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

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): May 20, 2025

Proto Labs, Inc.

(Exact name of registrant as specified in its charter)

Minnesota	001-35435	41-1939628
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification Number)

5540 Pioneer Creek Drive Maple Plain, Minnesota	55359
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (763) 479-3680

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, Par Value $0.001 Per Share	PRLB	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

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 13(a) of the Exchange Act. ☐

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

Appointment of Mr. Krishna

On May 21, 2025, Proto Labs, Inc. (the "Company") announced that the Board of Directors (the "Board") of the Company has appointed Suresh Krishna to serve as the Company's President and Chief Executive Officer, effective May 20, 2025 (the "Transition Date"), succeeding Robert Bodor, who ceased to be the President and Chief Executive Officer and a director of the Company effective as of the Transition Date. The Board has also appointed Mr. Krishna to serve as a director of the Company, filling the vacancy left on the Board by Dr. Bodor's departure, until the earlier of the Company's 2026 annual meeting of shareholders and until his successor is elected and qualified, or until his earlier death, resignation, or removal.

Suresh Krishna, age 56, joined the Company from Northern Tool + Equipment, where he served as President and Chief Executive Officer from April 2020 to November 2024. Prior to joining Northern Tool + Equipment, Mr. Krishna served as the Senior Vice President and Chief Operations, Supply Chain and Lean Officer of Sleep Number Corporation from April 2016 to April 2020. Mr. Krishna also served in various leadership positions at Polaris Inc., including as Vice President and Business Unit Head of Europe Middle East & Africa from 2014 to 2016 and Vice President of Global Operations and Integration from 2010 to 2014. From 2007 to 2010, he served at a division of UTC Fire & Security. Mr. Krishna also served in a variety of roles for Diageo, ABB and earlier in his career, he was an associate at Booz Allen & Hamilton.

In connection with his appointment, Mr. Krishna entered into an Executive Employment Agreement with the Company, dated May 20, 2025 (the "Employment Agreement"), which sets forth certain terms and conditions of his employment. Pursuant to the Employment Agreement, Mr. Krishna's employment commenced as of the Transition Date and is for a term of three years, unless earlier terminated, and will automatically be extended for successive one-year terms thereafter unless Mr. Krishna provides notice of non-renewal. The Employment Agreement provides that Mr. Krishna will receive the following compensation:

- an initial annual base salary of $800,000;
- participation in the Company's annual short-term incentive plan, with a target cash incentive bonus equal to 100% of his base salary, with his payout for 2025 pro-rated based on the number of calendar days he is employed by the Company from the Transition Date through December 31, 2025;
- entitlement to participate in all employee benefit plans and programs generally available to executive employees of the Company, as determined by the Company and to the extent he meets the eligibility requirements for each individual plan or program; and
- the grant of the following equity awards, effective as of May 23, 2025 (the "Grant Date"):
    - $600,000 of restricted stock units ("RSUs"), which will vest as to 25% of the RSUs in four annual installments beginning on the first anniversary of the Grant Date;
    - $600,000 of stock options ("Options"), with an exercise price equal to 100% of the closing share price of the Company's common stock on the Grant Date, and which will vest and become exercisable as to 25% of the shares underlying the Options in four annual installments beginning on the first anniversary of the Grant Date and has a ten-year term;
    - $1,200,000 of performance stock units ("PSUs"), with the same terms and conditions as the PSUs granted to the executive officers of the Company in February 2025; and
    - a one-time inducement award of $1,000,000 of PSUs, with the same terms and conditions as the PSUs granted to the executive officers of the Company in February 2025, plus a one-time inducement award of $1,000,000 of PSUs (the one-time PSU awards collectively referred to as, the "Inducement Awards") tied to certain revenue and total shareholder return metrics, and other terms and conditions.

The RSUs, Options, and PSUs noted above will be granted under and pursuant to the Amended and Restated Proto Labs, Inc. 2022 Long-Term Incentive Plan (as amended, the "2022 Plan") and will be subject to the terms and conditions of the 2022 Plan and the forms of award agreements for such types of awards previously approved by the Compensation and Talent Committee of the Board, *except for* the Inducement Awards, which will be "inducement awards" within the meaning of the New York Stock Exchange Listed Company Manual Section 303A.08 will not be granted under the 2022 Plan, but they will have the same terms and conditions as equity awards granted under the 2022 Plan and the award agreements for such types of awards, except as provided in the Inducement Award agreements.

The Employment Agreement provides that if the Company terminates Mr. Krishna's employment without cause (and other than as a result of Mr. Krishna's death or disability), or if Mr. Krishna's resigns for good reason (either such event being a "Qualifying Termination"), and provided that Mr. Krishna's complies with certain conditions, including execution of a general waiver and release of claims and compliance with the restrictive covenants agreement Mr. Krisha entered into in connection with entering into the Employment Agreement, then Mr. Krishna will be entitled to certain benefits summarized below.

If Mr. Krishna has a Qualifying Termination during the term of the Employment Agreement and not in connection with a change in control (which is the period from the change in control until the 18-month period following a change in control (the "Change in Control Period"), then, subject to certain conditions:

- the Company will pay Mr. Krishna an amount equal to one times Mr. Krishna's annualized base salary in substantially equal installments in accordance with the Company's regular payroll practices over the 12-month period immediately following the termination date;
- the Company will pay Mr. Krishna a pro rata cash incentive bonus amount for the year in which the termination occurs, payable in a lump sum;
- the Company will pay its share of premiums due for Mr. Krishna and his eligible dependents for the first 12 months of coverage under COBRA; and
- if Mr. Krishna has any unvested equity-based awards as of the termination date, (i) a pro rata portion of any time-based unvested awards scheduled to vest on the next anniversary of the grant date will vest immediately, determined by multiplying the total number of additional shares that would otherwise have become exercisable or vested on the next anniversary of the grant date had Mr. Krishna remained employed through that date by a fraction, the numerator of which is the number of days Mr. Krishna was employed by the Company during the then current vesting year including the termination date and the denominator of which is 365 days; and (ii) a pro rata portion of any performance-based awards will vest following the end of the performance period, determined by multiplying the total number of additional shares that would otherwise have been determined to have been earned had Mr. Krishna remained employed through the end of the applicable performance period by a fraction, the numerator of which is the number of days Mr. Krishna was employed by the Company during the performance period and the denominator of which is the number of days in the performance period. In the event that the terms of an equity award or the 2022 Plan provide more favorable treatment, the terms of such award or the 2022 Plan will control.

If Mr. Krishna has a Qualifying Termination which occurs within 90 days prior to a change in control, and if the termination arose in connection with or in anticipation of the change in control, then, in addition to the compensation Mr. Krishna is entitled to receive in connection with a Qualifying Termination which is not in connection with a change in control, as described above:

- the Company will pay Mr. Krishna an amount equal to one times Mr. Krishna's annualized base salary, payable in a lump sum;
- the Company will pay Mr. Krishna an amount equal to Mr. Krishna's target annual cash incentive bonus for the calendar year in which Mr. Krishna's employment with the Company terminates, payable in a lump sum;
- the Company will pay its share of premiums due for Mr. Krishna and his eligible dependents for an additional six months of coverage under COBRA; and
- the Company will pay Mr. Krishna an amount equal to the intrinsic value of any unvested equity-based awards held by him as of the termination date that were forfeited as of the termination date; in the case of forfeited performance-based awards, the intrinsic value shall be based on the number of shares subject to an award based on a determination by the Board of the degree to which any performance-based vesting or payment conditions will be deemed satisfied.

