

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM S-8**

**REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933**

**Uniti Group Inc.**

(Exact name of registrant as specified in its charter)

**Maryland**

**46-5230630**

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification Number)

**10802 Executive Center Drive**

**Benton Building, Suite 300**

**Little Rock, Arkansas**

(Address of Principal Executive Offices)

**72211**

(Zip Code)

**Uniti Group Inc. Amended and Restated Employee Stock Purchase Plan**

(Full title of the plan)

**Daniel L. Heard**

**Uniti Group Inc.**

**Executive Vice President - General Counsel and Secretary**

**10802 Executive Center Drive**

**Benton Building, Suite 300**

**Little Rock, Arkansas 72211**

(Name and address of agent for service)

**(501) 850-0820**

(Telephone number, including area code, of agent for service)

**Copies of all correspondence to:**

**Geoffrey D. Neal**

Kutak Rock LLP

124 West Capitol Avenue, Suite 2000

Little Rock, Arkansas 72201

(501) 975-3000

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  x

Accelerated filer  o

Non-accelerated filer  o (Do not check if a smaller reporting company)

Smaller reporting company  o

Emerging growth company  o

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.  o

**CALCULATION OF REGISTRATION FEE**

Title of Securities to be Registered	Amount to be Registered(1)(2)	Proposed Maximum Offering Price Per Share(2)	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee
Common Stock, \$.0001 Par Value	2,000,000	\$ 21.73	\$ 43,460,000	\$ 5,410.77(3)

(1) In accordance with Rule 416 under the Securities Act of 1933, as amended (the "Securities Act"), this registration statement shall be deemed to cover an additional indeterminate number of shares that may be offered or issued pursuant to the Uniti Group Inc. Amended and Restated Employee Stock Purchase Plan to prevent dilution resulting from one or more stock splits, stock dividends or similar transactions.

(2) Calculated solely for the purpose of this offering under Rules 457(c) and (h) of the Securities Act, based on the average of the high and low sale prices per share of the registrant's common stock as reported on the NASDAQ Global Select Market on June 4, 2018.

(3) Calculated in accordance with Section 6 of the Securities Act and Rule 457 under the Securities Act by multiplying 0.0001245 by the proposed maximum aggregate offering price.

**PART I**

**INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS**

The documents containing the information specified in Part I will be sent or given to employees as specified by Rule 428(b)(1) of the Securities Act. In accordance with the instructions to Part I of Form S-8, such documents will not be filed with the Securities and Exchange Commission (the "Commission") either as part of this Registration Statement or as prospectuses or prospectus supplements pursuant to Rule 424 of the Securities Act. These documents and the documents incorporated by reference pursuant to Item 3 of Part II of this Registration Statement, taken together, constitute a prospectus that meets the requirements of Section 10(a) of the Securities Act. Upon written or oral request, Uniti Group Inc. (the "Company") will provide, without charge, the documents incorporated by reference in Item 3 of Part II of this Registration Statement. The Company will also provide, without charge, upon written or oral request, other documents required to be delivered to employees pursuant to Rule 428(b) of the Securities Act.

## PART II

### INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

#### Item 3. Incorporation of Documents by Reference.

The following documents previously filed by the Company with the Commission are incorporated herein by reference:

- (a) The Company's annual report on Form 10-K for the fiscal year ended December 31, 2017, filed with the Commission on March 1, 2018;
- (b) The Company's quarterly report on Form 10-Q for the quarter ended March 31, 2018, filed with the Commission on May 10, 2018;
- (c) The Company's current reports on Form 8-K filed with the Commission on February 12, 2018, March 29, 2018 and May 18, 2018; and
- (d) The description of the Company's Common Stock contained in the registrant's information statement, filed as Exhibit 99.1 to its Current Report on Form 8-K filed on March 26, 2015, including any amendments or reports filed with the Commission for the purpose of updating such description.

In addition, all documents and reports filed by the Registrant subsequent to the date hereof pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), prior to the filing of a post-effective amendment to this Registration Statement, which indicates that all securities offered have been sold or which deregisters all securities remaining unsold, shall be deemed to be incorporated by reference in this Registration Statement and to be part hereof from the date of filing of such documents or reports, provided that unless expressly incorporated into this Registration Statement, a report furnished on Form 8-K shall not be incorporated by reference into this Registration Statement.

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

#### Item 4. Description of Securities.

Not applicable.

#### Item 5. Interests of Named Experts and Counsel.

Not applicable.

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#### Item 6. Indemnification of Directors and Officers.

Maryland law permits a Maryland corporation to include in its charter a provision that limits the liability of its directors and officers to the corporation and its shareholders for money damages, except for liability resulting from (1) actual receipt of an improper benefit or profit in money, property or services or (2) active or deliberate dishonesty that is established by a final judgment and that is material to the cause of action. Our charter contains a provision that will limit, to the maximum extent permitted by Maryland law, the liability of our directors and officers to us and our shareholders for money damages.

