsold, shall be deemed to be incorporated by reference herein and to be a part of this registration statement from the date of filing or furnishing of such reports and documents.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained herein, or in any other subsequently filed document which also is incorporated or deemed to be incorporated by reference herein, modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

ITEM 4. DESCRIPTION OF SECURITIES

Not applicable.

ITEM 5. INTEREST OF NAMED EXPERTS AND COUNSEL

Not applicable.

ITEM 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Cayman Islands law does not limit the extent to which a company's memorandum and articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy, such as to provide indemnification against fraud or willful default or the consequences of committing a crime. Our amended and restated memorandum and articles of association provide for indemnification of each of our existing and former officers and directors to the maximum extent permitted by law, including for any liability incurred in their capacities as such, except through their own actual fraud, willful default or willful neglect.

We have or will maintain insurance on behalf of our directors and executive officers.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling us pursuant to the foregoing provisions, we have been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

ITEM 7. EXEMPTION FROM REGISTRATION CLAIMED

Not applicable.

ITEM 8. EXHIBITS

The following exhibits are hereby filed as part of this Registration Statement:

Exhibit Number	Exhibit Description
4.1	<u>Amended and Restated Memorandum and Articles of Association of Air Water Ventures Limited, as currently in effect (incorporated herein by reference to Exhibit 1.1 to the Registrant's Form 20-F, filed with the SEC on August 20, 2026).</u>
5.1	<u>Opinion of Conyers Dill & Pearman (filed herewith).</u>
23.1	<u>Consent of Grant Thornton, independent registered public accounting firm of Air Water Ventures Limited (filed herewith).</u>
23.2	<u>Consent of Grant Thornton, independent registered public accounting firm of Air Water Ventures Holdings Limited (filed herewith).</u>
23.3	<u>Consent of UHY LLP, independent registered public accounting firm of Inflection Point Acquisition Corp. III (filed herewith).</u>
23.4	<u>Consent of Conyers Dill & Pearman (reference is made to Exhibit 5.1).</u>
24.1	<u>Power of Attorney (reference is made to the signature page hereto).</u>
99.1	<u>Air Water Ventures Limited 2025 Equity Incentive Plan (filed herewith).</u>
99.2	<u>Air Water Ventures Limited 2025 Employee Stock Purchase Plan (filed herewith).</u>
107	<u>Filing Fee Table (filed herewith).</u>

ITEM 9. UNDERTAKINGS

(a) *Rule 415 offering.*

The undersigned Registrant hereby undertakes:

1. To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
 - i. To include any prospectus required by Section 10(a)(3) of the Securities Act;
 - ii. To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement.
 - iii. To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the registration statement;

Provided however, that paragraphs (a)(1)(i) and (a)(1)(ii) of this section do not apply if the registration statement is on Form S-8 and the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the SEC by the Registrant pursuant to section 13 or section 15(d) of the Exchange Act that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

2. That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
 3. To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.
- (b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Exchange Act) that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- (c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Hialeah, State of Florida, on October 26, 2026.

AIR WATER VENTURES LIMITED

By: /s/ Peter Carr

Peter Carr
Chief Executive Officer and Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below does hereby constitute and appoint Peter Carr and David Tuerff as his or her true and lawful attorney-in-fact and agent, with full power of substitution and re-substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and any subsequent registration statement filed by the registrant pursuant to Rule 462(b) of the Securities Act, and to file or cause to be filed the same, with all exhibits thereto, and other documents in connection therewith, with the SEC, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

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

Signature	Title	Date
<u>/s/ Peter Carr</u> Peter Carr	Chief Executive Officer and Director (Principal Executive Officer)	October 26, 2026
<u>/s/ David Tuerff</u> David Tuerff	Chief Financial Officer (Principal Financial and Accounting Officer)	October 26, 2026
<u>/s/ Matthew Hurn</u> Matthew Hurn	Director	October 26, 2026
<u>/s/ Andrea Mollica</u> Andrea Mollica	Director	October 26, 2026
<u>/s/ Peter McDonough</u> Peter McDonough	Director	October 26, 2026
<u>/s/ Jennifer Chaplin Tolkin</u> Jennifer Chaplin Tolkin	Director	October 26, 2026
<u>/s/ Kevin Shannon</u> Kevin Shannon	Director	October 26, 2026

AUTHORIZED REPRESENTATIVE

Pursuant to the requirements of the Securities Act of 1933, as amended, the undersigned, the duly authorized representative of the Registrant in the United States, has signed this registration statement in the City of Houston, State of Texas, on October 26, 2026.

By: /s/ David Tuerff

Name: David Tuerff

Title: Authorized Representative on behalf of the Registrant

**CONYERS DILL & PEARMAN LLP**

SIX, 2nd Floor, Cricket Square
PO Box 2681, Grand Cayman KY1-1111
Cayman Islands
T +1 345 945 3901
conyers.com

26 October 2026

Air Water Ventures Limited
c/o Ogier Global (Cayman) Limited
89 Nexus Way, Camana Bay
Grand Cayman, KY1-9009
Cayman Islands

Ladies and Gentlemen,

Re: Air Water Ventures Limited (the “**Company**”)

We have acted as special legal counsel in the Cayman Islands to the Company in connection with the Company’s Registration Statement on Form S-8 filed with the United States Securities and Exchange Commission (the “**Commission**”) on or around the date of this opinion (the “**Registration Statement**”, which term does not include any other document or agreement whether or not specifically referred to therein or attached as an exhibit or schedule thereto) relating to the Company’s registration of (i) up to a maximum aggregate amount of 5,700,500 ordinary shares of a par value of \$0.0001 per share (the “**Ordinary Shares**”), issuable pursuant to potential future grants under the Company’s 2025 Equity Incentive Plan, as amended (the “**2025 EIP**”, which term does not include any other document or agreement whether or not specifically referred to therein or attached as an exhibit or schedule thereto) and (ii) up to a maximum aggregate amount of 50,000 Ordinary Shares, issuable pursuant to potential future grants under the Company’s 2025 Employee Stock Purchase Plan, as amended (the “**2025 ESPP**”, which term does not include any other document or agreement whether or not specifically referred to therein or attached as an exhibit or schedule thereto), all as more particularly described in the Registration Statement.

1. DOCUMENTS REVIEWED

For the purposes of giving this opinion, we have examined copies of:

- (i) the Registration Statement;
 - (ii) the 2025 EIP;
 - (iii) the 2025 ESPP;
 - (iv) the certificate of incorporation of the Company dated 8 August 2025;
 - (v) the amended and restated memorandum and articles of association of the Company adopted on 13 August 2026 (the “**Articles**”);
-

- (vi) the unanimous written resolutions of the board of directors of the Company dated 13 August 2026 and 14 August 2026 (the “**Resolutions**”);
- (vii) a Certificate of Good Standing (the “**Certificate of Good Standing**”) dated 23 October 2026 issued by the Registrar of Companies in relation to the Company; and
- (viii) such other documents and made such enquiries as to questions of law as we have deemed necessary in order to render the opinion set forth below.

2. ASSUMPTIONS

We have assumed:

- (a) the genuineness and authenticity of all signatures and the conformity to the originals of all copies (whether or not certified) examined by us and the authenticity and completeness of the originals from which such copies were taken;
- (b) the accuracy and completeness of all factual representations made in the Registration Statement, the 2025 EIP, the 2025 ESPP and other documents reviewed by us;
- (c) that where a document has been examined by us in draft form, it will be or has been executed in substantially the form of that draft, and where a number of drafts of a document have been examined by us all changes thereto have been marked or otherwise drawn to our attention;
- (d) that the resolutions contained in the Resolutions were passed by unanimous written resolutions or at a duly convened meeting of the board of directors of the Company, remain in full force and effect and have not been and will not be rescinded or amended;
- (e) that there is no provision of the law of any jurisdiction, other than the Cayman Islands, which would have any implication in relation to the opinions expressed herein;
- (f) that at the time of issuance, any Ordinary Shares shall be issued by the Company against payment in full, which shall be equal to at least the par value thereof, and shall be duly registered in the Company’s register of members;
- (g) that at the time of issuance, the Company will have sufficient authorised share capital to effect the issue of any Ordinary Shares at the time of issuance;
- (h) there are no records of the Company (other than the Resolutions), agreements, documents or arrangements other than the documents expressly referred to herein as having been examined by us which materially affect, amend or vary the transactions envisaged in the documents expressly referred to herein or restrict the powers and authority of the directors of the Company in any way or which would affect any opinion given herein;
- (i) the capacity, power and authority of all parties other than the Company to enter into and perform their obligations under any and all documents entered into by such parties in connection with the issuance of the Ordinary Shares, and the due execution and delivery thereof by each party thereto;

- (j) the effectiveness under the laws of the United States of America of the Registration Statement and that the Registration Statement will be duly filed with and declared effective by the Commission;
- (k) that the Registration Statement declared effective by the Commission will be in substantially the same form as that examined by us for purposes of this opinion;
- (l) the legality, validity and binding effect under the laws of the State of Delaware (the “**Foreign Laws**”) of each of the 2025 EIP and the 2025 ESPP, which are expressed to be governed by the Foreign Laws, in accordance with their respective terms;
- (m) that each of the documents reviewed by us are, or will be, legal, valid, binding and enforceable against all relevant parties in accordance with their terms under all relevant laws (other than, with respect to the Company, the laws of the Cayman Islands); and
- (n) that there is no contractual or other prohibition or restriction (other than as arising under Cayman Islands law) binding on the Company prohibiting or restricting it from entering into and performing its obligations under the documents reviewed by us.

3. QUALIFICATIONS

- (a) The term “enforceable” as used in this opinion means that an obligation is of a type which the courts of the Cayman Islands enforce. It does not mean that those obligations will be enforced in all circumstances. In particular, the obligations of the Company in connection with any Ordinary Share and any indenture or other agreement or document relating thereto:
 - (i) will be subject to the laws from time to time in effect relating to bankruptcy, insolvency, liquidation, possessory liens, rights of set off, reorganisation, amalgamation, merger, consolidation, moratorium, bribery, corruption, money laundering, terrorist financing, proliferation financing or any other laws or legal procedures, whether of a similar nature or otherwise, generally affecting the rights of creditors as well as applicable international sanctions;
 - (ii) will be subject to statutory limitation of the time within which proceedings may be brought;
 - (iii) will be subject to general principles of equity and, as such, specific performance and injunctive relief, being equitable remedies, may not be available;
 - (iv) may not be given effect to by a Cayman Islands court if and to the extent they constitute the payment of an amount which is in the nature of a penalty; and
 - (v) may not be given effect by a Cayman Islands court to the extent that they are to be performed in a jurisdiction outside the Cayman Islands and such performance would be illegal under the laws of that jurisdiction. Notwithstanding any contractual submission to the exclusive or non-exclusive jurisdiction of specific courts, a Cayman Islands court has inherent discretion to stay or allow proceedings in the Cayman Islands against the Company if there are other proceedings simultaneously underway against the Company in another jurisdiction.

- (b) We have made no investigation of and express no opinion in relation to the laws of any jurisdiction other than the Cayman Islands.
- (c) This opinion is to be governed by and construed in accordance with the laws of the Cayman Islands and is limited to and is given on the basis of the current law and practice in the Cayman Islands.
- (d) This opinion is issued solely for the purposes of the filing of the Registration Statement and the registration of the Ordinary Shares by the Company and is not to be relied upon in respect of any other matter.

4. OPINIONS

On the basis of and subject to the foregoing, we are of the opinion that:

- (a) The Company is duly incorporated and existing under the laws of the Cayman Islands and, based on the Certificate of Good Standing, is in good standing. Pursuant to the Companies Act of the Cayman Islands (the “**Act**”), a company is deemed to be in good standing if all fees and penalties under the Act have been paid and the Registrar of Companies has no knowledge that the Company is in default under the Act.
- (b) The issue of the Ordinary Shares has been duly authorised and, when issued and paid for in accordance with the Resolutions, the Articles, the 2025 EIP, the 2025 ESPP and the Registration Statement, as applicable, and entered on the register of members of the Company, the Ordinary Shares will be validly issued, fully paid and non-assessable (which term when used herein means that no further sums are required to be paid by the holders thereof in connection with the issue of such Ordinary Shares).

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the references to our firm as they appear in the Registration Statement. In giving this consent, we do not hereby admit that we are experts within the meaning of Section 11 of the Securities Act or that we are within the category of persons whose consent is required under Section 7 of the Securities Act or the Rules and Regulations of the Commission promulgated thereunder.

Yours faithfully,

/s/ Conyers Dill & Pearman LLP

Conyers Dill & Pearman LLP

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our report dated April 10, 2026 with respect to the financial statements of Air Water Ventures Limited as of December 31, 2025 and for the period from August 8, 2025 (inception) to December 31, 2025.