If a change in control occurs during the term of the Employment Agreement, and Mr. Krishna has a Qualifying Termination during the Change in Control Period, then, subject to certain conditions:

- the Company will pay Mr. Krishna an amount equal to two times Mr. Krishna's annualized base salary in substantially equal installments in accordance with the Company's regular payroll practices over the 24-month period immediately following the termination date;
- the Company will pay Mr. Krishna an amount equal to two times Mr. Krishna's target annual cash incentive bonus for the calendar year in which Mr. Krishna's employment with the Company terminates, payable in a lump sum;
- the Company will pay its share of premiums due for Mr. Krishna and his eligible dependents for the first 18 months of coverage under COBRA; and
- all of Mr. Krishna's unvested equity-based awards as of the termination date will vest immediately on the termination date; in the case of performance-based awards, the number of shares subject to such accelerated vesting shall be based on a determination by the Board of the degree to which any performance-based vesting conditions will be deemed satisfied.

In the event that the severance pay and other benefits provided for in the Employment Agreement or otherwise payable to Mr. Krishna constitute "parachute payments" under Section 280G of the Internal Revenue Code and would be subject to excise taxes, then such benefits will either be delivered in full or delivered as to such lesser extent which would result in no portion of such severance pay and other benefits being subject to excise taxes, whichever results in the receipt by Mr. Krishna of the greatest amount of benefits on an after-tax basis.

The foregoing description of the Employment Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Employment Agreement as set forth in Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

There are no arrangements or understandings between Mr. Krishna and any other persons pursuant to which Mr. Krishna was selected as an officer or director of the Company, Mr. Krishna has no family relationships with any of the Company's directors or executive officers, and Mr. Krishna is not a party to and does not have any direct or indirect material interest in any transaction requiring disclosure under Item 404(a) of Regulation S-K under the Securities Act of 1933, as amended.

Departure of Dr. Bodor

As disclosed above, Dr. Bodor departed the Company, effective as of the Transition Date, and ceased to be an employee and director of the Company as of such date. While Dr. Bodor resigned from the Company, the Company agreed to provide the severance compensation contemplated by the provisions for a termination without cause or a resignation for good reason under Section 7.A.(i) of his Executive Employment Agreement, dated January 29, 2021, a copy of which was previously filed with the Securities and Exchange Commission (the "Commission") and is incorporated herein by reference as Exhibit 10.2.

In addition, Dr. Bodor and the Company entered into a Consulting Agreement, dated May 20, 2025 (the "Consulting Agreement"), pursuant to which Dr. Bodor agreed to provide services to support the transition of management through May 25, 2025. In exchange for his services, the Company will pay Dr. Bodor a fee of $700 per hour. The Company and Dr. Bodor are also discussing the possibility of Dr. Bodor providing consulting services for a longer period of time.

The foregoing description of the Consulting Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Consulting Agreement as set forth in Exhibit 10.3 to this Current Report on Form 8-K and is incorporated herein by reference.

Amendment to the 2022 Plan

As reported below in Item 5.07, on May 20, 2025, the shareholders of the Company approved the amendment to the 2022 Plan, which increased the number of shares available for issuance pursuant to awards under the plan by an additional 296,000 shares.

A description of the 2022 Plan was included in the Company's proxy statement for its annual meeting of shareholders filed with the Commission on April 9, 2025, and a copy of the 2022 Plan, as amended, is filed hereto as Exhibit 10.4 and is incorporated by reference herein.

Item 5.07. Submission of Matters to a Vote of Security Holders.

The Company held its Annual Meeting of Shareholders on May 20, 2025 (the "Annual Meeting"). At the Annual Meeting, the Company's shareholders elected all eight persons nominated by the Board. All eight directors will serve as directors until the next Annual Meeting of Shareholders or until their successors are elected and duly qualified, other than Dr. Bodor, who ceased to be a director as of the Transition Date as disclosed above in Item 5.02. The Company's shareholders also ratified the selection of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2025, approved an advisory vote on the compensation of the Company's executive officers and approved the amendment to the 2022 Plan. Set forth below are the final voting results for each of the proposals.

Proposal 1. Election of Directors.

Name	For	Against	Abstain	Broker Non-Votes
Robert Bodor	18,568,998	262,158	3,137	2,109,195
Archie C. Black	15,494,829	3,334,912	4,552	2,109,195
Sujeet Chand	17,551,583	1,276,833	5,877	2,109,195
Moonhie Chin	16,132,849	2,695,787	5,657	2,109,195
Rainer Gawlick	18,211,102	618,665	4,526	2,109,195
Stacy Greiner	18,590,462	239,096	4,735	2,109,195
Donald G. Krantz	16,205,392	2,624,410	4,491	2,109,195
Sven A. Wehrwein	17,721,917	1,107,016	5,360	2,109,195

Proposal 2. Ratification of the selection of Ernst & Young LLP as the independent registered public accounting firm for the fiscal year ending December 31, 2025.

For	Against	Abstain	Broker Non-Votes
20,722,129	212,208	9,151	—

Proposal 3. Advisory approval of executive compensation.

For	Against	Abstain	Broker Non-Votes
16,067,528	2,756,966	9,799	2,109,195

Proposal 4. Approval of the amendment to the Amended and Restated Proto Labs, Inc. 2022 Long-Term Incentive Plan.

For	Against	Abstain	Broker Non-Votes
18,175,924	649,673	8,696	2,109,195

Item 7.01. Regulation FD Disclosure

On May 21, 2025, the Company issued a press release announcing the leadership transition described in Item 5.02 above. A copy of the press release is attached hereto as Exhibit 99.1.

In accordance with General Instruction B.2 of Form 8-K, the information in this Item 7.01, including Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933 or the Securities Exchange Act of 1934, except as shall be expressly set forth by specific reference in that filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1	Executive Employment Agreement, dated May 20, 2025, by and between Proto Labs, Inc. and Suresh Krishna
10.2	Executive Employment Agreement, dated January 29, 2021, by and between Proto Labs, Inc. and Robert Bodor (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K, filed on February 4, 2021)
10.3	Consulting Agreement, dated May 20, 2025, by and between Proto Labs, Inc. and Robert Bodor
10.4	Amended and Restated Proto Labs, Inc. 2022 Long-Term Incentive Plan, as amended May 20, 2025
99.1	Press release, dated May 21, 2025
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

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

Proto Labs, Inc.

Date: May 21, 2025

By: /s/ Daniel Schumacher
Daniel Schumacher
Chief Financial Officer

Exhibit 10.1

PROTO LABS, INC.
EXECUTIVE EMPLOYMENT AGREEMENT

This **Executive Employment Agreement** (the "***Agreement***") is entered into as of May 20, 2025 (the "***Effective Date***") by and between **Proto Labs, Inc.,** a Minnesota corporation (the "***Company***"), and Suresh Krishna ("***Executive***"), an individual residing in Minnesota.

Recitals

A. The Company desires to employ Executive, and Executive desires to be employed by the Company, in accordance with the terms and conditions stated in this Agreement.