Maryland law requires a Maryland corporation (unless otherwise provided in its charter, which our charter does not) to indemnify a director or officer who has been successful, on the merits or otherwise, in the defense of any proceeding to which he or she is made or threatened to be made a party by reason of his or her service in that capacity. Maryland law permits a Maryland corporation to indemnify its present and former directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made or threatened to be made a party by reason of their service in that capacity unless it is established that:

- the act or omission of the director or officer was material to the matter giving rise to the proceeding and (1) was committed in bad faith or (2) was the result of active and deliberate dishonesty;
- the director or officer actually received an improper personal benefit in money, property or services; or
- in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful.

Under the Maryland General Corporation Law, we may not indemnify a director or officer in a suit by us or in our right in which the director or officer was adjudged liable to us or in a suit in which the director or officer was adjudged liable on the basis that personal benefit was improperly received. A court may order indemnification if it determines that the director or officer is fairly and reasonably entitled to indemnification, even though the director or officer did not meet the prescribed standard of conduct or was adjudged liable on the basis that personal benefit was improperly received. However, indemnification for an adverse judgment in a suit by the corporation or in its right, or for a judgment of liability on the basis that personal benefit was improperly received, will be limited to expenses.

In addition, Maryland law permits a Maryland corporation to advance reasonable expenses to a director or officer upon receipt of (1) a written affirmation by the director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification and (2) a written undertaking by him or her, or on his or her behalf, to repay the amount paid or reimbursed if it is ultimately determined that the standard of conduct was not met.

Our charter requires, to the maximum extent permitted by Maryland law, that we indemnify and pay or reimburse the reasonable expenses in advance of the final disposition of a proceeding of (1) any present or former director or officer who is a party to a proceeding (or threatened to be made a party) by reason of his or her service in that capacity, and (2) any individual who, while a director or officer and, at our request, serves or has served as a director, officer, partner, member, manager or trustee of another corporation, real estate investment trust, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise from and against any claim or liability to which he or she may become subject or which he or she may incur by reason of his or her service in any of the foregoing capacities.

In respect to our obligations to provide indemnification to directors and officers for liability arising under the Securities Act, we have been informed that, in the opinion of the Commission, this indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

We have entered into indemnification agreements with each of our executive officers and directors providing for the indemnification of, and advancement of expenses to, each such person in connection with claims, suits or proceedings arising as a result of such person's service as an officer or director of ours. We also maintain insurance on behalf of our directors and officers, insuring them against liabilities that they may incur in such capacities or arising from this status.

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## Item 7. Exemption from Registration Claimed.

Not applicable.

## Item 8. Exhibits.

The exhibits furnished as a part of this registration statement are listed below:

Number	Exhibit
4.1	<a href="#">Articles of Amendment and Restatement of Uniti Group Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of April 10, 2015 (File No. 001-36708))</a>
4.2	<a href="#">Articles of Amendment of Uniti Group Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of February 28, 2017 (File No. 001-36708))</a>
4.3	<a href="#">Articles of Amendment of Uniti Group Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K dated May 17, 2018 and filed with the SEC as of May 18, 2018 (File No. 001-36708))</a>
4.4	<a href="#">Amended and Restated Bylaws of Uniti Group Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K dated as of May 1, 2017 and filed with the SEC as of May 2, 2017 (File No. 001-36708))</a>
5.1*	<a href="#">Opinion of Kutak Rock LLP</a>
23.1*	<a href="#">Consent of Kutak Rock LLP (contained in its opinion filed as Exhibit 5.1)</a>
23.2*	<a href="#">Consent of PricewaterhouseCoopers LLP</a>
24.1*	<a href="#">Powers of Attorney (included on signature page)</a>
99.1*	<a href="#">Uniti Group Inc. Amended and Restated Employee Stock Purchase Plan</a>

\* Filed herewith.

## Item 9. Undertakings.

(a) The undersigned registrant hereby undertakes:

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

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

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

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

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

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## SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all 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 Little Rock, State of Arkansas, on June 7, 2018.

### UNITI GROUP INC.

By: /s/ Kenneth A. Gunderman  
Name: Kenneth A. Gunderman  
Title: President and Chief Executive Officer

KNOW ALL PERSONS BY THESE PRESENTS, the undersigned hereby constitute and appoint Daniel L. Heard and Mark A. Wallace, and each of them, his or her true and lawful attorney-in-fact and agent, each with full power of substitution and resubstitution, 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, or any related registration statement filed pursuant to Rule 462(b) under the Securities Act, and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do so and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that each of said attorneys-in-fact and agents, or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof. This Power of Attorney may be signed in several counterparts.