We consent to the incorporation by reference in this Registration Statement on Form S-8 of our aforementioned report, which appears in the prospectus filed with the Securities and Exchange Commission on July 8, 2026, relating to the Registration Statement on Form F-4 (File No. 333-294998), and to the reference to our firm under the caption “Statement by Experts” in such prospectus.

/s/ Grant Thornton Audit and Accounting Limited (Dubai Branch)

Dubai, United Arab Emirates
October 26, 2026

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our report dated April 10, 2026 with respect to the consolidated financial statements of Air Water Ventures Holdings Limited and its subsidiaries as of December 31, 2025 and 2024, and for each of the years in the two-year period ended December 31, 2025.

We consent to the incorporation by reference in this Registration Statement on Form S-8 of our aforementioned report, which appears in the prospectus filed with the Securities and Exchange Commission on July 8, 2026, relating to the Registration Statement on Form F-4 (File No. 333-294998), and to the reference to our firm under the caption "Statement by Experts" in such prospectus.

/s/ Grant Thornton Audit and Accounting Limited (Dubai Branch)

Dubai, United Arab Emirates

October 26, 2026

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to incorporation by reference of our report dated March 30, 2026 with respect to our audits of the consolidated financial statements of Inflection Point Acquisition Corp. III as of December 31, 2025 and 2024, and for the year ended December 31, 2025 and for the period from January 31, 2024 (inception) through December 31, 2024 in Air Water Ventures Limited (formerly known as Inflection Point Acquisition Corp. III)'s Form S-8. Our report contained an explanatory paragraph regarding substantial doubt about Inflection Point Acquisition Corp. III's ability to continue as a going concern.

We also consent to the reference to our Firm under the heading "Experts" in such Form S-8.

/s/ UHY LLP

New York, New York

October 26, 2026

AIR WATER VENTURES LIMITED
2025 EQUITY INCENTIVE PLAN

Section 1. Effectiveness and Purpose.

Effective as of the Effective Date, the Air Water Ventures Limited 2025 Equity Incentive Plan (as may be amended from time to time, the “**Plan**”) is hereby established.

The purpose of the Plan is to provide employees of Air Water Ventures Limited, a Cayman Islands exempted company (together with its successors, the “**Company**”), and its subsidiaries, certain consultants and advisors who perform services for the Company or its subsidiaries, and non-employee members of the Board of Directors of the Company, with the opportunity to receive grants of equity awards in the form of incentive stock options, nonqualified stock options, stock appreciation rights, stock awards, stock units, and other stock-based awards. Capitalized terms used in the Plan and not therein defined shall have the meaning assigned to them in Section 2.

The Company believes that the Plan will encourage the participants to contribute materially to the growth of the Company, thereby benefitting the Company’s stockholders, and will align the economic interests of the participants with those of the stockholders.

Section 2. Definitions.

The following terms shall have the meanings set forth below for purposes of the Plan:

(a) “**Affiliate**” means, when used with reference to any Person, any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with, or owns greater than fifty percent (50%) of the voting power in, the specified Person (the term “control” for this purpose means the ability, whether by the ownership of shares or other equity interest, by contract or otherwise, to elect a majority of the directors of a corporation, independently to select the managing partner of a partnership or the managing member or the majority of the managers, as applicable, of a limited liability company, or otherwise to have the power independently to remove and then select a majority of those Persons exercising governing authority over an entity, and control shall be conclusively presumed in the case of the direct or indirect ownership of fifty percent (50%) or more of the voting equity interests in the specified Person).

(b) “**Award**” means an Option, SAR, Stock Award, Stock Unit or Other Stock-Based Award granted under the Plan.

(c) “**Award Agreement**” means the written agreement that sets forth the terms and conditions of an Award, including all amendments thereto.

(d) “**Board**” means the Board of Directors of the Company.

(e) “**Cause**” has the meaning given to that term, “just cause” or any similar term in any written employment agreement, offer letter or severance agreement between the Employer and the Participant, or if no such agreement exists or if such term is not defined therein, and unless otherwise defined in the Award Agreement, Cause means a finding by the Committee that the Participant (i) has breached his or her employment or service contract with the Employer, (ii) has engaged in disloyalty to the Employer, including, without limitation, fraud, embezzlement, theft, commission of a felony or proven dishonesty, (iii) has disclosed trade secrets or confidential information of the Employer to Persons not entitled to receive such information, (iv) has breached any written non-competition, non-solicitation, invention assignment or confidentiality agreement between the Participant and the Employer, (v) has violated the code of conduct or any other applicable policies of the Employer or the Company or (vi) has engaged in such other behavior detrimental to the interests of the Employer as the Committee determines.

(f) “**CEO**” means the Chief Executive Officer of the Company.

(g) “**Change in Control**” means, unless otherwise set forth in an Award Agreement, the occurrence of any of the following:

(i) any “person” (as such term is used in sections 13(d) and 14(d) of the Exchange Act) becomes a “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the voting power of the then-outstanding securities of the Company; *provided* that a Change in Control shall not be deemed to occur as a result of a transaction in which the Company becomes a direct or indirect Subsidiary of another Person and in which the stockholders of the Company, immediately prior to the transaction, will beneficially own, immediately after the transaction, shares of such other Person representing more than fifty percent (50%) of the voting power of the then-outstanding securities of such other Person;

(ii) the consummation of (A) a merger or consolidation of the Company with another Person where, immediately after the merger or consolidation, the stockholders of the Company, immediately prior to the merger or consolidation, will not beneficially own, in substantially the same proportion as ownership immediately prior to the merger or consolidation, shares entitling such stockholders to more than fifty percent (50%) of all votes to which all stockholders of the surviving Person would be entitled in the election of directors, or where the members of the Board, immediately prior to the merger or consolidation, will not, immediately after the merger or consolidation, constitute a majority of the board of directors of the surviving Person or (B) a sale or other disposition of all or substantially all of the assets of the Company;

(iii) a change in the composition of the Board over a period of twelve (12) consecutive months or less such that a majority of the Board members ceases, by reason of one or more contested elections for Board membership, to be comprised of individuals who either (A) have been Board members continuously since the beginning of such period or (B) have been elected or nominated for election as Board members during such period by at least a majority of the Board members described in clause (A) who were still in office at the time the Board approved such election or nomination; or

(iv) the consummation of a complete dissolution or liquidation of the Company.

The Committee may modify the definition of Change in Control for a particular Award as the Committee deems appropriate to comply with Section 409A of the Code or otherwise. Notwithstanding the foregoing, to the extent applicable, if an Award constitutes deferred compensation subject to Section 409A of the Code and the Award provides for payment upon a Change in Control, then, for purposes of such payment provisions, no Change in Control shall be deemed to have occurred upon an event described in items (i) – (iv) above unless the event would also constitute a change in ownership or effective control of, or a change in the ownership of a substantial portion of the assets of, the Company under Section 409A of the Code.

(h) “**Code**” means the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

(i) “**Committee**” means the Compensation Committee of the Board or another committee appointed by the Board to administer the Plan. The Committee shall consist of directors who are “non-employee directors” as defined under Rule 16b-3 promulgated under the Exchange Act and “independent directors,” as determined in accordance with the independence standards established by the stock exchange on which the Company Stock is at the time primarily traded.

(j) “**Company Stock**” means common stock, par value \$0.0001 per share, of the Company, and such other securities as may be substituted for Company Stock pursuant to Section 5.

(k) “**Disability**” or “**Disabled**” means, unless otherwise set forth in the Award Agreement, a Participant’s becoming disabled within the meaning of the Employer’s long-term disability plan applicable to the Participant.

(l) “**Dividend Equivalent**” means an amount determined by multiplying the number of shares of Company Stock subject to a Stock Unit or Other Stock-Based Award by the per-share cash dividend paid by the Company on its outstanding Company Stock, or the per-share Fair Market Value of any dividend paid on its outstanding Company Stock in consideration other than cash. If interest is credited on accumulated dividend equivalents, the term “Dividend Equivalent” shall include the accrued interest.

(m) “**Effective Date**” means the date the Plan is approved by the Company’s stockholders.

(n) “**Employed by, or providing service to, the Employer**” means employment or service as an Employee, Key Advisor or member of the Board (so that, for purposes of exercising Options and SARs and satisfying conditions with respect to Stock Awards, Stock Units, and Other Stock-Based Awards, a Participant shall not be considered to have terminated employment or service until the Participant ceases to be an Employee, Key Advisor and member of the Board), unless the Committee determines otherwise. If a Participant’s relationship is with a Subsidiary of the Company and that entity ceases to be a Subsidiary of the Company, the Participant will be deemed to cease employment or service when the entity ceases to be a Subsidiary of the Company, unless the Participant transfers employment or service to an Employer. If a Participant has military, sick leave or other bona fide leave, the Participant will not be deemed to cease employment or service solely as a result of such leave; *provided* that such leave does not exceed the longer of 90 days or the period during which the absent Participant’s reemployment rights, if any, are guaranteed by statute or contract. To the extent consistent with applicable law, the Committee may provide that Awards continue to vest for all or a portion of the period of such leave, or that vesting shall be tolled during such leave and only recommence upon the Participant’s return from such leave.

(o) “**Employee**” means an employee of the Employer (including an officer or director who is also an employee), and excluding any person who is classified by the Employer as a “contractor” or “consultant,” no matter how characterized by the Internal Revenue Service, other governmental agency or a court. Any change of characterization of an individual by the Internal Revenue Service or any court or government agency shall have no effect upon the classification of an individual as an Employee for purposes of this Plan, unless the Committee determines otherwise.

(p) “**Employer**” means the Company and each of its Subsidiaries that acts as the employer or service recipient for a Participant.

(q) “**Exchange Act**” means the Securities Exchange Act of 1934, as amended.

(r) “**Exercise Price**” means the per share price at which shares of Company Stock may be purchased under an Option, as designated by the Committee.

(s) “**Fair Market Value**” means:

(i) If the Company Stock is publicly traded, the Fair Market Value per share shall be determined as follows: (A) if the principal trading market for the Company Stock is a national securities exchange, the closing sales price during regular trading hours on the relevant date or, if there were no trades on that date, the latest preceding date upon which a sale was reported, or (B) if the Company Stock is not principally traded on any such exchange, the last reported sale price of a share of Company Stock during regular trading hours on the relevant date, as reported by the OTC Bulletin Board.

(ii) If the Company Stock is not publicly traded or, if publicly traded, is not subject to reported transactions as set forth above, the Fair Market Value per share shall be determined by the Committee through any reasonable valuation method authorized under the Code.

(t) “**Incentive Stock Option**” means an Option that is intended to meet the requirements of an incentive stock option under Section 422 of the Code.

(u) “**Key Advisor**” means a consultant or advisor of the Employer.

(v) “**Non-Employee Director**” means a member of the Board who is not an Employee.

(w) “**Nonqualified Stock Option**” means an Option that is not intended to be taxed as an incentive stock option under Section 422 of the Code.

(x) “**Option**” means an option to purchase shares of Company Stock, as described in Section 7.

(y) “**Other Stock-Based Award**” means any Award based on, measured by or payable in Company Stock (other than an Option, Stock Unit, Stock Award, or SAR), as described in Section 11.

(z) “**Participant**” means an Employee, Key Advisor or Non-Employee Director designated by the Committee to participate in the Plan.

(aa) “**Performance Goals**” means the business criteria selected by the Company to measure the level of performance of the Company or an Affiliate during a performance period, which may include, but are not limited to, one or more of the following criteria: (i) revenue, organic revenue, net sales, or new-product revenue or net sales, (ii) achievement of specified milestones in the discovery and development of the Company’s technology or of one or more of the Company’s products, (iii) achievement of specified milestones in the commercialization of one or more of the Company’s products, (iv) achievement of specified milestones in the manufacturing of one or more of the Company’s products, (v) expense targets, (vi) share price, (vii) total shareholder return, (viii) earnings per share, (ix) operating margin, (x) gross margin, (xi) return measures (including, but not limited to, return on assets, capital, equity, or sales), (xii) productivity ratios, (xiii) operating income, (xiv) net operating profit, (xv) net earnings or net income (before or after taxes), (xvi) cash flow (including, but not limited to, operating cash flow, free cash flow and cash flow return on capital), (xvii) earnings before or after interest, taxes, depreciation, amortization and/or stock-based compensation expense, (xviii) economic value added, (xix) market share, (xx) working capital targets, (xxi) achievement of specified milestones relating to corporate partnerships, collaborations, license transactions, distribution arrangements, mergers, acquisitions, dispositions or similar business transactions, (xxii) employee retention and recruiting and human resources management, (xxiii) strategic goals or objectives; and (xxiv) other applicable criteria as determined by the Committee.