B. During employment with the Company, Executive will have access to confidential, proprietary and trade secret information of the Company. It is desirable and in the best interests of the Company to protect confidential, proprietary and trade secret information of the Company, to prevent unfair competition by former executives of the Company following separation of their employment with the Company and to secure cooperation from former executives with respect to matters related to their employment with the Company.

C. Executive understands that Executive's employment and receipt of the compensation and benefits provided for in this Agreement depends on, among other things, Executive's willingness to agree to abide by the non-disclosure, non-solicitation, assignment of inventions and other covenants contained in an Employee Confidentiality, Intellectual Property Assignment and Non-Solicitation Agreement, dated as of the Effective Date (the "***Restrictive Covenants Agreement***"), attached as Exhibit A to this Agreement.

D. It is desirable and in the best interests of the Company and its shareholders to obtain the benefits of Executive's services and attention to the affairs of the Company and to identify certain severance payments and benefits in the event that Executive is separated from employment with the Company under certain identified circumstances.

E. For the reasons set forth above, the Company and Executive desire to enter into this Agreement.

Now, Therefore, in consideration of the foregoing and the mutual covenants set forth herein, the Company and Executive, intending to be legally bound, hereby agree as follows:

Agreements

1. Term. Executive's employment pursuant to the terms of this Agreement shall commence on May 20, 2025 (the "***Start Date***") and expire on May 19, 2028 (the "***Expiration Date***"), unless Executive's employment is terminated at an earlier date in accordance with Section 6. The period between the Effective Date and the Expiration Date is referred to herein as the "***Initial Term***." Effective as of the Expiration Date and each successive one year anniversary of the Effective Date (each an "***Anniversary Date***"), the term shall be automatically extended until the subsequent Anniversary Date (each a "***Renewal Term***") unless Executive gives written notice of non-renewal to the Company at least sixty (60) days prior to the Anniversary Date on which this Agreement would otherwise be automatically extended that Executive elects not to extend the term. The Initial Term, together with any Renewal Terms, is the "***Term***." If Executive remains employed by the Company after the Term, then Executive shall no longer be entitled to any severance payments or benefits under this Agreement and any severance rights Executive may have shall be according to the terms and conditions established by the Company from time to time.

2. Employment and Duties.

A. Position and Responsibilities. During the Term Executive shall serve as the Company's President, Chief Executive Officer and shall perform such duties of an executive nature as the Company's Board of Directors (the "***Board***") may assign from time to time. Executive will follow and comply with applicable policies and procedures adopted by the Company from time to time, including without limitation policies relating to business ethics, conflict of interest, non-discrimination, confidentiality and protection of trade secrets, and insider trading. Executive shall devote Executive's full working time and efforts to the Company's business, to the exclusion of all other employment or active participation in other material business interests, unless otherwise consented to in writing by the disinterested members of the Board. Executive may not serve as a director on any other board of directors without the written consent of the Board. Executive hereby represents and confirms that Executive is under no contractual or legal commitments that Executive believes would prevent Executive from fulfilling Executive's duties and responsibilities as set forth in this Agreement.

B. Board Appointment. Within five (5) business days after the Start Date the Board shall appoint Executive as a director of the Company and the Board shall nominate Executive for re-election to the Board at each meeting of shareholders at which directors will be elected during the Term. Executive acknowledges and agrees that Executive is not entitled to any additional compensation in respect of Executive's appointment as a director of the Company. If during the Term Executive ceases to be a director of the Company for any reason, Executive's employment with the Company will continue (unless terminated in accordance with Section 6) and all terms of this Agreement (other than those relating to Executive's position as a director of the Company) will continue in full force and effect. Executive agrees to abide by all statutory, fiduciary or common law duties arising under applicable law that apply to Executive as a director of the Company. Executive further agrees that Executive will not resign as a director of the Company without the prior written consent of the Board and if Executive so resigns or if Executive is disqualified from acting as a director of the Company, then the Company may at its discretion terminate Executive's employment under this Agreement for Cause (as defined in Section 6.D.).

3. At Will Employment. Executive's employment with the Company shall be at will and Executive's employment may be unilaterally terminated by either party at any time for any reason, subject to the terms of Sections 6 and 7 of this Agreement. The effective date of Executive's termination of employment with the Company and its affiliates is referred to herein as the "***Termination Date***." For purposes of Section 7 only, with respect to the timing of any severance payments or benefits thereunder, the Termination Date means the date on which a "separation from service" has occurred for purposes of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance thereunder (the "***Code***"). Unless otherwise requested by the Board in writing, upon Executive's termination of employment with the Company for any reason Executive will automatically resign as of the Termination Date from all non-employee titles, positions and appointments Executive then holds with the Company, whether as an officer, director or trustee (without any claim for compensation related thereto), and Executive hereby agrees to take all actions necessary to effectuate such resignations.

4. Compensation, Benefits and Expenses. While employed by the Company during the Term, Executive will be provided with the following compensation and benefits:

A. Base Salary. The Company will pay to Executive for services provided hereunder after the Start Date a base salary at the annualized rate of $800,000.00, which base salary will be paid in accordance with the Company's normal payroll policies and procedures ("***Base Salary***"). Consistent with the charter of the Compensation and Talent Committee of the Board (the "***Compensation Committee***") and the Company's Corporate Governance Guidelines, the independent directors will evaluate Executive's performance on an annual basis and then the Compensation Committee will review this evaluation and determine any adjustments to Executive's Base Salary, subject to ratification by the Board.

B. Annual Cash Incentive Bonus. Executive will be eligible for an annual target cash incentive bonus equal to one hundred percent (100 %) of Executive's then-current Base Salary (the "***Annual Bonus***"), based on achievement of objectives as determined by the Company, payable no later than March 15 of the calendar year following the calendar year for which the bonus was earned. For 2025, Executive's payout will be pro-rated based on the number of calendar days he is employed by the Company from the Start Date through December 31, 2025.

C. Employee Benefits. Executive will be entitled to participate in all employee benefit plans and programs generally available to executive employees of the Company, as determined by the Company and to the extent that Executive meets the eligibility requirements for each individual plan or program. Executive's participation in any plan or program will be subject to the provisions, rules, and regulations of, or applicable to, the plan or program. The Company provides no assurance as to the adoption or continuation of any particular employee benefit plan or program.

D. Expenses. The Company will reimburse Executive for all reasonable and necessary out-of-pocket business, travel, and entertainment expenses incurred by Executive in the performance of Executive's duties and responsibilities to the Company during the Term. Such reimbursement shall be subject to the Company's normal policies and procedures for expense verification, documentation, and reimbursement.

E. Initial Equity Awards. On the earliest day permitted pursuant to the terms of the Company's Equity Award Approval Policy following commencement of the Term (the "***Grant Date***"), Executive will receive the equity awards set forth below, with the dollar values converted to numbers of shares underlying the equity awards based on the stock value on the Grant Date. These equity awards will be subject to the terms and conditions of the applicable award agreements between the Company and Executive dated effective as of the Grant Date (the "***Award Agreements***"), including such terms and conditions as are incorporated from the Company's Amended and Restated 2022 Long-Term Incentive Plan (as amended from time to time, the "***Plan***").

(i) 2025 Equity Award: $2,400,000 granted in the form of 25% restricted stock units ("***RSUs***"), 25% stock options, and 50% performance stock units ("***PSUs***"), each with the same terms and conditions as such equity awards granted to the executive officers of the Company in February 2025, and the vesting dates of the RSUs and the stock options shall be based on the anniversaries of the Grant Date.