IN WITNESS WHEREOF, each of the undersigned has executed this Power of Attorney as of the date indicated.

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 date indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Kenneth A. Gunderman</u> Kenneth A. Gunderman	President, Chief Executive Officer and Director ( <i>Principal Executive Officer</i> )	June 7, 2018
<u>/s/ Mark A. Wallace</u> Mark A. Wallace	Executive Vice President — Chief Financial Officer and Treasurer ( <i>Principal Financial Officer</i> )	June 7, 2018
<u>/s/ Blake Schuhmacher</u> Blake Schuhmacher	Vice President — Chief Accounting Officer ( <i>Principal Accounting Officer</i> )	June 7, 2018
<u>/s/ Francis X. Frantz</u> Francis X. Frantz	Chairman and Director	June 7, 2018

<u>/s/ Jennifer S. Banner</u> Jennifer S. Banner	Director	June 7, 2018
<u>/s/ Scott G. Bruce</u> Scott G. Bruce	Director	June 7, 2018
<u>/s/ Andrew Frey</u> Andrew Frey	Director	June 7, 2018
<u>/s/ David L. Solomon</u> David L. Solomon	Director	June 7, 2018

June 7, 2018

Uniti Group Inc.  
 10802 Executive Center Drive  
 Benton Building, Suite 300  
 Little Rock, Arkansas 72211

Re: Registration Statement on Form S-8

Ladies and Gentlemen:

We have acted as special counsel to Uniti Group Inc., a Maryland corporation (the "Company"), in connection with certain matters of Maryland law arising out of the registration of 2,000,000 shares (the "Shares") of Common Stock, \$0.0001 par value per share, of the Company (the "Common Stock"), issuable pursuant to the Uniti Group Inc. Amended and Restated Employee Stock Purchase Plan (the "Plan"). The Shares are covered by the above-referenced Registration Statement, and all amendments thereto (the "Registration Statement"), filed by the Company with the United States Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "1933 Act").

In connection with our representation of the Company, and as a basis for the opinion hereinafter set forth, we have examined originals, or copies certified or otherwise identified to our satisfaction, of the following documents (hereinafter collectively referred to as the "Documents"):

1. The Registration Statement;
2. The charter of the Company (the "Charter"), certified by the State Department of Assessments and Taxation of Maryland (the "SDAT");
3. The Amended and Restated Bylaws of the Company, certified as of the date hereof by an officer of the Company;
4. A certificate of the SDAT as to the good standing of the Company, dated as of a recent date;
5. Resolutions adopted by the Board of Directors of the Company relating to, among other matters, the approval of the Plan and the issuance of the Shares (the "Resolutions"), certified as of the date hereof by an officer of the Company;
6. A certificate executed by an officer of the Company, dated as of the date hereof; and
7. Such other documents and matters as we have deemed necessary or appropriate to express the opinion set forth below, subject to the assumptions, limitations and qualifications stated herein.

In expressing the opinion set forth below, we have assumed the following:

1. Each individual executing any of the Documents, whether on behalf of such individual or another person, is legally competent to do so.
2. All Documents submitted to us as originals are authentic. The form and content of all Documents submitted to us as unexecuted drafts do not differ in any respect relevant to this opinion from the form and content of such Documents as executed and delivered. All Documents submitted to us as certified or photostatic copies conform to the original documents. All signatures on all Documents are genuine. All public records reviewed or relied upon by us or on our behalf are true and complete. All representations, warranties, statements and information contained in the Documents are true and complete. There has been no oral or written modification of or amendment to any of the Documents, and there has been no waiver of any provision of any of the Documents, by action or omission of the parties or otherwise.

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3. The Shares will not be issued or transferred in violation of any restriction or limitation contained in Article VII of the Charter or in the Plan.
  4. Upon the issuance of any of the Shares, the total number of shares of Common Stock issued and outstanding will not exceed the total number of shares of Common Stock that the Company is then authorized to issue under the Charter.

Based upon the foregoing, and subject to the assumptions, limitations and qualifications stated herein, it is our opinion that:

1. The Company is a corporation duly incorporated and existing under and by virtue of the laws of the State of Maryland and is in good standing with the SDAT.
2. The issuance of the Shares has been duly authorized and, when and to the extent issued in accordance with the Registration Statement, the Resolutions and the Plan, the Shares will be validly issued, fully paid and nonassessable. The foregoing opinion is limited to the laws of the State of Maryland and we do not express any opinion herein concerning any other law. We express no opinion as to compliance with any federal or state securities laws, including the securities laws of the State of Maryland, or as to federal or state laws regarding fraudulent transfers. To the extent that any matter as to which our opinion is expressed herein would be governed by the laws of any jurisdiction other than the State of Maryland, we do not express any opinion on such matter. The opinion expressed herein is subject to the effect of judicial decisions which may permit the introduction of parol evidence to modify the terms or the interpretation of agreements.