(bb) “**Person**” means any natural person, corporation, limited liability company, partnership, trust, joint stock company, business trust, unincorporated association, joint venture, governmental authority or other legal entity of any nature whatsoever.

(cc) “**SAR**” means a stock appreciation right, as described in Section 10.

(dd) “**Stock Award**” means an award of Company Stock, as described in Section 8.

(ee) “**Stock Unit**” means an award of a contractual right to receive one or more shares of Company Stock, cash or combination thereof, as described in Section 9, and denominated in a number of shares of Company Stock specified in an Award Agreement.

(ff) “**Subsidiary**” means any entity in which the Company has a greater than fifty percent (50%) direct or indirect ownership interest. With respect to the requirements applicable to Incentive Stock Options in Section 7, “Subsidiary” shall mean a “subsidiary corporation” of the Company, as defined in section 424(f) of the Code.

(gg) “**Substitute Awards**” means shares issued or transferred under Grants made pursuant to an assumption, substitution or exchange for previously granted awards of a company acquired by the Company in a transaction.

Section 3. Administration.

(a) Committee. The Plan shall be administered and interpreted by the Committee; *provided, however*, that any Awards to members of the Board must be authorized by a majority of the Board. The Committee may delegate authority to one or more subcommittees, as it deems appropriate. Subject to compliance with applicable law and the applicable stock exchange rules, the Board, in its discretion, may perform any action of the Committee hereunder. To the extent that the Board, the Committee, a subcommittee or the CEO, as described below, administers the Plan, references in the Plan to the “Committee” shall be deemed to refer to the Board, the Committee, or such subcommittee or the CEO.

(b) Delegation. To the extent permitted by applicable law, the Committee in its discretion, may delegate to one or more officers of the Company all or part of the Committee’s authority and duties with respect to Grants to individuals who are not subject to the reporting and other provisions of section 16 of the Exchange Act. The Committee may revoke or amend the terms of a delegation at any time but such action shall not invalidate any prior actions of the Committee’s delegate or delegates that were consistent with the terms of the Plan and the Committee’s prior delegation. Any delegation by the Committee pursuant to this Section shall be subject to such conditions and limitations as may be determined by the Committee and shall be subject to and limited by applicable law or regulation, the rules and regulations of the Nasdaq Capital Market or such other securities exchange on which the Company Stock is then listed.

(c) Committee Authority. The Committee shall have the sole authority to (i) determine the individuals to whom Awards shall be made under the Plan, (ii) determine the type, size, terms and conditions of the Awards to be made to each such individual, (iii) determine the time when the Awards will be made and the duration of any applicable exercise or restriction period, including the criteria for exercisability and the acceleration of exercisability, which may be based on the attainment of Performance Goals, (iv) determine the amounts payable based on attainment of Performance Goals, including discretion to make such adjustments (positive or negative) to the amounts payable as the Committee deems appropriate and in the best interests of the Company, (v) amend the terms of any previously issued Award, subject to the provisions of Section 18 below, (vi) determine and adopt terms, guidelines, and provisions, not inconsistent with the Plan and applicable law, that apply to individuals residing outside of the United States who receive Awards under the Plan, and (vii) deal with any other matters arising under the Plan.

(d) Committee Determinations. The Committee shall have full power and express discretionary authority to administer and interpret the Plan, to make factual determinations and to adopt or amend such rules, regulations, agreements and instruments for implementing the Plan and for the conduct of its business as it deems necessary or advisable, in its sole discretion. The Committee’s interpretations of the Plan and all determinations made by the Committee pursuant to the powers vested in it hereunder shall be conclusive and binding on all persons having any interest in the Plan or in any Awards granted hereunder. All powers of the Committee shall be executed in its sole discretion, in the best interest of the Company, not as a fiduciary, and in keeping with the objectives of the Plan and need not be uniform as to similarly situated individuals.

(e) Indemnification. No member of the Committee or the Board, and no employee of the Company or any Affiliate shall be liable for any act or failure to act with respect to the Plan, except in circumstances involving his or her bad faith or willful misconduct, or for any act or failure to act hereunder by any other member of the Committee or employee or by any agent to whom duties in connection with the administration of this Plan have been delegated. The Company shall indemnify members of the Committee and the Board and any agent of the Committee or the Board who is an employee of the Company or a Subsidiary against any and all liabilities or expenses to which they may be subjected by reason of any act or failure to act with respect to their duties on behalf of the Plan, except in circumstances involving such person's bad faith or willful misconduct.

Section 4. Awards. Awards under the Plan may consist of Options as described in Section 7, Stock Awards as described in Section 8, Stock Units as described in Section 9, SARs as described in Section 10, and Other Stock-Based Awards as described in Section 11. All Awards shall be subject to the terms and conditions set forth herein and to such other terms and conditions consistent with this Plan as the Committee deems appropriate and as are specified in writing by the Committee to the individual in the Award Agreement. All Awards shall be made conditional upon the Participant's acknowledgement, in writing or by acceptance of the Award, that all decisions and determinations of the Committee shall be final and binding on the Participant, such Participant's beneficiaries and any other person having or claiming an interest under such Award. Awards under a particular Section of the Plan need not be uniform as among the Participants.

Section 5. Shares Subject to the Plan.

(a) Shares Authorized. Subject to adjustment as described in Sections 5(b) and 5(e) below, the aggregate number of shares of Company Stock that may be issued or transferred under the Plan shall be 5,700,500 shares of Company Stock. Subject to adjustment as described in Sections 5(b) and 5(e) below, the aggregate number of shares of Company Stock that may be issued or transferred under the Plan pursuant to Incentive Stock Options shall not exceed 5,700,500 shares of Company Stock.

(b) Source of Shares; Share Counting. Shares issued or transferred under the Plan may be authorized but unissued shares of Company Stock or reacquired shares of Company Stock, including shares purchased by the Company on the open market for purposes of the Plan. If and to the extent Options or SARs granted under the Plan, expire or are canceled, forfeited, exchanged or surrendered without having been exercised, or if any Stock Awards, Stock Units or Other Stock-Based Awards are forfeited, terminated or otherwise not paid in full, the shares subject to such Awards shall again be available for purposes of the Plan. If shares of Company Stock otherwise issuable under the Plan are surrendered in payment of the Exercise Price of an Option, then the number of shares of Company Stock available for issuance under the Plan shall be reduced only by the net number of shares actually issued by the Company upon such exercise and not by the gross number of shares as to which such Option is exercised. Upon the exercise of any SAR under the Plan, the number of shares of Company Stock available for issuance under the Plan shall be reduced only by the net number of shares actually issued by the Company upon such exercise. If shares of Company Stock otherwise issuable under the Plan are withheld by the Company in satisfaction of the withholding taxes incurred in connection with the issuance, vesting or exercise of any Award or the issuance of Company Stock thereunder, then the number of shares of Company Stock available for issuance under the Plan shall be reduced only by the net number of shares actually issued under such Award, calculated after payment of such share withholding. To the extent any Awards are paid in cash, and not in shares of Company Stock, any shares previously subject to such Awards shall again be available for issuance or transfer under the Plan. For the avoidance of doubt, if shares are repurchased by the Company on the open market with the proceeds of the Exercise Price of Options, such shares may not again be made available for issuance under the Plan.

(c) Substitute Awards. Substitute Awards shall not reduce the number of shares of Company Stock available under the Plan. Available shares under a stockholder approved plan of an acquired company (as appropriately adjusted to reflect the transaction) may be used for Awards under the Plan and shall not reduce the Plan's share reserve (subject to applicable stock exchange listing and Code requirements). Additionally, in the event that a company acquired by the Company or any Affiliate with which the Company or any Subsidiary combined has shares available under a preexisting plan approved by stockholders and not adopted in contemplation of such acquisition or combination, the shares available for grant pursuant to the terms of such preexisting plan (as adjusted, to the extent appropriate, using the exchange ratio or other adjustment or valuation ratio or formula used in such acquisition or combination to determine the consideration payable to the holders of common stock of the entities party to such acquisition or combination) may be used for Awards under the Plan and shall not reduce the number of shares of Company Stock authorized for grant under the Plan (and shares of Company Stock subject to such Awards shall not be added to the shares of Company Stock available for Awards under the Plan as provided in Section 5(a)); *provided that* Awards using such available shares shall not be made after the date awards or grants could have been made under the terms of the preexisting plan, absent the acquisition or combination, and shall only be made to individuals who were not employees or directors prior to such acquisition or combination. Notwithstanding the foregoing, Substitute Awards issued in connection with the assumption of, or in substitution for, outstanding options intended to be an Incentive Stock Option within the meaning of Section 422 of the Code shall be counted against the aggregate number of shares of Company Stock available for the grant of Incentive Stock Options under the Plan.

(d) Individual Limits for Non-Employee Directors. Subject to adjustment as described below in Section 5(e), the maximum aggregate grant date value of shares of Company Stock subject to Awards granted to any Non-Employee Director during any calendar year, taken together with any cash fees earned by such Non-Employee Director for services rendered during the calendar year, shall not exceed \$750,000 in total value. For purposes of this limit, the value of such Awards shall be calculated based on the grant date fair value of such Awards for financial reporting purposes.

(e) Adjustments. If there is any change in the number or kind of shares of Company Stock outstanding by reason of (i) a stock dividend, spinoff, recapitalization, stock split, or combination or exchange of shares, (ii) a merger, reorganization or consolidation, (iii) a reclassification or change in par value, or (iv) any other extraordinary or unusual event affecting the outstanding Company Stock as a class without the Company's receipt of consideration, or if the value of outstanding shares of Company Stock is substantially reduced as a result of a spinoff or the Company's payment of an extraordinary dividend or distribution, the maximum number and kind of shares of Company Stock available for issuance under the Plan, the maximum number and kind of shares of Company Stock that may be issued pursuant to Incentive Stock Options granted under the Plan, the number and kind of shares covered by outstanding Awards, the number and kind of shares issued and to be issued under the Plan, and the price per share or the applicable market value of such Awards shall be equitably adjusted by the Committee to reflect any increase or decrease in the number of, or change in the kind or value of, the issued shares of Company Stock to preclude, to the extent practicable, the enlargement or dilution of rights and benefits under the Plan and such outstanding Awards; *provided, however*, that any fractional shares resulting from such adjustment shall be eliminated. In addition, the Committee is authorized to make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of unusual or nonrecurring events (including, without limitation, events described in the preceding sentence, and acquisitions and dispositions of businesses and assets) affecting the Company, any Subsidiary or any business unit, or the financial statements of the Company or any Subsidiary, or in response to changes in applicable laws, regulations, or accounting principles. In addition, in the event of a Change in Control, the provisions of Section 13 of the Plan shall apply. Any adjustments to outstanding Awards shall be consistent with Section 409A or 424 of the Code, to the extent applicable. Subject to Section 18(b), the adjustments of Awards under this Section 5(e) shall include adjustment of shares, Exercise Price of Options, base amount of SARs, Performance Goals or other terms and conditions, as the Committee deems appropriate. The Committee shall have the sole discretion and authority to determine what appropriate adjustments shall be made and any adjustments determined by the Committee shall be final, binding and conclusive.

Section 6. Eligibility for Participation

(a) Eligible Persons. All Employees and Non-Employee Directors shall be eligible to participate in the Plan. Key Advisors shall be eligible to participate in the Plan if the Key Advisors render bona fide services to the Employer, the services are not in connection with the offer and sale of securities in a capital-raising transaction and the Key Advisors do not directly or indirectly promote or maintain a market for the Company's securities.

(b) Selection of Participants. The Committee shall select the Employees, Non-Employee Directors and Key Advisors to receive Awards and shall determine the number of shares of Company Stock subject to a particular Award in such manner as the Committee determines.

Section 7. Options. The Committee may grant Options to an Employee, Non-Employee Director or Key Advisor upon such terms as the Committee deems appropriate. The following provisions are applicable to Options.

(a) Number of Shares. The Committee shall determine the number of shares of Company Stock that will be subject to each Award of Options to Employees, Non-Employee Directors and Key Advisors.

(b) Type of Option and Exercise Price.

(i) The Committee may grant Incentive Stock Options or Nonqualified Stock Options or any combination of the two, all in accordance with the terms and conditions set forth herein. Incentive Stock Options may be granted only to employees of the Company or its parent or Subsidiary corporations, as defined in Section 424 of the Code. Nonqualified Stock Options may be granted to Employees, Non-Employee Directors and Key Advisors.

(ii) The Exercise Price of Company Stock subject to an Option shall be determined by the Committee and shall be equal to or greater than the Fair Market Value of a share of Company Stock on the date the Option is granted. However, an Incentive Stock Option may not be granted to an Employee who, at the time of grant, owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company, or any parent or Subsidiary corporation of the Company, as defined in Section 424 of the Code, unless the Exercise Price per share is not less than 110% of the Fair Market Value of a share of Company Stock on the date of grant.