(ii) Sign-On Inducement Award: $2,000,000 granted in the form of PSUs, (A) 50% of which will be based on the same terms and conditions as the PSUs granted to the executive officers of the Company in February 2025 ("***2025 PSU Criteria***"), and (B) 50% of which will first be subject to revenue-related goals established by the Compensation Committee for two performance periods, July 1, 2025 – December 31, 2025 and January 1, 2026 – June 30, 2026, and following the determination of the number of such PSUs achieved under those goals, such number of PSUs shall become the target number of PSUs that may be earned pursuant to the 2025 PSU Criteria. These PSUs will be granted under the inducement grant exception to the New York Stock Exchange listing rules.

F. Annual Equity. Beginning in 2026, Executive shall receive an annual equity grant based on terms and conditions that are comparable to those applicable to grants made to other senior executives of the Company, including achievement of personal or Company objectives established by the Board or the Compensation Committee, and on such other terms applicable to other executives as are established by the Board or the Compensation Committee in its reasonable discretion ("***Annual Equity***").

5. Restrictive Covenants Agreement. Executive acknowledges entering into the Restrictive Covenants Agreement as a condition of Executive's employment with the Company and the Company entering into this Agreement and hereby acknowledges and confirms Executive's commitments and obligations under the Restrictive Covenants Agreement. Nothing in this Agreement is intended to modify, amend, cancel or supersede the Restrictive Covenants Agreement in any manner.

6. Termination.

A. Termination of Employment. Except as provided in Sections 6.B., C., D. and E., each party hereto may terminate Executive's employment by giving to the other party no less than thirty (30) days prior written notice of the party's intent to terminate. If Executive voluntarily terminates Executive's employment without Good Reason or the Company terminates the Executive's employment for Cause, then the Company shall have no further liability to Executive for any payment, compensation or benefit whatsoever, other than payment of Executive's earned but unpaid salary, cash incentive bonus and benefits through the Termination Date and honoring Executive's rights under the Award Agreements or under any other restricted stock, stock options, stock units or other equity agreement between Executive and the Company (collectively, "***Equity Awards***"). If the Company terminates Executive's employment without Cause (as set forth in Section 6.D.) and other than as a result of death or Disability (as set forth in Section 6.C.), or if Executive terminates Executive's employment for Good Reason (as set forth in Section 6.E.) (either such event being a "***Qualifying Termination***"), and subject to Executive's compliance with Section 7 of this Agreement and with the Restrictive Covenants Agreement, then Executive shall be entitled to severance payments and benefits as described in and pursuant to the terms and conditions of Section 7 of this Agreement.

B. By Death. Executive's employment shall be terminated automatically upon the death of Executive. The Company's total liability in such event shall be limited to payment of Executive's earned but unpaid salary, cash incentive bonus and benefits through the date of Executive's death and honoring Executive's rights under any Equity Awards.

C. By Disability. The Company may terminate Executive's employment upon the inability of Executive to perform on a full-time basis the duties and responsibilities of Executive's employment with the Company, after any reasonable accommodation that may be required under applicable law is made by the Company, by reason of Executive's illness or other physical or mental impairment or condition, if such inability continues for an uninterrupted period of one hundred and twenty (120) days (a "***Disability***"). A period of inability shall be "uninterrupted" unless and until Executive returns to full-time work for a continuous period of at least thirty (30) days. The Company shall have no liability for severance pay or benefits following any Termination Date due to Disability, other than payment of Executive's earned but unpaid salary, cash incentive bonus and benefits through the Termination Date, honoring Executive's rights under any Equity Awards, and any rights Executive has to disability insurance benefits under applicable law or the Company's short or long term disability insurance policies as in effect at the time of termination.

D. For Cause. The employment relationship between Executive and the Company created hereunder shall automatically and immediately terminate upon receipt by Executive of notice of termination for Cause after the occurrence of any one of the events set forth below, each of which will be considered "***Cause***" for termination.

(i) Executive's intentional and knowing failure or refusal to perform satisfactorily the material duties reasonably required of Executive by the Board (other than by reason of Disability);

(ii) Executive's material and knowing violation of any law, rule, regulation, court order or regulatory directive (other than traffic violations, misdemeanors or other minor offenses);

(iii) Executive's material breach of the Restrictive Covenants Agreement or any Company code of conduct;

(iv) Executive engaging in any act or practice that involves personal dishonesty on the part of Executive or demonstrates a willful and continuing disregard for the best interests of the Company or its affiliates;

(v) Any of the events triggering the Company's right to terminate that are described in the last sentence of Section 2.B. of this Agreement; or

(vi) While performing corporate duties and responsibilities, Executive engaging in conduct that would be reasonably expected to harm or bring disrepute to the Company, any of its affiliates, or any of their customers, employees or vendors.

E. Good Reason. Executive's voluntary resignation of Executive's employment under this Agreement will be considered to be with "***Good Reason***" if, following the occurrence of one or more of the events listed below, (1) Executive provides written notice to the Board of the event(s) constituting Good Reason within sixty (60) days after the first occurrence of such event(s), (2) the Company fails to reasonably cure such event(s) within thirty (30) days after receiving such notice, and (3) the Termination Date is not later than thirty (30) days after the end of the period in which the Board may cure the event(s). For the avoidance of doubt, Executive will not be entitled to any compensation or benefits pursuant to this Agreement if Executive voluntarily resigns from Executive's employment without Good Reason. The following events will give rise to Good Reason, unless Executive has consented thereto in writing:

(i) a material reduction in Executive's annual compensation, which is comprised of Base Salary, target Annual Bonus, and Annual Equity award amount, other than a reduction of Base Salary, target Annual Bonus, or Annual Equity award amount that is part of and proportionally consistent with a broad-based reduction of Base Salary, target Annual Bonus, or Annual Equity award amount applicable to the Company's senior executives (provided, however, that any reduction in Executive's Base Salary below $800,000.00 for any year during the Term without Executive's consent will constitute a material reduction for purposes of this Good Reason definition);

(ii) a material diminution in Executive's authority, duties or responsibilities;

(iii) the Company removing Executive from the Board or failing to renominate Executive to serve on the Board other than in connection with the Company terminating Executive for Cause or because Executive is disqualified from acting as a director of the Company;

(iv) a change in the location of the Company facility or office where Executive is based to a location more than fifty (50) miles from the Company facility or office where Executive is based as of the Start Date; or

(v) a material breach by the Company of any terms or conditions of this Agreement or any other agreement between Executive and the Company.

7. Severance. If there is a Qualifying Termination, provided that Executive's termination of employment constitutes an involuntary "separation from service" (a "***Separation from Service***") under Section 409A of the Code ("***Section 409A***"), and provided that Executive signs, within forty-five (45) days after the Separation from Service, and does not rescind a general waiver and release of claims in favor of the Company and its affiliates in a form to be prescribed by the Company (with such release carving out typical post-termination matters from such release, including but not limited to any severance obligations and vested rights of Executive and/or obligations of the Company to indemnify Executive for claims arising out of or related to service as an officer or director of the Company), and provided further that Executive is in compliance with Executive's continuing obligations to the Company (including but not limited to those in the Restrictive Covenants Agreement), then Executive will receive the severance payments and benefits identified in this Section 7. If Executive becomes eligible to receive any severance payments or benefits under this Section 7, then Executive will not be eligible to receive any severance payments or benefits under any other agreement between Executive and the Company or under any severance plan or program adopted by the Company. Notwithstanding any provisions in this Agreement to the contrary, this Agreement will not provide duplicate benefits with any severance plan or program adopted by the Company ("***Other Severance Plan***"). Executive will receive severance benefits, if any, pursuant to this Agreement, and not under any Other Severance Plan, which will not apply to Executive.