The opinion expressed herein is limited to the matters specifically set forth herein and no other opinion shall be inferred beyond the matters expressly stated. We assume no obligation to supplement this opinion if any applicable law changes after the date hereof or if we become aware of any fact that might change the opinion expressed herein after the date hereof.

This opinion is being furnished to you for submission to the Commission as an exhibit to the Registration Statement. We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the use of the name of our firm therein. In giving this consent, we do not admit that we are

within the category of persons whose consent is required by Section 7 of the 1933 Act, or the rules and regulations of the Securities and Exchange Commission promulgated thereunder or Item 509 of Regulation S-K.

Very truly yours,

/s/ KUTAK ROCK LLP

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CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-8 of Uniti Group Inc. of our report dated March 1, 2018 relating to the financial statements, financial statement schedules and the effectiveness of internal control over financial reporting, which appears in Uniti Group Inc.'s Annual Report on Form 10-K for the year ended December 31, 2017.

/s/ PricewaterhouseCoopers LLP

Little Rock, Arkansas

June 7, 2018

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**UNITI GROUP INC.  
AMENDED AND RESTATED EMPLOYEE STOCK PURCHASE PLAN**

**Section 1. Purpose of the Plan.** The purpose of the Plan is to provide a method whereby employees of the Company or of any Qualified Subsidiary (as defined below) will have an opportunity to acquire a proprietary interest in the Company through the purchase of Shares (as defined below) pursuant to a plan which is intended to qualify as an “employee stock purchase plan” within the meaning of Section 423(b) of the Internal Revenue Code of 1986, as amended. The provisions of the Plan shall be construed so as to extend and limit participation in a manner consistent with the requirements of Section 423 of the Code.

**Section 2. Definitions.**

“*Administrator*” shall mean the Compensation Committee of the Board which has been appointed to administer this Plan pursuant to Section 15 hereof.

“*Board*” shall mean the Board of Directors of the Company.

“*Code*” shall mean the Internal Revenue Code of 1986, as amended, as currently in effect or as may be amended in the future.

“*Company*” shall mean Uniti Group Inc., and any successor by merger, consolidation or otherwise.

“*Compensation*” shall mean the annual salary for exempt employees and hourly compensation for non-exempt employees.

“*Effective Date*” shall mean July 1, 2018, or such later date as the Plan may be approved by the stockholders of the Company.

“*Eligible Employee*” means any person who is employed as a common law employee and classified as working in the regular service of the Company or a Qualified Subsidiary; provided, however, such term shall not include any person who is a member of a collective bargaining unit and who is covered by a collective bargaining agreement which does not provide for coverage of such person under this Plan. For purposes of this definition, the existence of the employment relationship between an individual and the Company or Participating Affiliate will be determined under Treasury Regulation Section 1.421-1(h).

“*Enrollment Date*” shall mean the first day of each Offering Period.

“*Fair Market Value*” shall mean, as of any date, the value of the Shares determined as follows:

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(a) Where the Shares are not purchased in the open market, the closing sales price per share of the Shares (or the closing bid price, if no such sales were reported) on the Nasdaq’s National Market System (“NMS”), or such stock exchange or other national market system on which the Shares are listed or traded, on the Purchase Date.

(b) Where the Shares are purchased in the open market, the average of the actual prices, if such actual prices vary, at which the Shares were purchased on the Purchase Date.

(c) In the event that the foregoing valuation methods are not practicable, such other reasonable valuation method as the Administrator shall, in its discretion, select and apply in good faith as of such date.

“*Offering Period*” shall mean, subject to Section 4, the period commencing on each first day of January (the first Offering Period) and each first day of July (the second Offering Period) and terminating on the Purchase Date. The duration and timing of Offering Periods may be changed pursuant to Section 4 of the Plan.

“*Participating Employee*” shall mean an Eligible Employee who participates in the Plan.

“*Plan*” shall mean this Uniti Group Inc. Amended and Restated Employee Stock Purchase Plan.

“*Purchase Date*” shall mean, with respect to the first Offering Period, the last day of June, and with respect to the second Offering Period, the last day of December. If the last day of any Offering Period falls on a day on which Nasdaq or the national stock exchanges are not open for trading, the Purchase Date shall be the trading day next following the last day. The timing of the Purchase Date may be changed pursuant to Section 4 of the Plan.

“*Purchase Price*” shall mean an amount not less than 85% or greater than 100% of the Fair Market Value of a Share on the Enrollment Date or the Purchase Date, whichever is less, as determined from time to time by the Board or by the Administrator pursuant to Section 15 hereof. In the absence of such a determination by the Board or Administrator, the Purchase Price shall be 85% of the Fair Market Value of a Share on the Enrollment Date or the Purchase Date, whichever is less.