(c) Option Term. The Committee shall determine the term of each Option. The term of any Option shall not exceed ten years from the date of grant. However, an Incentive Stock Option that is granted to an Employee who, at the time of grant, owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company, or any parent or Subsidiary corporation of the Company, as defined in Section 424 of the Code, may not have a term that exceeds five years from the date of grant. Notwithstanding the foregoing, in the event that on the last business day of the term of an Option (other than an Incentive Stock Option), the exercise of the Option is prohibited by applicable law, including a prohibition on purchases or sales of Company Stock under the Company's insider trading policy, the term of the Option shall be extended for a period of 30 days following the end of the legal prohibition, unless the Committee determines otherwise and to the extent consistent with Section 409A of the Code.

(d) Exercisability of Options. Options shall become exercisable in accordance with such terms and conditions, consistent with the Plan, as may be determined by the Committee and specified in the Award Agreement. The Committee may accelerate the exercisability of any or all outstanding Options at any time for any reason.

(e) Awards to Non-Exempt Employees. Notwithstanding the foregoing, Options granted to persons who are non-exempt employees under the Fair Labor Standards Act of 1938, as amended, may not be exercisable for at least six months after the date of grant (except that such Options may become exercisable, as determined by the Committee, upon the Participant's death, Disability or retirement, or upon a Change in Control or other circumstances permitted by applicable regulations).

(f) Termination of Employment or Service. Except as provided in the Award Agreement, an Option may only be exercised while the Participant is employed by, or providing services to, the Employer. The Committee shall determine in the Award Agreement under what circumstances and during what time periods a Participant may exercise an Option after termination of employment or service.

(g) Exercise of Options. A Participant may exercise an Option that has become exercisable, in whole or in part, by delivering a notice of exercise to the Company. The Participant shall pay the Exercise Price for an Option as specified by the Committee (i) in cash or by check, (ii) unless the Committee determines otherwise, by delivering shares of Company Stock owned by the Participant and having a Fair Market Value on the date of exercise at least equal to the Exercise Price or by attestation (on a form prescribed by the Committee) to ownership of shares of Company Stock having a Fair Market Value on the date of exercise at least equal to the Exercise Price, (iii) by payment through a broker in accordance with procedures permitted by Regulation T of the Federal Reserve Board, (iv) if permitted by the Committee, by withholding shares of Company Stock subject to the exercisable Option, which have a Fair Market Value on the date of exercise equal to the Exercise Price, or (v) by such other method as the Committee may approve. Shares of Company Stock used to exercise an Option shall have been held by the Participant for the requisite period of time necessary to avoid adverse accounting consequences to the Company with respect to the Option. Payment for the shares to be issued or transferred pursuant to the Option, and any required withholding taxes, must be received by the Company by the time specified by the Committee depending on the type of payment being made, but in all cases prior to the issuance or transfer of such shares.

(h) Limits on Incentive Stock Options. Each Incentive Stock Option shall provide that, if the aggregate Fair Market Value of the Company Stock on the date of grant with respect to which Incentive Stock Options are exercisable for the first time by a Participant during any calendar year, under the Plan or any other stock option plan of the Company or a parent or Subsidiary, exceeds \$100,000, then the Option, as to the excess, shall be treated as a Nonqualified Stock Option.

Section 8. Stock Awards

The Committee may issue or transfer shares of Company Stock to an Employee, Non-Employee Director or Key Advisor under a Stock Award, upon such terms as the Committee deems appropriate. The following provisions are applicable to Stock Awards:

(a) General Requirements. Shares of Company Stock issued or transferred pursuant to Stock Awards may be issued or transferred for consideration or for no consideration, and subject to restrictions or no restrictions, as determined by the Committee. The Committee may, but shall not be required to, establish conditions under which restrictions on Stock Awards shall lapse over a period of time or according to such other criteria as the Committee deems appropriate, including, without limitation, restrictions based on the achievement of specific Performance Goals. The period of time during which the Stock Awards will remain subject to restrictions will be designated in the Award Agreement as the "Restriction Period."

(b) Number of Shares. The Committee shall determine the number of shares of Company Stock to be issued or transferred pursuant to a Stock Award and the restrictions applicable to such shares.

(c) Requirement of Employment or Service. If the Participant ceases to be employed by, or provide service to, the Employer during a period designated in the Award Agreement as the Restriction Period, or if other specified conditions are not met, the Stock Award shall terminate as to all shares covered by the Award as to which the restrictions have not lapsed, and those shares of Company Stock must be immediately returned to the Company. The Committee may, however, provide for complete or partial exceptions to this requirement as it deems appropriate.

(d) Restrictions on Transfer. During the Restriction Period, a Participant may not sell, assign, transfer, pledge or otherwise dispose of the shares of a Stock Award except under Section 16 below. Each certificate, or electronic book-entry equivalent, for a share subject to a Stock Award shall contain a legend giving appropriate notice of the restrictions in the Award. The Participant shall be entitled to have the legend removed from the stock certificate covering the shares subject to restrictions when all restrictions on such shares have lapsed. The Administrator may retain possession of any stock certificates for Stock Awards until all restrictions on such shares have lapsed.

(e) Right to Vote and to Receive Dividends. Unless the Committee determines otherwise, during the Restriction Period, the Participant shall have the right: (i) to vote shares of Stock Awards and (ii) receive any dividends or other distributions paid on such shares, subject to any restrictions deemed appropriate by the Committee, including, without limitation, the achievement of specific Performance Goals.

(f) Lapse of Restrictions. All restrictions imposed on Stock Awards shall lapse upon the expiration of the applicable Restriction Period and the satisfaction of all conditions, if any, imposed by the Committee. The Committee may determine, as to any or all Stock Awards, that the restrictions shall lapse without regard to any Restriction Period.

Section 9. Stock Units

The Committee may grant Stock Units, each of which shall represent one hypothetical share of Company Stock, to an Employee, Non-Employee Director or Key Advisor upon such terms and conditions as the Committee deems appropriate. The following provisions are applicable to Stock Units:

(a) Crediting of Units. Each Stock Unit shall represent the right of the Participant to receive a share of Company Stock or an amount of cash based on the value of a share of Company Stock, if and when specified conditions are met. All Stock Units shall be credited to bookkeeping accounts established on the Company's records for purposes of the Plan.

(b) Terms of Stock Units. The Committee may grant Stock Units that vest and are payable if specified Performance Goals or other conditions are met, or under other circumstances. Stock Units may be paid at the end of a specified performance period or other period, or payment may be deferred to a date authorized by the Committee. The Committee may accelerate vesting or payment, as to any or all Stock Units at any time for any reason; *provided* such acceleration complies with Section 409A of the Code. The Committee shall determine the number of Stock Units to be granted and the requirements applicable to such Stock Units.

(c) Requirement of Employment or Service. If the Participant ceases to be employed by, or provide service to, the Employer prior to the vesting of Stock Units, or if other conditions established by the Committee are not met, the Participant's Stock Units shall be forfeited. The Committee may, however, provide for complete or partial exceptions to this requirement as it deems appropriate.

(d) Payment With Respect to Stock Units. Payments with respect to Stock Units shall be made in cash, Company Stock or any combination of the foregoing, as the Committee shall determine.

Section 10. Stock Appreciation Rights

The Committee may grant SARs to an Employee, Non-Employee Director or Key Advisor separately or in tandem with any Option. The following provisions are applicable to SARs:

(a) General Requirements. The Committee may grant SARs to an Employee, Non-Employee Director or Key Advisor separately or in tandem with any Option (for all or a portion of the applicable Option). Tandem SARs may be granted either at the time the Option is granted or at any time thereafter while the Option remains outstanding; *provided, however*, that, in the case of an Incentive Stock Option, SARs may be granted only at the time of the grant of the Incentive Stock Option. The Committee shall establish the base amount of the SAR at the time the SAR is granted. The base amount of each SAR shall be equal to or greater than the Fair Market Value of a share of Company Stock as of the date of grant of the SAR. The term of any SAR shall not exceed ten years from the date of grant. Notwithstanding the foregoing, in the event that on the last business day of the term of a SAR, the exercise of the SAR is prohibited by applicable law, including a prohibition on purchases or sales of Company Stock under the Company's insider trading policy, the term shall be extended for a period of 30 days following the end of the legal prohibition, unless the Committee determines otherwise and to the extent consistent with Section 409A of the Code.

(b) Tandem SARs. In the case of tandem SARs, the number of SARs granted to a Participant that shall be exercisable during a specified period shall not exceed the number of shares of Company Stock that the Participant may purchase upon the exercise of the related Option during such period. Upon the exercise of an Option, the SARs relating to the Company Stock covered by such Option shall terminate. Upon the exercise of SARs, the related Option shall terminate to the extent of an equal number of shares of Company Stock.

(c) Exercisability. ASAR shall be exercisable during the period specified by the Committee in the Award Agreement and shall be subject to such vesting and other restrictions as may be specified in the Award Agreement. The Committee may accelerate the exercisability of any or all outstanding SARs at any time for any reason. SARs may only be exercised while the Participant is employed by, or providing service to, the Employer or during the applicable period after termination of employment or service as specified by the Committee. A tandem SAR shall be exercisable only during the period when the Option to which it is related is also exercisable.

(d) Awards to Non-Exempt Employees. Notwithstanding the foregoing, SARs granted to persons who are non-exempt employees under the Fair Labor Standards Act of 1938, as amended, may not be exercisable for at least six months after the date of grant (except that such SARs may become exercisable, as determined by the Committee, upon the Participant's death, Disability or retirement, or upon a Change in Control or other circumstances permitted by applicable regulations).

(e) Value of SARs. When a Participant exercises SARs, the Participant shall receive in settlement of such SARs an amount equal to the value of the stock appreciation for the number of SARs exercised. The stock appreciation for a SAR is the amount by which the Fair Market Value of the underlying Company Stock on the date of exercise of the SAR exceeds the base amount of the SAR as described in Section 10(a).

(f) Form of Payment. The appreciation in a SAR shall be paid in shares of Company Stock, cash or any combination of the foregoing, as the Committee shall determine. For purposes of calculating the number of shares of Company Stock to be received, shares of Company Stock shall be valued at their Fair Market Value on the date of exercise of the SAR.

Section 11. Other Stock-Based Awards

The Committee may grant Other Stock-Based Awards, which are awards (other than those described in Sections 7, 8, 9 and 10 of the Plan) that are based on or measured by Company Stock, to any Employee, Non-Employee Director or Key Advisor, on such terms and conditions as the Committee shall determine. Other Stock-Based Awards may be awarded subject to the achievement of Performance Goals or other criteria or other conditions and may be payable in cash, Company Stock or any combination of the foregoing, as the Committee shall determine.

Section 12. Dividend Equivalents

The Committee may grant Dividend Equivalents in connection with Stock Units or Other Stock-Based Awards in an applicable Award Agreement or at any point following the grant of such Award. Dividend Equivalents may be paid currently or accrued as contingent cash obligations and may be payable in cash or shares of Company Stock, and upon such terms and conditions as the Committee shall determine. For the avoidance of doubt, dividends or Dividend Equivalents shall not be granted in connection with Options or SARs.

Section 13. Consequences of a Change in Control

(a) Assumption of Outstanding Awards. Upon a Change in Control where the Company is not the surviving corporation (or survives only as a Subsidiary of another corporation), unless the Committee determines otherwise, all outstanding Awards that are not exercised or paid at the time of the Change in Control shall be assumed by, or replaced with grants (which may be payable in cash, securities, or a combination thereof) that have comparable terms by, the surviving corporation (or a parent or Subsidiary of the surviving corporation). After a Change in Control, references to the "Company" as they relate to employment matters shall include the successor employer in the transaction, subject to applicable law. For purposes of the foregoing, an Award under the Plan shall not be treated as continued, assumed, or replaced on comparable terms unless it is continued, assumed, or replaced with substantially equivalent terms, including, without limitation, the same vesting terms.

(b) Vesting Upon Certain Terminations of Employment. Unless the Committee determines otherwise or the applicable Award Agreement provides otherwise, if a Participant's employment or services with the Employer is terminated by the Employer without Cause upon or within 12 months following a Change in Control, the Participant's outstanding Awards shall become fully vested as of the date of such termination; *provided* that if the vesting of any such Awards is based, in whole or in part, on performance, the applicable Award Agreement shall specify how the portion of the Award that becomes vested pursuant to this Section 13(b) shall be calculated.