A. Payments Upon Qualifying Termination Prior to a Change in Control or After the Expiration of the Transition Period.

(i) Qualifying Termination (Other than During the Transition Period). If the Termination Date occurs during the Term and is prior to any Change in Control (as defined below) or after the Transition Period (as defined below), and if such termination is a Qualifying Termination, then, in addition to such base salary, cash incentive bonus and benefits that have been earned but not paid to Executive as of the Termination Date, and subject to Executive satisfying the conditions identified in the first paragraph of this Section 7, the Company shall provide to Executive the following severance payments and benefits:

(a) Base Salary Cash Severance. The Company shall pay to Executive an amount equal to one (1) times Executive's annualized Base Salary as of the Termination Date (or, if Executive's resignation is for Good Reason because the Company materially reduced Executive's Base Salary, one (1) times Executive's annualized Base Salary as of immediately before such material reduction), less deductions and withholding required by law, payable in substantially equal installments in accordance with the Company's regular payroll practices over the 12-month period immediately following the Termination Date; provided, however that any installments that otherwise would be payable within the 60-day period immediately following the Termination Date shall be delayed and payable with the installment that is payable on the Company's first payroll date following the 60th day after the Termination Date. Notwithstanding anything above to the contrary, to the extent that the amount paid under the first sentence of this Section 7.A.(i)(a) exceeds the lesser of two times (I) the limit of compensation set forth in section 401(a)(17) of the Code as in effect for the year in which the Termination Date occurs, or (II) Executive's annualized compensation based upon the annual rate of pay for services to the Company for the calendar year prior to the calendar year in which the Termination Date occurs (adjusted for any increase during that year that was expected to continue indefinitely if Executive had not separated from service), then the Company shall make an additional separate lump sum payment to Executive equal to the excess amount. Such lump sum payment shall be a separate payment from the installment payments provided under this Section 7.A.(i)(a) and shall be paid to Executive on the Company's first payroll date following the 60th day after the Termination Date but in no event later than two and one-half (2 ½) months after the Termination Date.

(b) Pro Rata Bonus Payment. The Company shall pay to Executive a pro rata cash incentive bonus amount calculated by multiplying the annual cash incentive bonus Executive would have received under the Company's annual cash incentive bonus plan for the calendar year in which the Termination Date occurs assuming Executive would have remained employed through the date Executive would have otherwise earned an annual cash incentive bonus under such year's annual cash incentive bonus plan by a fraction, the numerator of which is the number of days Executive was employed by the Company during the calendar year in which the Termination Date occurs through and including the Termination Date and the denominator is 365, less deductions and withholding required by law, payable in a lump sum at the same time as other eligible employees under the Company's annual cash incentive bonus plan for such calendar year are paid their bonuses under such Company's annual cash incentive bonus plan for such calendar year, but in any event no later than March 15 of the calendar year immediately following the calendar year in which the Termination Date occurs.

(c) Benefits Continuation. If Executive was enrolled in a group health plan (*e.g.*, medical, dental, or vision plan) sponsored by the Company immediately prior to the Termination Date, and if Executive (or Executive's eligible dependents) timely elects to continue such coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 (together with any state law of similar effect, "***COBRA***"), then the Company will pay to the insurance carrier(s) its share of the premiums due for Executive and Executive's eligible dependents for the first twelve (12) months of such coverage under COBRA (or until such earlier time as Executive and/or Executive's eligible dependents are no longer eligible for COBRA coverage).

(d) Vesting of Equity Awards. The Equity Awards shall be governed by their terms; however, the following provisions shall apply to the extent that they provide more favorable terms to the Executive than the terms set forth in the Equity Awards or in the Plan: if Executive has an unvested option to purchase Shares (as defined in the Plan) or any unvested Stock Units (as defined in the Plan) under any Equity Award under the Plan addressing Executive's option to purchase or right or have vest Shares, then a pro rata portion of any such time-based award scheduled to vest on the next anniversary of the grant date for such award will vest as of the Termination Date and a pro rata portion of any such performance-based award will vest as provided below. In the case of time-based awards, the number of additional Shares that Executive will have the option to purchase or will have vest as a result of such pro rata vesting will be determined by multiplying the total number of additional Shares Executive would have had the option to purchase, or have had vest, as of the next anniversary of the grant date for such award assuming Executive would have remained employed through such anniversary by a fraction, the numerator of which is the number of days Executive was employed by the Company during the then-current vesting year through and including the Termination Date and the denominator is 365. For performance-based awards, the number of additional Shares that Executive will have vest as a result of such pro rata vesting will be determined by multiplying the total number of additional Shares that would otherwise have been determined to have been earned had Executive remained employed through the end of the applicable performance period by a fraction, the numerator of which is the number of days Executive was employed by the Company during the performance period and the denominator is the number of days in the performance period (*e.g.*, 1,095 days in the case of a three-year performance period). Performance-based awards will be settled within two and one-half (2 ½) months after the last day of the relevant performance period.

(ii) Other Termination (Other Than During the Transition Period). If the Termination Date occurs for any reason after expiration of the Term (subject to Section 7.C.), or if the Termination Date occurs during the Term and is prior to any Change in Control or after the Transition Period for any of the following reasons: (a) Executive's abandonment of or resignation from employment for any reason other than Good Reason; (b) termination of Executive's employment by the Company for Cause; or (c) due to Executive's death or Disability, then the Company shall pay to Executive, or Executive's beneficiary or estate, as the case may be, such base salary, bonus and benefits (including Annual Bonus) that have been earned but not paid to Executive as of the Termination Date, payable pursuant to the Company's normal payroll practices and procedures and to the extent and in the manner provided in any applicable plans or programs, pay any additional amount that may be payable under Section 6.B. Section 6.C. (as applicable) and honor Executive's rights under any Equity Awards, and Executive shall not be entitled to any additional compensation or benefits.