“*Qualified Subsidiary*” shall mean all Subsidiaries of the Company in existence as of the Effective Date or which may exist in the future. The Board or the Administrator may initiate or terminate the designation of a Subsidiary as a Qualified Subsidiary without the approval of the stockholders of the Company.

“*Shares*” shall mean the common stock of the Company, \$0.0001 par value.

“*Subsidiary*” shall mean any domestic entity of which not less than 50% of the voting rights are held by the Company or a Subsidiary, whether or not such entity now exists or is hereafter organized or acquired by the Company or a Subsidiary.

### Section 3. Eligibility.

(a) Any Eligible Employee who is employed by the Company or a Qualified Subsidiary on the first day of any Offering Period shall be eligible to participate in the Plan during such Offering Period, subject to the requirements of Section 5 and the limitations imposed by Section 423(b) of the Code.

(b) Each employee who first becomes an Eligible Employee subsequent to the first day of a given Offering Period will be eligible to become a Participating Employee in the Plan on the first day of the first Offering Period following the day on which such person becomes an Eligible Employee, subject to the requirements of Section 5 and the limitations imposed by Section 423(b) of the Code.

(c) No Eligible Employee shall be granted an option under the Plan to the extent that his or her right to purchase Shares under all Section 423 employee stock purchase plans of the Company and its Subsidiaries accrues at a rate which exceeds \$25,000 worth of stock (determined at the fair market value of the shares at the time such option is granted) for each calendar year in which such option is outstanding at any time. This limitation shall be applied in accordance with Section 423(b)(8) of the Code and the Treasury Regulations thereunder.

**Section 4. Offering Periods.** The Plan shall be implemented by consecutive Offering Periods which shall continue until the Plan expires or is terminated in accordance with Section 20 hereof. Subject to Section 20, Offering Periods shall be six month in duration, unless a longer period (not to exceed 27 months) is otherwise specified by the Administrator. The Administrator shall have the power to change the duration of Offering Periods (including the commencement dates thereof) and Purchase Dates with respect to future offerings without stockholder approval.

### Section 5. Participation.

(a) An Eligible Employee may become a Participating Employee in the Plan as soon as administratively practicable following the completion of an enrollment form and the filing of such form with the Company.

(b) Payroll deductions or contributions for a Participating Employee shall commence on the first payroll following the first day of the Offering Period and shall end on the last payroll in the Offering Period to which such authorization is applicable, unless terminated sooner by the Participating Employee as provided in Section 11 hereof.

(c) During a leave of absence approved by the Company or a Subsidiary and as long as the requirements of Treasury Regulations Section 1.421-1(h)(2) are met, a Participating Employee may continue to participate in the Plan by making cash payments to the Company on each payday equal to the amount of the Participating Employee's payroll deductions or contributions under the Plan for the payday immediately preceding the first day of such Participating Employee's leave of absence. If a leave of absence is unapproved or fails to meet the requirements of Treasury Regulations Section 1.421-1(h)(2), the Participating Employee will automatically cease to participate in the

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Plan. In such event, the Company will automatically cease to deduct the Participating Employee's payroll under the Plan. The Company will pay to the Participating Employee his or her total payroll deductions for the Offering Period, in cash and in one lump sum, without interest, as soon as practicable after the Participating Employee ceases to participate in the Plan.

(d) A Participating Employee's completion of an enrollment form will enroll such Participating Employee in the Plan for each successive and subsequent Offering Period on the terms contained therein until the Participating Employee either submits a new enrollment form, Withdraws from participation under the Plan as provided in Section 11 hereof, or otherwise becomes ineligible to participate in the Plan.

### Section 6. Payroll Deductions and Contributions.

(a) At the time a Participating Employee files his or her enrollment form, he or she shall elect to have payroll deductions made on each payday during an Offering Period in an amount not less than 1% and not more than 15% (or such other maximum percentage as the Board may establish from time to time before an Enrollment Date) of such participant's Compensation on each payday during the Offering Period.

(b) All payroll deductions and contributions made for a Participating Employee shall be credited to his or her Payroll Deduction Account (as defined in Section 7) under the Plan. A Participating Employee may not make any additional payments into such account.

(c) A Participating Employee may not increase or decrease the rate of his or her payroll deductions or contributions during the Offering Period except by Withdrawing from the Plan as provided in Section 11 hereof or as otherwise specified in this Section 6.

(d) Notwithstanding the foregoing, to the extent necessary to comply with Section 423(b)(8) of the Code and Section 3(c) hereof, a Participating Employee's payroll deductions may be decreased to 0% at any time during an Offering Period.