(c) Other Alternatives. In the event of a Change in Control, if any outstanding Awards are not assumed by, or replaced with grants that have comparable terms by, the surviving corporation (or a parent or Subsidiary of the surviving corporation), the Committee may (but is not obligated to) make adjustments to the terms and conditions of outstanding Awards, including, without limitation, taking any of the following actions (or combination thereof) with respect to any or all outstanding Awards, without the consent of any Participant: (i) the Committee may determine that outstanding Options and SARs shall automatically accelerate and become fully exercisable and the restrictions and conditions on outstanding Stock Awards, Stock Units, Other Stock-Based Awards and Dividend Equivalents shall immediately lapse; (ii) the Committee may determine that Participants shall receive a payment in settlement of outstanding Stock Units, Other Stock-Based Awards or Dividend Equivalents, in such amount and form as may be determined by the Committee; (iii) the Committee may require that Participants surrender their outstanding Options and SARs in exchange for a payment by the Company, in cash or Company Stock as determined by the Committee, in an amount equal to the amount, if any, by which the then Fair Market Value of the shares of Company Stock subject to the Participant's unexercised Options and SARs exceeds the Option Exercise Price or SAR base amount, and (iv) after giving Participants an opportunity to exercise all of their outstanding Options and SARs, the Committee may terminate any or all unexercised Options and SARs at such time as the Committee deems appropriate. Such surrender, termination or payment shall take place as of the date of the Change in Control or such other date as the Committee may specify. Without limiting the foregoing, if the per share Fair Market Value of the Company Stock does not exceed the per share Option Exercise Price or SAR base amount, as applicable, the Company shall not be required to make any payment to the Participant upon surrender of the Option or SAR.

Section 14. Deferrals

The Committee may permit or require a Participant to defer receipt of the payment of cash or the delivery of shares that would otherwise be due to such Participant in connection with any Award. If any such deferral election is permitted or required, the Committee shall establish rules and procedures for such deferrals and may provide for interest or other earnings to be paid on such deferrals. The rules and procedures for any such deferrals shall be consistent with applicable requirements of Section 409A of the Code.

Section 15. Withholding of Taxes

(a) Required Withholding. All Awards under the Plan shall be subject to applicable United States federal (including FICA), state and local, foreign country or other tax withholding requirements. The Employer may require that the Participant or other person receiving Awards or exercising Awards pay to the Employer an amount sufficient to satisfy such tax withholding requirements with respect to such Awards, the Employer may deduct from other wages and compensation paid by the Employer the amount of any withholding taxes due with respect to such Awards, or the Employer may take such other action as the Committee may deem advisable to enable the Employer to satisfy obligations for the payment of withholding taxes and other tax obligations relating to any Award.

(b) Share Withholding. The Committee may permit or require the Employer's tax withholding obligation with respect to Awards paid in Company Stock to be satisfied by having shares withheld up to an amount that does not exceed the Participant's applicable withholding tax rate for United States federal (including FICA), state and local, foreign country or other tax liabilities. The Committee may, in its discretion, and subject to such rules as the Committee may adopt, allow Participants to elect to have such share withholding applied to all or a portion of the tax withholding obligation arising in connection with any particular Award. Unless the Committee determines otherwise, share withholding for taxes shall not exceed the Participant's minimum applicable tax withholding amount.

Section 16. Transferability of Awards

(a) Nontransferability of Awards. Except as described in subsection (b) below, only the Participant may exercise rights under an Award during the Participant's lifetime. A Participant may not transfer those rights except (i) by will or by the laws of descent and distribution or (ii) with respect to Awards other than Incentive Stock Options, pursuant to a domestic relations order. When a Participant dies, the personal representative or other person entitled to succeed to the rights of the Participant may exercise such rights. Any such successor must furnish proof satisfactory to the Company of such successor's right to receive the Award under the Participant's will or under the applicable laws of descent and distribution.

(b) Transfer of Nonqualified Stock Options and Stock Awards. Notwithstanding the foregoing, the Committee may provide, in an Award Agreement or at such other time after the grant of an award, that a Participant may transfer Nonqualified Stock Options or Stock Awards to family members, or one or more trusts or other entities for the benefit of or owned by family members, consistent with the applicable securities laws, according to such terms as the Committee may determine; *provided* that the Participant receives no consideration for the transfer of an Option or Stock Award and the transferred Option or Stock Award shall continue to be subject to the same terms and conditions as were applicable to the Option or Stock Award immediately before the transfer.

Section 17. Requirements for Issuance or Transfer of Shares

No Company Stock shall be issued or transferred in connection with any Award hereunder unless and until all legal requirements applicable to the issuance or transfer of such Company Stock have been complied with to the satisfaction of the Committee. The Committee shall have the right to condition any Award on the Participant's undertaking in writing to comply with such restrictions on such Participant's subsequent disposition of the shares of Company Stock as the Committee shall deem necessary or advisable, and certificates, or electronic book entry equivalents, representing such shares may be legended to reflect any such restrictions. Certificates, or electronic book entry equivalents, representing shares of Company Stock issued or transferred under the Plan may be subject to such stop-transfer orders and other restrictions as the Committee deems appropriate to comply with applicable laws, regulations and interpretations, including any requirement that a legend be placed thereon.

Section 18. Amendment and Termination of the Plan

(a) Amendment. The Board may amend or terminate the Plan at any time; *provided, however*, that the Board shall not amend the Plan without stockholder approval if such approval is required in order to comply with applicable law or to comply with applicable stock exchange requirements.

(b) No Repricing of Options or SARs. Except in connection with a corporate transaction involving the Company (including, without limitation, any stock dividend, distribution (whether in the form of cash, Company Stock, other securities or property), stock split, extraordinary cash dividend, recapitalization, change in control, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase or exchange of shares of Company Stock or other securities, or similar transactions), the Company may not, without obtaining stockholder approval, (i) amend the terms of outstanding Options or SARs to reduce the Exercise Price of such outstanding Options or base price of such SARs, (ii) cancel outstanding Options or SARs in exchange for Options or SARs with an Exercise Price or base price, as applicable, that is less than the Exercise Price or base price of the original Options or SARs or (iii) cancel outstanding Options or SARs with an Exercise Price or base price, as applicable, above the current stock price in exchange for cash or other securities.

(c) Termination of Plan. The Plan shall terminate on the day immediately preceding the tenth anniversary of its Effective Date, unless the Plan is terminated earlier by the Board or is extended by the Board and if required by applicable law or applicable stock exchange requirements, such extension shall be subject to approval of the Company's stockholders.

(d) Termination and Amendment of Outstanding Awards. A termination or amendment of the Plan that occurs after an Award is made shall not materially impair the rights of a Participant with respect to such Award unless the Participant consents or unless the Committee acts under Section 19(f) below. The termination of the Plan shall not impair the power and authority of the Committee with respect to an outstanding Award. Whether or not the Plan has terminated, an outstanding Award may be terminated or amended under Section 19(f) below or may be amended by agreement of the Company and the Participant consistent with the Plan.

Section 19. Miscellaneous

(a) Awards in Connection with Corporate Transactions and Otherwise. Nothing contained in the Plan shall be construed to (i) limit the right of the Committee to make Awards under the Plan in connection with the acquisition, by purchase, lease, merger, consolidation or otherwise, of the business or assets of any corporation, firm or association, including Awards to employees thereof who become Employees, or (ii) limit the right of the Company to grant stock options or make other awards outside of the Plan. The Committee may make an Award to an employee of another corporation who becomes an Employee by reason of a corporate merger, consolidation, acquisition of stock or property, reorganization or liquidation involving the Company, in substitution for a stock option or stock awards grant made by such corporation. Notwithstanding anything in the Plan to the contrary, the Committee may establish such terms and conditions of the new Awards as it deems appropriate, including setting the Exercise Price of Options or the base price of SARs at a price necessary to retain for the Participant the same economic value as the prior options or rights.

(b) Governing Document. The Plan shall be the controlling document. No other statements, representations, explanatory materials or examples, oral or written, may amend the Plan in any manner. The Plan shall be binding upon and enforceable against the Company and its successors and assigns.

(c) Funding of the Plan. The Plan shall be unfunded. The Company shall not be required to establish any special or separate fund or to make any other segregation of assets to assure the payment of any Awards under the Plan.

(d) Rights of Participants. Nothing in the Plan shall entitle any Employee, Non-Employee Director, Key Advisor or other person to any claim or right to receive an Award under the Plan. Neither the Plan nor any action taken hereunder shall be construed as giving any individual any rights to be retained by or in the employ of the Employer or any other employment rights.

(e) No Fractional Shares. No fractional shares of Company Stock shall be issued or delivered pursuant to the Plan or any Award. Except as otherwise provided under the Plan, the Committee shall determine whether cash, other awards or other property shall be issued or paid in lieu of such fractional shares or whether such fractional shares or any rights thereto shall be forfeited or otherwise eliminated.

(f) Compliance with Law.

(i) The Plan, the exercise of Options and SARs and the obligations of the Company to issue or transfer shares of Company Stock under Awards shall be subject to all applicable laws and regulations, and to approvals by any governmental or regulatory agency as may be required. With respect to persons subject to Section 16 of the Exchange Act, it is the intent of the Company that the Plan and all transactions under the Plan comply with all applicable provisions of Rule 16b-3 or its successors under the Exchange Act. In addition, it is the intent of the Company that Incentive Stock Options comply with the applicable provisions of Section 422 of the Code, and that, to the extent applicable, Awards comply with the requirements of Section 409A of the Code. To the extent that any legal requirement of Section 16 of the Exchange Act or Section 422 or 409A of the Code as set forth in the Plan ceases to be required under Section 16 of the Exchange Act or Section 422 or 409A of the Code, that Plan provision shall cease to apply. The Committee may revoke any Award if it is contrary to law or modify an Award to bring it into compliance with any valid and mandatory government regulation. The Committee may also adopt rules regarding the withholding of taxes on payments to Participants. The Committee may, in its sole discretion, agree to limit its authority under this Section.

(ii) The Plan is intended to comply with the requirements of Section 409A of the Code, to the extent applicable. Each Award shall be construed and administered such that the Award either (A) qualifies for an exemption from the requirements of Section 409A of the Code or (B) satisfies the requirements of Section 409A of the Code. If an Award is subject to Section 409A of the Code, (I) distributions shall only be made in a manner and upon an event permitted under Section 409A of the Code, (II) payments to be made upon a termination of employment or service shall only be made upon a "separation from service" under Section 409A of the Code, (III) unless the Award specifies otherwise, each installment payment shall be treated as a separate payment for purposes of Section 409A of the Code, and (IV) in no event shall a Participant, directly or indirectly, designate the calendar year in which a distribution is made except in accordance with Section 409A of the Code.

(iii) Any Award that is subject to Section 409A of the Code and that is to be distributed to a Key Employee (as defined below) upon separation from service shall be administered so that any distribution with respect to such Award shall be postponed for six months following the date of the Participant's separation from service, if required by Section 409A of the Code. If a distribution is delayed pursuant to Section 409A of the Code, the distribution shall be paid within 15 days after the end of the six-month period. If the Participant dies during such six-month period, any postponed amounts shall be paid within 90 days of the Participant's death. The determination and identification of "Key Employees", including the number and identity of persons considered Key Employees and the identification date, shall be made by the Committee or its delegate each year in accordance with Section 416(i) of the Code and the "specified employee" requirements of Section 409A of the Code.

(iv) Notwithstanding anything in the Plan or any Award Agreement to the contrary, each Participant shall be solely responsible for the tax consequences of Awards under the Plan, and in no event shall the Company or any Subsidiary or Affiliate of the Company have any responsibility or liability if an Award does not meet any applicable requirements of Section 409A of the Code. Although the Company intends to administer the Plan to prevent taxation under Section 409A of the Code, the Company does not represent or warrant that the Plan or any Award complies with any provision of federal, state, local or other tax law.

(g) Awards in Foreign Countries; Establishment of Subplans. The Committee has the authority to award Awards to Participants who are foreign nationals or employed outside the United States on any different terms and conditions than those specified in the Plan that the Committee, in its discretion, believes to be necessary or desirable to accommodate differences in applicable law, tax policy, or custom, while furthering the purposes of the Plan. The Board or the Committee may from time to time establish one or more sub-plans under the Plan for purposes of satisfying applicable blue sky, securities or tax laws of various jurisdictions. The Board or the Committee shall establish such sub-plans by adopting supplements to the Plan setting forth such additional terms and conditions not otherwise inconsistent with the Plan as the Board or the Committee shall deem necessary or desirable. All supplements adopted by the Board or the Committee shall be deemed to be part of the Plan, but each supplement shall apply only to Participants within the affected jurisdiction and the Employer shall not be required to provide copies of any supplement to Participants in any jurisdiction that is not affected. Notwithstanding the foregoing, the Board or the Committee may not approve any sub-plan inconsistent with the terms or share limits in the Plan or which would otherwise cause the Plan to cease to satisfy any conditions under Rule 16b-3 under the Exchange Act.

(h) Company Policies and Clawback Rights.