B. Payments Upon Termination During the Transition Period.

(i) Qualifying Termination During the Transition Period. If a Change in Control occurs during the Term and Executive's Termination Date occurs on the date of the Change in Control or prior to the 18-month anniversary of the Change in Control (such 18-month period, the "***Transition Period***"), and if such termination is a Qualifying Termination, then, in addition to such base salary, cash incentive bonus and benefits that have been earned but not paid to Executive as of the Termination Date, and subject to Executive satisfying the conditions identified in the first paragraph of this Section 7, the Company shall provide to Executive the following severance payments and benefits:

(a) Base Salary Cash Severance. The Company shall pay to Executive an amount equal to two (2) times Executive's annualized Base Salary as of the Termination Date (or, if Executive's resignation is for Good Reason because the Company materially reduced Executive's Base Salary, two (2) times Executive's annualized Base Salary as of immediately before such material reduction), less deductions and withholding required by law, payable in substantially equal installments in accordance with the Company's regular payroll practices over the 24-month period immediately following the Termination Date; provided, however that any installments that otherwise would be payable within the 60-day period immediately following the Termination Date shall be delayed and payable with the installment that is payable on the Company's first payroll date following the 60th day after the Termination Date. Notwithstanding anything above to the contrary, to the extent that the amount paid under the first sentence of this Section 7.B.(i)(a) exceeds the lesser of two times (I) the limit of compensation set forth in section 401(a)(17) of the Code as in effect for the year in which the Termination Date occurs, or (II) Executive's annualized compensation based upon the annual rate of pay for services to the Company for the calendar year prior to the calendar year in which the Termination Date occurs (adjusted for any increase during that year that was expected to continue indefinitely if Executive had not separated from service), then the Company shall make an additional separate lump sum payment to Executive equal to the excess amount. Such lump sum payment shall be a separate payment from the installment payments provided under this Section 7.B.(i)(a) and shall be paid to Executive on the Company's first payroll date following the 60th day after the Termination Date but in no event later than two and one-half (2 ½) months after the Termination Date.

(b) Cash Bonus Payment. The Company shall pay to Executive an amount equal to two (2) times Executive's target annual cash incentive bonus for the calendar year in which the Termination Date occurs, less deductions and withholding required by law, payable in a lump sum at the same time as other eligible employees under the Company's annual cash incentive bonus plan for such calendar year are paid their bonuses under such Company's annual cash incentive bonus plan for such calendar year, but in any event no later than March 15 of the calendar year immediately following the calendar year in which the Termination Date occurs.

(c) Benefits Continuation. If Executive was enrolled in a group health plan (*e.g.*, medical, dental, or vision plan) sponsored by the Company immediately prior to the Termination Date, and if Executive (or Executive's eligible dependents) timely elects to continue such coverage under COBRA, then the Company will pay to the insurance carrier(s) its share of the premiums due for Executive and Executive's eligible dependents for the first eighteen (18) months of such coverage under COBRA (or until such earlier time as Executive and/or Executive's eligible dependents are no longer eligible for COBRA coverage).

(d) Full Accelerated Vesting of Equity. Notwithstanding any language in any Equity Award or in the Plan to the contrary, if Executive has any unvested awards of restricted stock units, options or other equity-based awards with respect to the Company as of the Termination Date, then any such unvested awards will vest immediately as of the Termination Date. In the case of performance-based awards, the number of Shares subject to such accelerated vesting shall be based on a determination by the Board of the degree to which any performance-based vesting conditions will be deemed satisfied.

(ii) Other Termination During the Transition Period. If the Termination Date occurs during the Transition Period for any of the following reasons: (a) Executive's abandonment of or resignation from employment for any reason other than Good Reason; (b) termination of Executive's employment by the Company for Cause; or (c) due to Executive's death or Disability, then the Company shall pay to Executive, or Executive's beneficiary or estate, as the case may be, such base salary, bonus and benefits (including Annual Bonus) that have been earned but not paid to Executive as of the Termination Date, payable pursuant to the Company's normal payroll practices and procedures and to the extent and in the manner provided in any applicable plans or programs, pay any additional amount that may be payable under Section 6.B. or Section 6.C. (as applicable) and honor Executive's rights under any Equity Awards, and Executive shall not be entitled to any additional compensation or benefits.

C. Additional Payments Upon or Following a Change in Control. If the Termination Date occurs during the Term and within ninety (90) days prior to a Change in Control, and if such termination is a Qualifying Termination and Executive reasonably demonstrates within thirty (30) days after the Change in Control that such Qualifying Termination arose in connection with or in anticipation of the Change in Control, then the Company shall provide to Executive the following severance payments and benefits (in addition to the severance payments and benefits Executive is eligible to receive under Section 7.A.), each of which shall be considered a separate payment:

(i) Additional Cash Severance. The Company shall pay to Executive an amount equal to one (1) times Executive's annualized Base Salary as of the Termination Date (or, if Executive's resignation was for Good Reason because the Company materially reduced Executive's Base Salary, one (1) times Executive's annualized Base Salary as of immediately before such material reduction), less deductions and withholding required by law, payable in a lump sum on the Company's first payroll date following the 60th day after the Termination Date but in no event later than 75 days after the Termination Date. Such lump sum payment shall be a separate payment from any payments under Section 7.A.(i)(a).

(ii) Cash Bonus Payment. The Company shall pay to Executive an amount equal to one (1) times Executive's target annual cash incentive bonus for the calendar year in which the Termination Date occurred, less deductions and withholding required by law, payable as follows: (a) if the Change in Control and the Termination Date occur in the same calendar year, then in a lump sum at the same time as other eligible employees under the Company's annual cash incentive bonus plan for such calendar year are paid their bonuses under such Company's annual cash incentive bonus plan for such calendar year, but in any event no later than March 15 of the calendar year immediately following the calendar year in which the Termination Date occurred, or (b) if the Change in Control occurs in the calendar year following the year in which the Termination Date occurred, then in a lump sum not later than 60 days after the Change in Control.

(iii) Benefits Continuation Extension. If Executive was enrolled in a group health plan (*e.g.*, medical, dental, or vision plan) sponsored by the Company immediately prior to the Termination Date, and if Executive (or Executive's eligible dependents) timely elects to continue such coverage under COBRA, then the Company will pay to the insurance carrier(s) its share of the premiums due for Executive and Executive's eligible dependents for six (6) months of such coverage under COBRA after the initial 12-month COBRA coverage period under Section 7.A.(i)(c) ends (or until such earlier time as Executive and/or Executive's eligible dependents are no longer eligible for COBRA coverage.

(iv) Vesting of Equity Awards. The Company shall pay to Executive an amount equal to the intrinsic value of any unvested restricted stock units, options or other equity-based awards held by Executive as of the Termination Date that were forfeited as of the Termination Date, with such intrinsic value to be determined based on the per share price paid by the buyer for the Company's common stock in connection with the Change in Control, or, if no per share price is paid by a buyer in connection with such Change in Control, the per share value of the Company's common stock at the time of such Change in Control as determined in good faith by the Board as it exists prior to the consummation of the Change in Control, in each case, less any exercise price or other amount that would have been owed to the Company by Executive in order to realize the value of such awards. In the case of forfeited performance-based awards, the intrinsic value shall be based on the number of Shares subject to an award based on a determination by the Board of the degree to which any performance-based vesting or payment conditions will be deemed satisfied. Any amount payable under this Section 7.C.(iv) will be subject to deductions and withholding required by law and payable in a lump sum within the 30-day period immediately following the Change in Control.

D. Change in Control. For purposes of this Agreement, "***Change in Control***" has the meaning ascribed to such term in the Plan (as such document may be amended from time to time); provided that no Change in Control shall be deemed to have occurred 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 Code Section 409A.