(e) At the time the option is exercised, in whole or in part, or at the time some or all of the Shares issued under the Plan are disposed of, the Participating Employee must make adequate provision for the Company's or Subsidiary's federal, national, state, local municipal, or other tax or Social Security withholding obligations, if any, which arise upon the exercise of the option or the disposition of the Shares. At any time, the Company or any Subsidiary may, but shall not be obligated to, withhold from the Participating Employee's Compensation the amount necessary for the Company or the Subsidiary to meet applicable withholding obligations, including any withholding required to make available to the Company any tax deductions or benefits attributable to sale or early disposition of the Shares by a Participating Employee.

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**Section 7. Payroll Deduction Account.** The Company shall establish a payroll deduction account ("Payroll Deduction Account") for each Participating Employee and shall credit all payroll deductions and contributions made on behalf of each Participating Employee pursuant to Section 6 to his or

her Payroll Deduction Account.

**Section 8. Grant of Option.** On the Enrollment Date of each Offering Period, each Eligible Employee participating in such Offering Period shall be granted an option to purchase on each Purchase Date during such Offering Period (at the applicable Purchase Price) up to a number of Shares determined by dividing such Participating Employee's payroll deductions accumulated on such Purchase Date and retained in the Participating Employee's Payroll Deduction Account as of the Purchase Date by the applicable Purchase Price. Exercise of the option shall occur as provided in Section 9 hereof, unless the Participating Employee has Withdrawn pursuant to Section 11 hereof or otherwise becomes ineligible to participate in the Plan. The option shall expire on the last day of the Offering Period.

**Section 9. Exercise of Option.**

(a) By the Purchase Date, the Company shall cause a statement of the balance in each Participating Employee's Payroll Deduction Account to be forwarded to the securities brokerage firm as set forth in Section 10 for purchase on his or her account of the number of Shares determined under subparagraphs (b) and (c) of this Section.

(b) Unless a Participating Employee Withdraws from the Plan as provided in Section 11 hereof or otherwise becomes ineligible to participate in the Plan, his or her option for the purchase of Shares shall be exercised automatically on the Purchase Date, and the maximum number of full Shares, rounded down to the nearest full Share, subject to the option shall be purchased for such Participating Employee at the applicable Purchase Price with the accumulated payroll deductions in his or her account. The balance of the amount credited to the Participating Employee's Payroll Deduction Account which has not been applied to the purchase of full Shares shall be paid to such Participating Employee in cash and in one lump sum, without interest, as soon as reasonably practicable after the Purchase Date. During a Participating Employee's lifetime, a Participating Employee's option to purchase Shares hereunder is exercisable only by him or her.

(c) If the Administrator determines that, on a given Purchase Date, the number of Shares with respect to which options are to be exercised may exceed (i) the number of Shares that were available for sale under the Plan on the first day of the applicable Offering Period, or (ii) the number of shares available for sale under the Plan on such Purchase Date, the Administrator shall allocate the available Shares among such Participating Employees in as uniform a manner as shall be practicable. The balance of the amount credited to the account of each Participating Employee which has not been applied to the purchase of Shares shall be paid to such Participating Employee in one lump sum in cash as soon as reasonably practicable after the Exercise Date, without any interest thereon.

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(d) Unless otherwise determined by the Administrator, Participating Employees are required to hold Shares acquired under the Plan for a holding period that ends on the second anniversary of the Enrollment Date for the Offering Period under which the Shares were purchased.

**Section 10. Brokerage Accounts.** By enrolling in the Plan, each Eligible Employee shall be deemed to have authorized the establishment of a brokerage account ("Brokerage Account") on his or her behalf at a securities brokerage firm to be selected from time to time by the Administrator. The Brokerage Account shall be governed by, and shall be subject to, the terms and conditions of the Plan and of a written agreement between the Company and the securities brokerage firm and, if applicable, the Participating Employee and the securities brokerage firm. As promptly as practicable after each Purchase Date on which a purchase of Shares occurs, the Company may arrange for the deposit into each Participating Employee's Brokerage Account of the number of Shares purchased upon exercise of his or her option. Shares purchased on behalf of any Participating Employee pursuant to the Plan shall be held in the Participating Employee's Brokerage Account in his or her name.

**Section 11. Withdrawal.**

(a) A Participating Employee may Withdraw all, but not less than all, of the payroll deductions or contributions credited to his or her Payroll Deduction Account and not yet used to exercise his or her option under the Plan at any time prior to a Purchase Date by giving written notice to the Company in such form and manner as the Company prescribes ("Withdraw" or "Withdrawal"). All of the Participating Employee's payroll deductions or contributions credited to his or her account during the Offering Period shall be paid to such Participating Employee as soon as practicable after receipt of the notice of Withdrawal. Thereafter, such Participating Employee's option for the Offering Period shall be automatically terminated, and no further payroll deductions for the purchase of Shares shall be made for such Offering Period. If a Participating Employee Withdraws from an Offering Period, payroll deductions or contributions shall not resume at the beginning of any succeeding Offering Periods unless the Participating Employee delivers to the Company a new enrollment form; provided, however, that any Eligible Employee who is deemed to be an "executive officer" of the Company as defined by Section 16b-3 of the Securities Exchange Act of 1934 shall not renew his or her participation in the Plan until at least six months have elapsed since the date of Withdrawal.