(i) All Awards under the Plan shall be subject to any applicable share trading policies and other policies that may be approved or implemented by the Board or the Committee from time to time, whether approved before or after the Effective Date.

(ii) All Awards and amounts payable under the Plan are additionally subject to the terms of any applicable clawback policies approved by the Board or Committee, as in effect from time to time (including, without limitation, a clawback policy required to be implemented by an applicable stock exchange), whether approved before or after the date of grant of an Award (as applicable, a “**Clawback Policy**”). Further, to the extent permitted by applicable law, including without limitation Section 409A of the Code, all amounts payable under the Plan are subject to offset in the event that a Participant has an outstanding clawback, recoupment or forfeiture obligation to the Company under the terms of any applicable Clawback Policy. In the event of a clawback, recoupment or forfeiture event under an applicable Clawback Policy, the amount required to be clawed back, recouped or forfeited pursuant to such policy shall be deemed not to have been earned under the terms of the Plan, and the Company shall be entitled to recover from the Participant the amount specified under the Clawback Policy to be clawed back, recouped or forfeited (which amount, as applicable, shall be deemed an advance that remained subject to the Participant satisfying all eligibility conditions for earning the amounts deferred, accrued, or credited under this Plan).

(iii) Subject to the requirements of applicable law, the Committee may provide in any Award Agreement that, if a Participant breaches any restrictive covenant obligation or agreement between the Participant and the Employer (which may be set forth in any Award Agreement) or otherwise engages in activities that constitute Cause either while employed by, or providing service to, the Employer or within a specified period of time thereafter, all Awards held by the Participant shall terminate, and the Company may rescind any exercise of an Option or SAR and the vesting of any other Award and delivery of shares upon such exercise or vesting (including pursuant to dividends and Dividend Equivalents), as applicable on such terms as the Committee shall determine, including the right to require that in the event of any such rescission, (A) the Participant shall return to the Company the shares received upon the exercise of any Option or SAR and/or the vesting and payment of any other Award (including pursuant to dividends and Dividend Equivalents) or, (B) if the Participant no longer owns the shares, the Participant shall pay to the Company the amount of any gain realized or payment received as a result of any sale or other disposition of the shares (or, in the event the Participant transfers the shares by gift or otherwise without consideration, the Fair Market Value of the shares on the date of the breach of the restrictive covenant agreement (including a Participant’s Award Agreement containing restrictive covenants) or activity constituting Cause), net of the price originally paid by the Participant for the shares. Payment by the Participant shall be made in such manner and on such terms and conditions as may be required by the Committee. The Employer shall be entitled to set off against the amount of any such payment any amounts otherwise owed to the Participant by the Employer to the extent permitted by applicable law, including without limitation Section 409A of the Code.

(i) Governing Law; Jurisdiction. The validity, construction, interpretation and effect of the Plan and Award Agreements issued under the Plan shall be governed and construed by and determined in accordance with the laws of the State of Delaware, without giving effect to the conflict of laws provisions thereof. Any action arising out of, or relating to, any of the provisions of the Plan and Awards made hereunder shall be brought only in the United States District Court for the District of Delaware, or if such court does not have jurisdiction or will not accept jurisdiction, in any court of general jurisdiction in the State of Delaware, and the jurisdiction of such court in any such proceeding shall be exclusive.

AIR WATER VENTURES LIMITED
2025 EMPLOYEE STOCK PURCHASE PLAN

Section 1. Purpose of the Plan

This Air Water Ventures Limited 2025 Employee Stock Purchase Plan (as in effect and as amended from time to time, the “Plan”) is intended to promote the interests of the Company by providing eligible employees with the opportunity to acquire a proprietary interest in the Company through participation in an employee stock purchase plan.

The Plan has two components: (a) one component (the “423 Component”) is intended to qualify as an “employee stock purchase plan” within the meaning of Section 423(b) of the Code, and the 423 Component will be interpreted in a manner that is consistent with that intent, and (b) the other component (the “Non-423 Component”), which is not intended to qualify as an “employee stock purchase plan” within the meaning of Section 423(b) of the Code, authorizes the grant of rights to purchase Common Stock pursuant to rules, procedures or sub-plans adopted by the Plan Administrator that are designed to achieve tax, securities laws or other objectives for Participants designated by the Plan Administrator. Except as otherwise provided herein, the Non-423 Component will operate and be administered in the same manner as the 423 Component.

The Plan is effective as the Effective Date.

Section 2. Definitions

The following terms shall have the meanings set forth below for purposes of the Plan:

(a) “Base Salary” means, unless otherwise specified by the Plan Administrator prior to the start of an offering period, the regular base salary paid to a Participant by one or more Participating Companies during such individual’s period of participation in the Plan, plus, where applicable any pre-tax contributions made by the Participant to any cash-or-deferred arrangement that meets the requirements of Section 401(k) of the Code or any cafeteria benefit program that meets the requirements of Section 125 of the Code, now or hereafter established by the Company or any Subsidiary. The following items of compensation shall not be included in Base Salary: (i) all overtime payments, bonuses, commissions (other than those functioning as base salary equivalents), profit-sharing distributions, payments relating to stock options or other equity-based awards and other incentive-type payments and (ii) any and all contributions (other than contributions subject to Sections 401(k) and 125 of the Code) made on the Participant’s behalf by the Company or any Subsidiary under any employee benefit or welfare plan now or hereafter established.

(b) “Board” means the Company’s Board of Directors.

(c) “Change of Control” has the meaning given to such term (or analogous term) in the Equity Plan.

(d) “Code” means the Internal Revenue Code of 1986, as amended.

(e) “Committee” means the Compensation Committee of the Board.

- (f) “Company” means Air Water Ventures Limited, a Cayman Islands exempted company, and any successor to all or substantially all of the assets or voting shares thereof.
- (g) “Effective Date” means July 29, 2026.
- (h) “Eligible Employee” has the meaning set forth in Section 6(a).
- (i) “Equity Plan” means the Air Water Ventures Limited 2025 Incentive Equity Plan (as in effect from time to time) or any successor equity compensation plan thereto.
- (j) “Exchange Act” means the Securities Exchange Act of 1934, as amended.
- (k) “Fair Market Value” per Share on any relevant date means the closing sales price during regular trading hours on the relevant date or, if there were no trades on that date, the latest preceding date upon which a sale was reported.
- (l) “Offering Date” means the first date of a Purchase Period or other offering period under the Plan.
- (m) “Participant” means any Eligible Employee of a Participating Company who is actively participating in the Plan.
- (n) “Participating Company” means the Company and each Subsidiary that is authorized, in accordance with Section 6(b) of the Plan, to extend the benefits of the Plan to its Eligible Employees. Any entity that is a Participating Company under the Non-423 Component can not be a Participating Company under the 423 Component. For purposes of the 423 Component, an entity may be a Participating Company only if it constitutes a “parent corporation” or “subsidiary corporation” within the meaning of Section 424 of the Code and applicable regulations.
- (o) “Plan” has the meaning set forth in Section 1.
- (p) “Plan Administrator” means a committee of officers or members of the Board designated by the Board to administer the Plan. Unless otherwise designated by the Board, the Plan Administrator shall be the Committee as constituted by the Board from time to time. Either the Board or Committee may act as the Plan Administrator at any time, in which case each reference to Plan Administrator shall be deemed to refer to the Board or Committee, as applicable; provided that, to the extent Committee or Board action is required by any listing standard of any national securities exchange on which Shares are traded, the Committee or Board (as applicable) shall act as the Plan Administrator for such action.
- (q) “Purchase Date” means the last business day of each Purchase Period or other offering period under the Plan.
- (r) “Purchase Period” means the offering period determined according to Section 5, at the end of which there shall be purchased Shares on behalf of each Participant.
- (s) “Share” means an Ordinary Share of the Company.
- (t) “Subsidiary” means any entity, whether or not such entity now exists or is hereafter organized or acquired by the Company or a Subsidiary, in which the Company has a greater than fifty percent (50%) ownership interest.

Section 3. Administration of the Plan

(a) The Plan Administrator shall have full authority to interpret and construe any provision of the Plan and to adopt such rules and regulations for administering the Plan as it may deem necessary or appropriate, including for the 423 Component, such rules and regulations deemed necessary or appropriate to comply with the requirements of Section 423 of the Code. Decisions of the Plan Administrator shall be final and binding on all parties having an interest in the Plan.

(b) The Plan Administrator may, from time to time, grant or provide for the grant of rights to purchase Common Stock under the 423 Component or the Non-423 Component of the Plan to Eligible Employees during one or more periods. Any offering under the Non-423 Component may not be designed to comply with the requirements of Code Section 423 but shall comply with the requirements of any foreign jurisdictions in which those offerings are conducted. Such offerings shall be separate from any offerings under the 423 Component and may be concurrent with those offerings. In no event, however, shall the terms and conditions of any offering contravene the express limitations and restrictions of the Plan except to the extent required by applicable law. The Participants in each separate offering under the 423 Component of the Plan shall have equal rights and privileges under that offering in accordance with the requirements of Code Section 423(b)(5) and the applicable Treasury Regulations thereunder.

Section 4. Shares Subject to Plan; Adjustments; Share Limitations

(a) The shares purchasable under the Plan shall be Shares, which may be authorized but unissued or reacquired Shares, including Shares purchased on the open market. The number of Shares reserved for issuance under the Plan shall be limited to 50,000 Shares. Shares that for any reason are cancelled or terminated, are forfeited, fail to vest, or for any other reason are not paid or delivered under the Plan shall again, except to the extent prohibited by law or listing standards of an applicable listing exchange, be available for subsequent offering periods under the Plan.

(b) If there is any change in the number or kind of Shares outstanding by reason of (i) a stock dividend, spinoff, recapitalization, stock split or combination or exchange of shares; (ii) a merger, amalgamation, arrangement, reorganization or consolidation; (iii) a reclassification or change in par value; or (iv) any other extraordinary or unusual event affecting the outstanding Shares as a class without the Company's receipt of consideration, or if the value of outstanding Shares is substantially reduced as a result of a spinoff or the Company's payment of an extraordinary dividend or distribution, then the maximum number and kind of Shares available for issuance under the Plan, the maximum number and kind of Shares purchasable per Participant during any offering period and on any one Purchase Date during that offering period, the number and kind of Shares in effect under each outstanding purchase right, the number and kind of Shares issued and to be issued under the Plan, and the price per Share in effect under each outstanding purchase right shall be equitably adjusted by the Plan Administrator to reflect any increase or decrease in the number of, or change in the kind or value of, the issued Shares to preclude, to the extent practicable, the enlargement or dilution of rights and benefits under the Plan and such outstanding purchase rights. In addition, the Plan Administrator is authorized to adjust such other terms and conditions under the Plan as it determines appropriate in connection with the events described in the preceding sentence. In the event of a Change of Control, the provisions of Section 8(i) shall apply. For the 423 Component, any adjustments to outstanding purchase rights shall be consistent with Code Section 424, to the extent applicable. The Plan Administrator shall have the sole discretion and authority to determine what appropriate adjustments shall be made and any adjustments determined by the Plan Administrator shall be final, binding and conclusive.

(c) The Plan Administrator shall determine, for any offering period, the maximum number of Shares that any one Participant may acquire; *provided* that if such a determination is not made prior to the Offering Date for an offering period, such maximum number of Shares for each Participant under the 423 Component shall be 50,000 Shares, subject to adjustment set forth in Section 4(b) (the “*Individual Limit*”). The Individual Limit shall be proportionately adjusted for any offering period of less than six months, and may, at the discretion of the Plan Administrator, be proportionately increased for any offering period of greater than six months.

(d) The Company shall not be required to issue or deliver any certificate or certificates for, or make any book entries evidencing, Shares purchased upon the exercise of rights under the Plan prior to fulfillment of all of the following conditions:

(i) the admission of such Shares to listing on all stock exchanges, if any, on which Shares are then listed;

(ii) the completion of any registration or other qualification of such Shares under any state or federal law or under the rulings or regulations of the Securities and Exchange Commission or any other governmental regulatory body that the Plan Administrator shall, in its absolute discretion, deem necessary or advisable;

(iii) the obtaining of any approval or other clearance from any state or federal governmental agency that the Plan Administrator shall, in its absolute discretion, determine to be necessary or advisable;

(iv) the payment to the Company of all amounts that it is required to withhold under federal, state or local law upon exercise of the rights, if any; and

(v) the lapse of such reasonable period of time following the exercise of the rights as the Plan Administrator may from time to time establish for reasons of administrative convenience.

Section 5. Purchase Periods

(a) Shares shall be offered for purchase under the Plan through offering periods until such time as (i) the maximum number of Shares available for issuance under the Plan shall have been purchased or (ii) the Plan shall have been sooner terminated.