E. Section 409A; Conditional Six-Month Delay. Any payments under this Section 7 (the "***Payments***") are intended to be exempt from or satisfy the requirements for deferred compensation under Section 409A, including current and future guidance and regulations interpreting Section 409A, and should be interpreted and administered accordingly. However, if the Company (or, if applicable, the successor entity thereto) determines that the Payments (or any portion of the Payments) constitute "deferred compensation" under Section 409A and Executive is a "specified employee" of the Company or any successor entity thereto, as such term is defined in Section 409A(a)(2)(B)(i) (a "***Specified Employee***"), then, solely to the extent necessary to avoid the incurrence of the adverse personal tax consequences under Section 409A, the timing of the Payments shall be delayed as follows: on the earliest to occur of (i) the date that is six months and one day after the Termination Date, (ii) the date of the Specified Employee's death, or (iii) such earlier date, as reasonably determined in good faith by the Company (or any successor entity thereto), as would not result in any of the Payments being subject to adverse personal tax consequences under Section 409A (such earliest date, the "***Delayed Initial Payment Date***"), the Company (or the successor entity thereto, as applicable) shall (A) pay to Executive a lump sum amount equal to the sum of the Payments that Executive would otherwise have received through the Delayed Initial Payment Date if the commencement of the payment of the Payments had not been delayed pursuant to this Section 7.E. and (B) commence paying the balance of the Payments in accordance with the applicable payment schedules set forth in this Section 7. For the avoidance of doubt, it is intended that (1) each installment of the Payments is a separate "payment" for purposes of Section 409A, (2) all Payments satisfy, to the greatest extent possible, the exemptions from the application of Section 409A provided under of Treasury Regulation 1.409A-1(b)(4)-(6), and 1.409A-1(b)(9)(iii), and (3) the Payments consisting of COBRA premiums also satisfy, to the greatest extent possible, the exemptions from the application of Section 409A provided under Treasury Regulation 1.409A-1(b)(9)(v).

F. 280G Limitations. In the event that the severance pay and other benefits provided for in this Agreement or otherwise payable to Executive (i) constitute "parachute payments" within the meaning of Section 280G of the Code and (ii) would be subject to the excise tax imposed by Code Section 4999, then such benefits shall be either be: (A) delivered in full, or (B) delivered as to such lesser extent which would result in no portion of such severance pay and other benefits being subject to excise tax under Code Section 4999, whichever of the foregoing amounts, taking into account the applicable federal, state and local income and employment taxes and the excise tax imposed by Code Section 4999, results in the receipt by Executive, on an after-tax basis, of the greatest amount of benefits, notwithstanding that all or some portion of such benefits may be subject to excise tax under Code Section 4999. Any determination required under this Section 5.F. will be made in writing by an accounting firm selected by the Company or such other person or entity to which the parties mutually agree (the "***Accountants***"), whose determination will be conclusive and binding upon Executive and the Company for all purposes. For purposes of making the calculations required by this Section 7.F., the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Code Sections 280G and 4999. The Company and Executive shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section 7.F. The Company shall bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this Section 7.F. Any reduction in payments and/or benefits required by this Section 7.F. shall occur in the following order: (i) cash payments shall be reduced first and in reverse chronological order such that the cash payment owed on the latest date following the occurrence of the event triggering such excise tax will be the first cash payment to be reduced; (ii) accelerated vesting of restricted stock units, options or other equity-based awards, if any, shall be cancelled/reduced next and in the reverse order of the date of grant for such restricted stock units, options or other equity-based awards (i.e., the vesting of the most recently granted stock awards will be reduced first), with full-value awards reversed before any restricted stock units, options or other equity-based awards are reduced; and (iii) deferred compensation amounts subject to Section 409A shall be reduced last.

8. Remedies. Each of the parties to this Agreement will be entitled to enforce its rights under this Agreement specifically, to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights existing in its favor. The parties hereto agree and acknowledge that money damages may not be an adequate remedy for any breach of the provisions of this Agreement and that any party may in its sole discretion apply to any court of law or equity of competent jurisdiction in accordance with Section 14 for injunctive relief in order to enforce or prevent any violations of the provisions of this Agreement.

9. Attorney Fees. If any action at law or in equity, including any action for declaratory or injunctive relief, is brought which arises out of this Agreement or the termination of Executive's employment, or which seeks to enforce or interpret this Agreement or to seek damages for its breach, the prevailing party shall be entitled to recover reasonable attorney fees from the non-prevailing party, which fees may be set by the court or arbitrator in the trial of such action, or may be enforced in a separate action brought for that purpose, and which fees shall be in addition to any other relief which may be awarded.

10. Assignment. This Agreement shall not be assignable, in whole or in part, by either party without the written consent of the other party, except that the Company may, without the consent of Executive, assign or delegate all or any portion of its rights and obligations under this Agreement to any corporation or other business entity (i) with which the Company may merge or consolidate, or (ii) to which the Company may sell or transfer all or substantially all of its assets or capital stock. Any such current or future successor to which any right or obligation has been assigned or delegated shall be deemed to be the "Company" for purposes of such rights or obligations of this Agreement. The rights and, obligations under this Agreement shall inure to the benefit of and shall be binding upon the heirs, legatees, administrators and personal representatives of Executive and upon the successors, affiliates, representatives and assigns of the Company.

11. Severability and Reformation. The parties hereto intend all provisions of this Agreement to be enforced to the fullest extent permitted by law, and are intended to be limited to the extent necessary so that they will not render this Agreement illegal, invalid, or unenforceable under present or future law. If any provision of this Agreement or any application thereof shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of such provision shall be fully severable, and this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision were never a part hereof and the remaining provisions shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance.

12. Notices. All notices and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given if delivered personally, mailed by certified mail (return receipt requested) or sent by overnight delivery service, cable, telegram, facsimile transmission or telex to the parties at the following addresses or at such other addresses as shall be specified by the parties by like notice:

If to the Company:

Proto Labs, Inc.
5540 Pioneer Creek Drive
Maple Plain, MN 55359
Attention: Board Chair

If to Executive:

The last known address on file with the Company.

Notice so given shall, in the case of notice so given by mail, be deemed to be given and received on the fourth calendar day after posting, in the case of notice so given by overnight delivery service, on the date of actual delivery and, in the case of notice so given by cable, telegram, facsimile transmission, telex or personal delivery, on the date of actual transmission or, as the case may be, personal delivery.

13. Further Actions. Whether or not specifically required under the terms of this Agreement, each party hereto shall execute and deliver such documents and take such further actions as shall be necessary in order for such party to perform all of the party's obligations specified herein or reasonably implied from the terms hereof.

14. Taxes. The Company may withhold from any amounts payable under this Agreement such federal, state and local income and employment taxes as the Company determines are required or authorized to be withheld pursuant to any applicable law or regulation. Except for any tax amounts withheld by the Company from any compensation that Executive may receive in connection with Executive's employment with the Company and any employer taxes required to be paid by the Company under applicable laws or regulations, Executive is solely responsible for payment of any and all taxes owed in connection with any compensation, benefits, reimbursement amounts or other payments Executive receives from the Company under this Agreement or otherwise in connection with Executive's employment with the Company. The Company does not guarantee any particular tax consequence or result with respect to any payment made by the Company. In no event should this Section 14 or any other provision of this Agreement be construed to require the Company to provide any gross-up for the tax consequences of any provisions of, or payments under, this Agreement, and the Company has no responsibility for tax or legal consequences to Executive resulting from the terms or operation of this Agreement; provided, however, to the extent that any post-termination COBRA premiums paid by the Company under Section 7 of this Agreement shall be taxable at the Termination Date or during the period for which such COBRA premiums are provided, then the Company shall pay to Executive an additional amount for each such month that the COBRA premiums are taxable. The monthly amount will equal 15% of the applicable COBRA premium for that month and such amount will be paid to Executive within two and one half months after the month to which they relate, provided that the aggregate amount payable to Executive under this provision will not exceed the dollar limit in effect under Code section 402(g)(1)(B) for the year of the Termination Date, as provided in Treasury Regulations section 1.409A-1(b)(9)(v)(D).