(b) A Participating Employee's Withdrawal from an Offering Period shall not have any effect upon his or her eligibility to participate in any similar plan which may hereafter be adopted by the Company or in succeeding Offering Periods.

**Section 12. Termination of Employment.** Upon (a) a Participating Employee's ceasing to be an Eligible Employee for any reason, including termination of employment, disability or death or (b) a Participating Employee's being granted a leave of absence and failing to return to active employment upon the expiration of his or her leave in accordance with the Company's policy with respect to permitted absences, he or she shall be deemed to have elected to Withdraw from the Plan, the payroll deductions on behalf of the Participating Employee shall be discontinued, and any amounts credited to such Participating Employee's Payroll Deduction Account during the Offering Period shall be paid to such Participating Employee or, in the case of his or her death, to the person or persons entitled thereto under Section 16 hereof, as soon as

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reasonably practicable, and such Participating Employee's option for the Offering Period shall be automatically terminated. A transfer of a Participating Employee's employment between or among the Company and any Qualified Subsidiary shall not be treated as a termination of employment for purposes of the Plan.

**Section 13. Interest.** No interest shall accrue on the payroll deductions or contributions of a Participating Employee in the Plan.

#### **Section 14. Shares Subject to Plan.**

(a) Subject to adjustment upon changes in capitalization of the Company as provided in Section 19 hereof, the maximum number of Shares which shall initially be made available for sale under the Plan shall be 2,000,000. If any right granted under the Plan shall for any reason terminate without having been exercised, the Shares not purchased under such right may, in the sole discretion of the Administrator, become available for issuance under the Plan. The Shares subject to the Plan may be authorized but unissued Shares or reacquired Shares, bought on the market or otherwise.

(b) With respect to Shares subject to an option granted under the Plan, a Participating Employee shall not be deemed to be a stockholder of the Company, and the Participating Employee shall not have any of the rights or privileges of a stockholder, until such Shares have been issued to the Participating Employee or his or her nominee following exercise of the Participating Employee's option. A Participating Employee shall have rights as a stockholder with respect to all Shares which are purchased under the Plan for such Participating Employee's account.

#### **Section 15. Administration.**

(a) The Administrator shall have, in connection with the administration of the Plan, the powers theretofore possessed by the Board, including the power to delegate to a subcommittee any of the administrative powers the Administrator is authorized to exercise, subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by the Board.

(b) It shall be the duty of the Administrator to conduct the general administration of the Plan in accordance with the provisions of the Plan. The Administrator shall have the power to interpret the Plan and the terms of the options and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. All determinations by the Administrator in carrying out and administering the Plan and in construing and interpreting the Plan shall be final, binding and conclusive for all purposes and upon all persons interested. The Administrator at its option may utilize the services of such other persons as are necessary to assist in the proper administration of the Plan. The Administrator may select a securities brokerage firm to assist with the purchase of the Shares and the maintenance of Brokerage Accounts for Participating Employees in the Plan. In its absolute discretion, the Board may at any time and from time to time exercise any and all rights and duties of the Administrator under the Plan.

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(c) All expenses and liabilities incurred by the Administrator in connection with the administration of the Plan shall be borne by the Company and its Qualified Subsidiaries; provided, however, that all sales commissions incurred upon sale by a Participating Employee of Shares out of his or her Brokerage Account shall be borne by the Participating Employee. The Administrator may, with the approval of the Board, employ attorneys, consultants, accountants, appraisers, or such other persons as the Administrator deems necessary or appropriate to carry out its duties under the Plan. The Administrator, the Company and its officers and directors shall be entitled to rely upon the advice, opinions or valuations of any such persons so employed by the Administrator.

#### **Section 16. Designation of Beneficiaries/Transferability.**

(a) A Participating Employee may file a written beneficiary designation naming those persons who are to receive any cash from the Participating Employee's Payroll Deduction Account, together with any Shares and/or cash from the Participating Employee's Brokerage Account, in the event of the Participating Employee's death. If a Participating Employee is married and the designated beneficiary is not the Participating Employee's spouse, spousal consent may be required for such designation to be effective.

(b) Neither payroll deductions credited to a Participating Employee's Payroll Deduction Account nor any rights with regard to the exercise of an option or rights to receive Shares under the Plan may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will, through the laws of descent and distribution, or as provided by the Plan) by a Participating Employee. Shares acquired by a Participating Employee pursuant to the exercise of an option hereunder, however, are freely transferable.