(b) Unless otherwise determined by the Plan Administrator, an offering period under the Plan will be a single “*Purchase Period*”. The Plan Administrator shall determine the duration of each Purchase Period under the Plan; *provided* that in no event shall a Purchase Period exceed twenty-seven (27) months; *provided, further*, that the Plan Administrator shall also determine the Offering Date and Purchase Date for each Purchase Period from time to time. Unless otherwise determined by the Plan Administrator, the default Purchase Periods under the Plan will be successive six (6) month periods with the first commencing on January 1 and ending on June 30 and the second beginning on July 1 and ending on December 31 of each calendar year.

(c) Notwithstanding the foregoing, if determined by the Plan Administrator, the terms and conditions of each offering period may vary, and two or more offering periods may run concurrently under the Plan, each with its own terms and conditions. In addition, special offering periods may be established with respect to entities that are acquired by the Company (or any Subsidiary) or under such other circumstances as the Plan Administrator deems appropriate. In no event, however, shall the terms and conditions of any offering period contravene the express limitations and restrictions of the Plan, and the Participants in each separate offering period conducted by the Company in the United States shall have equal rights and privileges under that offering in accordance with the requirements of Section 423(b)(5) of the Code and the applicable Treasury Regulations thereunder.

Section 6. Eligibility

(a) For the purposes of the Non-423 Component, an “Eligible Employee” includes each employee designated by such rules as the Plan Administrator may adopt with respect to such Non-423 Component. For the purposes of the 423 Component, an “Eligible Employee” includes each employee (as defined for purposes of Section 423 of the Code) of a Participating Company who satisfies the following criteria:

(i) such employee does not, immediately prior to the exercise of any rights under the Plan, own (directly or through attribution) shares possessing five percent (5%) or more of the total combined voting power or value of Shares or of all classes of stock of the Company or any Subsidiary (as determined under section 423(b)(3) of the Code);

(ii) is not classified by a Participating Company as a “contractor” or “consultant,” no matter how characterized by the Internal Revenue Service, other governmental agency or a court; *provided* that any change of characterization of an individual by the Internal Revenue Service or any court or government agency shall have no effect upon the classification of an individual as an employee or Eligible Employee for purposes of the Plan, unless the Plan Administrator determines otherwise;

(iii) has completed thirty (30) days of service with a Participating Company prior to an Offering Date of the applicable offering period; *provided* that, for any specific offering period, the Plan Administrator may waive this service requirement or increase this service requirement to a service requirement not to exceed two (2) years;

(iv) is engaged on a regularly-scheduled basis of more than twenty (20) hours per week; *provided* that, for any specific offering period, the Plan Administrator may waive or decrease the hours required for this hour-based service requirement; and

(v) whose customary employment is for more than five (5) months per calendar year; *provided* that, for any specific offering period, the Plan Administrator may waive this service-based requirement or lessen the number of months required.

In addition to the foregoing requirements for eligibility, for any offering period, the Plan Administrator may exclude any employee of a Participating Company who is (x) a “highly compensated employee” as defined within the meaning of section 414(q) of the Code or (y) is a member of a union or collective bargaining organization that has not elected for its members to be eligible to participate in the Plan.

Notwithstanding the foregoing, (A) any exclusion of eligibility shall be applied in an identical manner for an offering period to all employees of Participating Companies and shall be applied in compliance with Treasury Regulation section 1.423-2(e) and (B) the requirements above shall not apply to employees for whom the application of such requirements would violate applicable law.

(b) As of the Effective Date, the Company and each of its U.S. based Subsidiaries shall each be a Participating Company. Prior to the first Purchase Period, the Plan Administrator will designate which other Subsidiaries (if any) may be designated as a Participating Company, and each such Subsidiary will remain a Participating Company until the Plan Administrator revokes such decision. Each U.S. corporation that is a Subsidiary and that is designated as a Participating Company after the Effective Date shall become a Participating Company effective as of the Offering Date of the first offering period coincident with or next following the date on which it is designated as such by the Plan Administrator, unless the Plan Administrator determines otherwise prior to the Offering Date of that offering period. Any other corporation that is a Subsidiary as of the Effective Date or becomes a Subsidiary after the Effective Date, and any Subsidiary whose participation in the Plan is delayed by the Plan Administrator under the preceding sentence, shall become a Participating Company when authorized by the Plan Administrator.

(c) Except as otherwise provided in the Plan, to participate in the Plan for a particular offering period, the Eligible Employee must complete and submit enrollment and payroll deduction authorization or other forms prescribed by the Plan Administrator in accordance with enrollment procedures prescribed by the Plan Administrator (which may include accessing the website designated by the Company and electronically enrolling and authorizing payroll deductions or completing other forms) on or before the Offering Date for the applicable offering period (or such earlier date as determined by the Plan Administrator). Unless otherwise specified by the Plan Administrator, once an Eligible Employee timely submits the properly completed enrollment forms, the Eligible Employee's participation in the Plan will automatically remain in effect from one offering period to the next in accordance with the Eligible Employee's payroll deduction authorization (including the Eligible Employee's designated rate of payroll deduction) unless and until such Eligible Employee withdraws from the Plan or ceases to be an Eligible Employee, changes the rate of the Eligible Employee's payroll deduction or the Eligible Employee's employment status changes.

Section 7. Payroll Deductions

(a) Except to the extent otherwise determined by the Plan Administrator, payment for Shares purchased under the Plan shall be effected by means of the Participant's authorized payroll deduction. The payroll deductions authorized by the Participant for purposes of acquiring Shares under the Plan may be a flat dollar amount, which amount shall not be less than five dollars (US\$5.00), or any multiple of one percent (1%) of the Base Salary paid to the Participant during each Purchase Period within such offering period, up to a maximum of the lesser of twenty-five thousand dollars (US\$25,000) and ten percent (10%) of Base Salary unless the Plan Administrator establishes a different maximum percentage prior to the Offering Date of the applicable offering period (subject to the limitations set forth in the Plan). The deduction rate so authorized shall continue in effect for the entire offering period except as otherwise provided in the Plan and for changes effected in accordance with the following guidelines:

(i) The Participant may, at any time during the offering period, reduce the Participant's rate of payroll deduction to become effective as soon as possible after submitting the appropriate form with the Plan Administrator. The Participant may not, however, effect more than one such reduction per Purchase Period.

(ii) The Participant may at any time reduce the Participant's rate of payroll deduction under the Plan to zero percent (0%). Such reduction shall become effective as soon as possible after submitting the appropriate form with the Company. The Participant's existing payroll deductions shall be applied to the purchase of Shares on the next scheduled Purchase Date unless the Participant's participation in the Plan has terminated in accordance with Section 8(g).

(iii) The Participant may, at any time during the offering period, increase the rate of the Participant's payroll deduction (up to the maximum percentage limit for that offering period) to become effective for the next offering period. The Participant may not, however, effect more than one such increase per offering period, and in no event shall any increase apply mid-offering period.

(b) Except as otherwise provided in the Plan, payroll deductions shall begin on the earliest pay day following the Offering Date as is administratively practicable and shall (unless sooner terminated by the Participant or the Participant ceases to be an Eligible Employee) continue through the pay day ending with or immediately prior to the last day of the offering period. The payroll deductions collected shall be credited to the Participant's book account under the Plan, but no interest shall be paid on the balance from time to time outstanding in such account unless otherwise required by the terms governing that offering period. Unless the Plan Administrator determines otherwise prior to the start of the applicable offering period, the amounts collected from the Participant shall not be held in any segregated account or trust fund and may be commingled with the general assets of the Company and used for general corporate purposes.

(c) Payroll deductions collected in a currency other than U.S. Dollars shall be converted into U.S. Dollars on the last day of the Purchase Period in which collected, with such conversion to be based on an exchange rate determined by the Plan Administrator in its sole discretion. Any changes or fluctuations in the exchange rate at which the payroll deductions collected on the Participant's behalf are converted into U.S. Dollars on each Purchase Date shall be borne solely by the Participant.

(d) Payroll deductions shall automatically cease upon the termination of the Participant's purchase right or eligibility in accordance with the provisions of the Plan.

(e) The Plan Administrator may permit Eligible Employees of one or more Participating Companies to participate in the Plan by making contributions other than through payroll deductions or as a lump sum. The Plan Administrator may adopt such rules and regulations for administering the Plan as it may deem necessary, in its sole and absolute discretion, to facilitate contributions under this Section. Except as required by law, such rules and regulations need not be uniform and may apply to one or more Eligible Employees.

(f) The Participant's acquisition of Shares under the Plan on any Purchase Date shall neither limit nor require the Participant's acquisition of Shares on any subsequent Purchase Date, whether within the same or a different offering period.

Section 8. Purchase Rights

(a) Grant of Purchase Right. A Participant shall be granted a separate purchase right for each offering period in which the Participant participates. The purchase right shall be granted on the applicable Offering Date. The purchase right shall provide the Participant with the right to purchase Shares on the Purchase Date upon the terms set forth below. Under no circumstances shall purchase rights be granted under the Plan to any Eligible Employee if such individual would, immediately after the grant, own (within the meaning of Section 424(d) of the Code) or hold outstanding options or other rights to purchase, shares possessing five percent (5%) or more of the total combined voting power or value of all classes of shares of the Company or any Subsidiary.

(b) Exercise of the Purchase Right. Each purchase right shall be automatically exercised in installments on each successive Purchase Date within the offering period, and Shares shall accordingly be purchased on behalf of each Participant (other than any Participants whose payroll deductions have previously been refunded in accordance with the Section 8(g) below) on such Purchase Date. The purchase shall be effected by applying the Participant's payroll deductions (as converted to U.S. dollars) for the Purchase Period on the applicable Purchase Date to the purchase of whole Shares (subject to the limitation on the maximum number of Shares purchasable per Participant on any one Purchase Date) at the purchase price in effect for the Participant for that Purchase Date. Unused payroll deductions remaining in a Participant's account at the end of a Purchase Period by reason of the inability to purchase a fractional share shall be carried forward to the next Purchase Period.

(c) Purchase Price. Effective with the initial Purchase Period commencing following the Effective Date and until such time as otherwise determined by the Plan Administrator, the purchase price per Share at which Shares will be purchased on the Participant's behalf on each Purchase Date shall be equal to eighty-five percent (85%) of the lower of (i) the Fair Market Value per Share on the Offering Date of the applicable Purchase Period or (ii) the Fair Market Value per Share on the Purchase Date of the applicable Purchase Period. Notwithstanding the foregoing, the Plan Administrator may, prior to the start of any offering period, establish a higher purchase price per Share for that offering period.

(d) Number of Purchasable Shares. The number of Shares purchasable by a Participant on each Purchase Date during the particular offering period in which the Participant is enrolled shall be the number of Shares obtained by dividing the amount collected from the Participant through payroll deductions during the offering period ending with that Purchase Date by the purchase price in effect for that Purchase Date. However, the maximum number of Shares purchasable per Participant on any one Purchase Date shall be governed by the limitations set forth in the Plan, including the Individual Limit, as adjusted periodically in the event of certain changes in the Company's capitalization. These limitations shall apply for each subsequent offering period, unless otherwise determined by the Plan Administrator.

(e) Excess Payroll Deductions. Any payroll deductions not applied to the purchase of Shares on any Purchase Date by reason of any limitation on the maximum number of Shares purchasable by the Participant on the Purchase Date (whether such limitation is pursuant to Section 8(d), Section 9(a) or otherwise) shall be promptly refunded.

(f) Suspension of Payroll Deductions. In the event that a Participant is, by reason of the accrual limitations set forth in the Plan, precluded from purchasing additional Shares on one or more Purchase Dates during the offering period in which the Participant is enrolled, then no further payroll deductions for that offering period shall be collected from such Participant with respect to those Purchase Dates. Such suspension of payroll deductions shall not terminate the Participant's purchase right for the offering period in which the Participant is enrolled, and the Participant's payroll deductions shall automatically resume on behalf of such Participant once the Participant is again able to purchase Shares during that offering period in compliance with the accrual limitations set forth in the Plan. All refunds shall be in the currency in which paid by the Company or applicable Subsidiary.

(g) Termination of Purchase Right. The following provisions shall govern the termination of outstanding purchase rights:

(i) A Participant may, no later than fifteen (15) days (or such other period as determined by the Plan Administrator) prior to a Purchase Date for an offering period, terminate the Participant's outstanding purchase right by submitting the prescribed form in accordance with procedures prescribed by the Plan Administrator (which may include accessing the website designated by the Company and electronically electing to withdraw). Any payroll deductions collected during the Purchase Period in which such termination occurs shall, at the Participant's election, be immediately refunded (in the currency in which paid by the Company or applicable Subsidiary) or held for the purchase of Shares on the applicable Purchase Date. If no such election is made at the time such purchase right is terminated, then the payroll deductions collected with respect to the Purchase Period in which such termination occurs shall be refunded (in the currency in which paid by the Company or applicable Subsidiary) to the Participant as soon as possible.

(ii) The Participant's termination of such purchase right shall be irrevocable, and the Participant may not subsequently rejoin the offering period for which the terminated purchase right was granted. In order to resume participation in any subsequent offering period, such individual must re-enroll in the Plan (in accordance with procedures prescribed by the Plan Administrator) on or before the Offering Date for the applicable offering period.

(iii) Should the Participant cease to remain an Eligible Employee for any reason (including death, disability or change in status, compensation or position) while the Participant's purchase right remains outstanding, then that purchase right shall immediately terminate, and all of the Participant's payroll deductions for the Purchase Period in which the purchase right so terminates shall be immediately refunded in the currency in which paid by the Company or applicable Subsidiary. However, should the Participant cease to remain in active service by reason of an approved unpaid leave of absence, then all the payroll deductions collected to date on the Participant's behalf for that Purchase Period shall be held for the purchase of Shares on the Participant's behalf on the next scheduled Purchase Date. In no event, however, shall any further payroll deductions be collected on the Participant's behalf during such leave. Upon the Participant's return to active service (x) within three (3) months following the commencement of such leave or (y) prior to the expiration of any longer period for which such Participant is provided with reemployment rights by statute or contract, the Participant's payroll deductions under the Plan shall automatically resume at the rate in effect at the time the leave began, unless the Participant withdraws from the Plan prior to the Participant's return. An individual who returns to active employment following a leave of absence that exceeds in duration the applicable (x) or (y) time period above will be treated as a new employee for purposes of subsequent participation in the Plan and must re-enroll in the Plan (in accordance with procedures prescribed by the Plan Administrator) in order to participate in an offering period, on or before and the applicable Offering Date for such offering period (or such earlier date as provided by the Plan Administrator).

(h) Proration of Purchase Rights. Should the total number of Shares that are to be purchased pursuant to outstanding purchase rights on any particular date exceed the number of Shares then available for issuance under the Plan, the Plan Administrator shall make a pro rata allocation of the available Shares on a uniform and nondiscriminatory basis, and the payroll deductions of each Participant, to the extent in excess of the aggregate purchase price payable for the Shares prorated to such individual, shall be refunded.

(i) Change of Control. In the event that a Change of Control occurs during an offering period, the Board may take such action as it deems appropriate, including (without limitation), (i) provide that each outstanding purchase right will terminate as of a date prior to the effective date of the Change of Control and all payroll deductions of each Participant accumulated for the Purchase Period in which such Change of Control occurs (and not previously applied to the purchase of Shares) shall be refunded to the Participant; (ii) provide that a Purchase Date shall automatically occur on a date prior to the effective date of the Change of Control, and each purchase right outstanding at that time shall thereupon be exercised by applying the payroll deductions of each Participant for the Purchase Period in which such Change of Control occurs to the purchase of Shares at the purchase price per Share in effect for that offering period pursuant to the purchase price formula provisions of Section 8(c); (iii) provide that each outstanding purchase right will be assumed or an equivalent right will be substituted by the successor corporation (or parent or subsidiary thereof); or (iv) provide that no new offering period shall be initiated following the announcement of such Change of Control.

(j) ESPP Brokerage Account. The Plan Administrator shall have the discretionary authority to require that the Shares purchased on behalf of each Participant be deposited directly into a brokerage account, which the Company shall establish for the Participant at a Company-designated brokerage firm (the “ESPP Brokerage Account”). Except as otherwise provided below, the deposited Shares may not be transferred (either electronically or in certificate form) from the ESPP Brokerage Account until the *later* of the following two periods: (i) the end of the two (2)-year period measured from the Offering Date of an applicable offering period during which the Shares were purchased and (ii) the end of the one (1)-year period measured from the actual purchase date of those Shares. Such limitation shall apply both to transfers to different accounts with the same ESPP broker and to transfers to other brokerage firms. Any Shares held for the required holding period may be transferred (either electronically or in certificate form) to other accounts or to other brokerage firms. ***The foregoing procedures shall not in any way limit when the Participant may sell the Participant’s Shares.*** Such procedures are designed solely to assure that any sale of Shares prior to the satisfaction of the required holding period is made through the ESPP Brokerage Account. In addition, the Participant may request a share certificate or Share transfer from the Participant’s ESPP Brokerage Account prior to the satisfaction of the required holding period should the Participant wish to make a gift of any Shares held in that account. However, Shares may not be transferred (either electronically or in certificate form) from the ESPP Brokerage Account for use as collateral for a loan, unless those Shares have been held for the required holding period. The procedures set forth in this Section 8(j) shall apply to all Shares purchased under the Plan by each Participant, whether or not the Participant continues in Eligible Employee status.

(k) Assignability. During the Participant’s lifetime, the purchase right shall be exercisable only by the Participant and shall not be assignable or transferable by the Participant (other than by will or the laws of descent).

(l) Shareholder Rights. A Participant shall have no stockholder rights with respect to the Shares subject to the Participant’s outstanding purchase right until the Shares are purchased on the Participant’s behalf in accordance with the provisions of the Plan and the Participant has become a holder of record of the purchased Shares.

(m) Withholding Taxes. The Company’s obligation to deliver Shares upon exercise of a purchase right under the Plan shall be subject to the satisfaction of all income, employment and payroll taxes, social insurance, national insurance contributions and other contributions, levies, payment on account obligations or other payments required to be collected, withheld or accounted for in connection with the purchase right.

Section 9. Accrual Limitations

(a) No Participant shall be entitled to accrue rights to acquire Shares pursuant to any purchase right outstanding under the 423 Component of the Plan if and to the extent such accrual, when aggregated with (i) rights to purchase Shares accrued under any other purchase right granted under the Plan and (ii) similar rights accrued under other employee stock purchase plans (within the meaning of Section 423 of the Code) of the Company or any Subsidiary, would otherwise permit such Participant to purchase more than twenty-five thousand dollars (US \$25,000) worth of shares of the Company or any Subsidiary (determined on the basis of the Fair Market Value per Share on the date or dates such rights are granted) for each calendar year such rights are at any time outstanding.

(b) For purposes of applying such accrual limitations, the right to acquire Shares under each outstanding purchase right shall accrue in a series of installments on each successive Purchase Date during the offering period for which such right remains outstanding.

(c) If by reason of such accrual limitations, any purchase right of a Participant does not accrue for a particular offering period, then the payroll deductions that the Participant made during that offering period with respect to such purchase right shall be promptly refunded.

(d) In the event there is any conflict between the provisions of this Article and one or more provisions of the Plan, or any instrument issued thereunder, the provisions of this Article shall be controlling.

Section 10. Effective Date and Term of the Plan

(a) The Plan became effective on the Effective Date.

(b) Unless sooner terminated by the Board, the Plan shall terminate upon the earliest of (i) the date on which all Shares available for issuance under the Plan have been issued pursuant to purchase rights exercised under the Plan or (ii) the date on which all purchase rights are exercised in connection with a Change of Control. No further purchase rights shall be granted or exercised, and no further payroll deductions shall be collected, under the Plan following its termination.

Section 11. Amendment of the Plan

The Board may alter or amend the Plan at any time; *provided, however*, that the Board shall not amend the Plan without stockholder approval if such approval is required in order to comply with the Code or other applicable law, or to comply with applicable stock exchange requirements. In addition, the Board may suspend or terminate the Plan at any time to become effective immediately following the close of any offering period.

Section 12. Provisions for Foreign Participants.

(a) The Plan Administrator may establish subplans, addenda or procedures under the Non-423 Component of the Plan and any enrollment agreement or take any other necessary or appropriate action to address local applicable law, including (i) differences in laws, rules, regulations or customs of such jurisdictions with respect to tax, securities, currency, employee benefit or other matters, (ii) listing and other requirements of any non-U.S. securities exchange and (iii) any necessary local governmental or regulatory exemptions or approvals.

(b) The Plan includes Exhibit A hereto, which sets forth country-specific terms applicable to each Participant in the Non-423 Component of the Plan residing in a country set forth on Exhibit A.

(c) By participating in the Plan or accepting any rights under it, each Participant consents to the collection and processing of personal data relating to the participant so that the Company and its Subsidiaries can fulfill their obligations and exercise their rights under the Plan and generally administer and manage the Plan. This data will include, but may not be limited to, data about participation in the Plan and Shares offered or received, purchased or sold under the Plan from time to time and other appropriate financial and other data about the Participant and the Participant's participation in the Plan.

Section 13. General Provisions

(a) All costs and expenses incurred in the administration of the Plan shall be paid by the Company; however, each Participant shall bear all costs and expenses incurred by such individual in the sale or other disposition of any Shares purchased under the Plan.

(b) The Plan Administrator may adopt procedures for Participants to elect or change beneficiaries of rights under the Plan.

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

(d) The Board may from time to time establish one or more sub-plans under the Plan for purposes of satisfying applicable blue sky, securities or tax laws of various jurisdictions outside the United States or any country set forth on Exhibit A. The Board shall establish such sub-plans by adopting supplements to the Plan setting forth (i) such limitations on the Plan Administrator's discretion under the Plan as the Board deems necessary or desirable and (ii) such additional terms and conditions not otherwise inconsistent with the Plan as the Board shall deem necessary or desirable. All supplements adopted by the Board shall be deemed to be part of the Plan, but each supplement shall apply only to Participants within the affected jurisdiction and no Participating Company shall be required to provide copies of any supplement to Participants in any jurisdiction that is not affected.

(e) To the extent permitted by applicable law and in the discretion of the Plan Administrator, an Eligible Employee may submit any designation, subscription agreement, form or notice as set forth herein by means of an electronic form approved by the Plan Administrator. Before the commencement of a Purchase Period, the Plan Administrator shall prescribe the time limits within which any such electronic form shall be submitted to the Plan Administrator with respect to such Purchase Period in order to be a valid election.

(f) The validity, construction, interpretation and effect of the Plan and offerings and rights issued under the Plan shall be governed and construed by and determined in accordance with the laws of the State of Delaware, without giving effect to the conflict of laws provisions thereof.

CALCULATION OF FILING FEE TABLES

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Air Water Ventures Ltd

Table 1: Newly Registered Securities

Security Type	Security Class Title	Notes	Fee Calculation Rule	Amount Registered	Proposed Maximum Offering Price Per Unit	Maximum Aggregate Offering Price	Fee Rate	Amount of Registration Fee
Equity	Ordinary shares of a par value of \$0.0001 per share	(1)	Other	5,700,500	\$ 1.59	\$ 9,063,795.00	0.000087	\$ 788.55
Equity	Ordinary shares of a par value of \$0.0001 per share	(2)	Other	50,000	\$ 1.59	\$ 79,500.00	0.000087	\$ 6.92
Total Offering Amounts:						\$ 9,143,295.00		795.47
Total Fee Offsets:								0.00
Net Fee Due:								\$ 795.47

Offering Note(s)

- (1) Pursuant to Rule 416(a) under the Securities Act of 1933, as amended (the “Securities Act”), this registration statement shall also cover any additional ordinary shares of a par value of US\$0.0001 each of the Registrant (the “Ordinary Shares”) that become issuable under the 2025 Equity Incentive Plan (the “2025 EIP”) and the 2025 Employee Stock Purchase Plan (the “2025 ESPP”) by reason of any dividend, share split, recapitalization or similar transaction effected without the Registrant’s receipt of consideration which would increase the number of outstanding Ordinary Shares.

Represents Ordinary Shares reserved for issuance under the Registrant’s 2025 EIP.

Estimated solely for the purpose of calculating the registration fee pursuant to Rules 457(c) and 457(h) under the Securities Act, and based upon the average of the high and low prices of the Ordinary Shares, as reported on the Nasdaq Global Market under the symbol “WATR” on October 22, 2026, which was \$1.59 per share.

- (2) Pursuant to Rule 416(a) under the Securities Act of 1933, as amended (the “Securities Act”), this registration statement shall also cover any additional ordinary shares of a par value of US\$0.0001 each of the Registrant (the “Ordinary Shares”) that become issuable under the 2025 Equity Incentive Plan (the “2025 EIP”) and the 2025 Employee Stock Purchase Plan (the “2025 ESPP”) by reason of any dividend, share split, recapitalization or similar transaction effected without the Registrant’s receipt of consideration which would increase the number of outstanding Ordinary Shares.

Represents Ordinary Shares reserved for issuance under the Registrant’s 2025 ESPP.

Estimated solely for the purpose of calculating the registration fee pursuant to Rules 457(c) and 457(h) under the Securities Act, and based upon the average of the high and low prices of the Ordinary Shares, as reported on the Nasdaq Global Market under the symbol “WATR” on October 22, 2026, which was \$1.59 per share.