**Section 17. Use of Funds.** All funds received or held by the Company under the Plan may be used by the Company for any corporate purpose. The Company shall not be obligated to segregate such funds unless required to in a country outside of the United States.

**Section 18. Reports.** Statements of account shall be provided to Participating Employees at least annually, which statements shall set forth the amounts of payroll deductions, the Purchase Price(s), and the number of Shares purchased.

**Section 19. Adjustments Upon Changes in Outstanding Shares on Capitalization, Merger, Consolidation or Corporate Reorganization.** Subject to any required action by the stockholders of the Company, the number of Shares which have been authorized for issuance under the Plan but not yet placed under option, the maximum number of Shares each Participating Employee may purchase each Offering Period (pursuant to Section 9), as well as the price per Share and the number of Shares covered by each option under the Plan which has not yet been exercised shall be automatically adjusted to give proper effect to any increase or decrease in the number of issued Shares resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of the Shares, or any other increase or decrease in the number of Shares effected without receipt of consideration by the Company, or by reason of any merger, consolidation or other corporate reorganization in which the Company is the surviving corporation. Such adjustment shall be made by the Administrator, whose determination in that respect shall be final, binding and conclusive.

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#### **Section 20. Amendment or Termination.**

(a) The Board, the Administrator or an authorized subcommittee may, in its discretion and, to the extent necessary or desirable, at any time, and from time to time, modify or amend the Plan in any respect, including, but not limited to, (i) altering the Purchase Price for any Offering Period, including an Offering Period underway at the time of the change in Purchase Price, by setting the Purchase Price as an amount that is within the range of either 85% - 100% of the Fair Market Value of a Share on the Purchase Date, or 85% - 100% of the Fair Market Value of a Share on the Enrollment Date, whichever is less; (ii) shortening or lengthening any Offering Period so that the Offering Period ends on a new Purchase Date, including an Offering Period underway at the time of the Board action; provided, however, that no Offering Period shall be shorter than one month or

longer than 27 months; and allocating Shares as provided in Section 9(c). Such modifications or amendments shall not require stockholder approval or the consent of any Participating Employees, except that no amendment shall be made without the affirmative vote of stockholders holding at least a majority of the voting stock of the Company represented in person or by proxy at a duly held stockholders' meeting, if such amendment would:

- (A) materially increase the benefits accruing to Participating Employees under the Plan;
- (B) increase the number of Shares which may be issued under the Plan (other than as permitted under Section 19 hereof); or
- (C) materially modify the requirements as to eligibility for participation under the Plan, except as allowed under Section 423(b)(4) of the Code.

(b) The Plan and all rights of Participating Employees hereunder may be terminated at any time by the Administrator or by the Board or an authorized subcommittee. Upon termination of the Plan, all payroll deductions and contributions shall cease and all amounts then credited to the Participating Employees' Payroll Deduction Accounts shall be equitably applied to the purchase of whole Shares then available for sale, and any remaining amounts shall be promptly refunded to the Participating Employees.

**Section 21. Notices.** All notices or other communications by a Participating Employee to the Company under or in connection with the Plan shall be deemed to have been duly given when received in the form specified by the Company at the location, or by the person, designated by the Company for the receipt thereof.

**Section 22. Conditions to Issuance of Shares/Dividends.** Whole Shares purchased hereunder shall be issued as soon as practicable following a Participating Employee's written request, for which a reasonable charge may be made. Any cash dividends payable on Shares held in a Participating Employee's Brokerage Account will be used to purchase additional Shares unless otherwise directed by the Participant.

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**Section 23. Term of Plan.** The Plan shall become effective on the Effective Date and shall remain in effect for a term of 10 years, unless sooner terminated under Section 20 hereof.

**Section 24. Equal Rights and Privileges.** All Eligible Employees of the Company (or of any Qualified Subsidiary) will have equal rights and privileges under the Plan so that the Plan qualifies as an "employee stock purchase plan" within the meaning of Section 423 of the Code or applicable Treasury Regulations thereunder. Any provision of the Plan that is inconsistent with Section 423 or applicable Treasury Regulations will, without further act or amendment by the Company, the Board or the Administrator, be reformed to comply with the equal rights and privileges requirement of Section 423 or applicable Treasury Regulations.

**Section 25. No Employment Rights.** Nothing in the Plan shall be construed to give any person (including any Eligible Employee or Participating Employee) the right to remain in the employ of the Company or a Subsidiary or to affect the right of the Company or any Subsidiary to terminate the employment of any person (including any Eligible Employee or Participating Employee) at any time, with or without cause.

**Section 26. Governing Law.** The internal laws of the State of Maryland shall govern all matters relating to the Plan except to the extent superseded by the laws of the United States.

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