15. Indemnification. At all times while Executive is employed by the Company, and at all times following the Termination Date with respect to matters relating to Executive's employment with the Company, the Company shall continue to provide to Executive indemnification, director's and officer's liability insurance and other protection from personal liability with respect to Executive's employment with the Company in accordance with applicable law, the Company's by-laws and governance documents, and applicable insurance policies as may be in place from time to time.

16. Governing Law and Venue. This Agreement is to be governed by and construed in accordance with the laws of the State of Minnesota without giving effect to any choice or conflict of law provision or rule that would cause the application of laws of any jurisdiction other than the State of Minnesota. The parties agree that any dispute concerning this Agreement is to be brought in the District Court in Hennepin County, Minnesota and consent to jurisdiction and venue therein.

17. Entire Agreement. This Agreement, the Restrictive Covenants Agreement, the Award Agreements and the Plan contain the entire understanding and agreement between the parties, except as otherwise specified herein, and supersede any other agreement between Executive and the Company, whether oral or in writing, with respect to the same subject matter; *provided, however*, that nothing herein shall supersede or replace any of the Company's equity-based compensation plans and any award agreements with the Executive entered into thereunder.

18. No Waiver. No term or condition of this Agreement shall be deemed to have been waived, except by a statement in writing signed by the party against whom enforcement of the waiver is sought. Any written waiver shall not be deemed a continuing waiver unless specifically stated, shall operate only as to the specific term or condition waived, and shall not constitute a waiver of such term or condition for the future or as to any act other than that specifically waived.

19. Counterparts. This Agreement may be executed in counterparts, with the same effect as if both parties had signed the same document. All such counterparts shall be deemed an original, shall be construed together and shall constitute one and the same instrument.

[signature page follows]

In Witness Whereof, the parties have executed this Agreement as of the date first above written.

THE COMPANY:

Proto Labs, Inc.

By: /s/ Rainer Gawlick
Rainer Gawlick
Chairman of the Board of Directors

EXECUTIVE:

/s/ Suresh Krishna
Suresh Krishna

Exhibit 10.3

Proto Labs, Inc.
5540 Pioneer Creek Drive
Maple Plain, MN 55359

May 20, 2025

Robert Bodor
To his last known address
on file with Proto Labs

Dear Rob:

We are pleased to extend an offer of a short-term consulting arrangement between Proto Labs, Inc. ("Proto Labs") and you ("Consultant" or "you") for the period from today through May 25, 2025 (the "Term").

The following are the terms of this Consulting Agreement:

Services: During the Term, Consultant shall provide such services as the Board of the Directors of Proto Labs reasonably determines are necessary to support the transition of management of Proto Labs (the "Services"). Consultant may determine, in his sole discretion, the means and manner of performing the Services. Proto Labs retains the right to require that Consultant satisfactorily perform the Services. Consultant may perform the Services from the location(s) selected by Consultant. Consultant agrees to perform the Services in accordance with generally accepted standards of Consultant's profession.

Fees: In exchange for the Services, Proto Labs will pay Consultant an hourly fee of $700.00 per hour (collectively, the "Hourly Fees").

Expenses: Except as otherwise approved in advance by Proto Labs, expenses and costs incurred by Consultant in the performance of the Services shall be paid and borne solely by Consultant without reimbursement from Proto Labs.

Taxes: Proto Labs will neither withhold FICA or income tax payments nor withhold any amounts for, or make any contributions on account of, unemployment compensation, worker's compensation, employee benefit plans or otherwise pursuant to any United States, state, or local law or regulation with respect to the compensation it pays Consultant. Consultant acknowledges and agrees that Consultant shall have sole responsibility for withholding and payment of all United States, state and local taxes or contributions imposed or required under unemployment insurance, social security and income tax laws and for filing all required tax forms with respect to any amounts paid by Proto Labs to Consultant hereunder, and agrees that Consultant shall pay all such taxes and contributions in accordance with applicable law (including making such payments when due).

Relationship: Consultant's relationship to Proto Labs shall be that of an independent contractor and not as an employee of Proto Labs. The parties do not intend that any agency or partnership relationship be created between them by this Consulting Agreement. Consultant understands and agrees that Consultant is not an employee of Company.

Governing Law & Venue: The validity, interpretation and performance of this Consulting Agreement shall be governed by the laws of the State of Minnesota, excluding its conflict of law principles. All litigation or other legal proceedings arising out of or related to this Consulting Agreement shall only be brought in the state courts of the State of Minnesota and the United States District Court located therein, and the parties hereby submit to the exclusive personal and subject matter jurisdiction and venue of such courts and waive and defense based on lack of jurisdiction or inconvenient forum. The award, order and/or judgment of any such court may be entered in any court of competent jurisdiction.

To accept this Consulting Agreement, Consultant must counter-sign below and return the signed Consulting Agreement to me no later than 5:00 p.m. Central Standard Time on May 20, 2025. This Consulting Agreement sets forth the entire agreement and understanding between Proto Labs and Consultant regarding the subject matter of this Consulting Agreement and supersedes any and all other agreements, either oral or in writing, between Proto Labs and Consultant related to such subject matter. For avoidance of doubt, this Consulting Agreement does not supersede or modify the terms of the Employment Agreement, the Non-Disclosure Agreement, or Non-Competition Agreement (each as defined in the General Waiver and Release of Claims provided to Consultant on May 20, 2025) that survive Consultant's last day of employment with Proto Labs, which shall remain in full force and effect in accordance with their terms.

Sincerely,

PROTO LABS, INC.

By: /s/ Rainer Gawlick
Name: Rainer Gawlick
Its: Chairman of the Board of Directors

I have read and accepted the terms of this Consulting Agreement as of this 20th day of May, 2025.

By: /s/ Robert Bodor
Robert Bodor

AMENDED AND RESTATED
PROTO LABS, INC.
2022 LONG-TERM INCENTIVE PLAN
(As Amended May 20, 2025)

1. General.

(a) Purpose. The purpose of the Proto Labs, Inc. 2022 Long-Term Incentive Plan, as amended and restated (the "Plan") is to help attract and retain the best available people for positions of responsibility with the Company, to provide additional incentives to them and align their interests with those of the Company's shareholders, and to thereby promote the Company's long-term business success.

(b) Original Plan; Effective Dates. The Plan became effective on August 29, 2022 (the "Effective Date"), and was amended and restated effective May 17, 2023. The Board has adopted this Amended and Restated Plan on February 13, 2024, subject to approval by the Company's shareholders, which date of shareholder approval is referred to as the "Amended and Restated Effective Date".

2. Definitions. In this Plan, the following definitions will apply.

(a) "Affiliate" means any entity that is a Subsidiary or Parent of the Company.

(b) "Agreement" means the written or electronic agreement containing the terms and conditions applicable to an Award granted under the Plan. An Agreement is subject to the terms and conditions of the Plan.

(c) "Award" means the grant of a compensatory award under the Plan in the form of an Option, Stock Appreciation Rights, Restricted Stock, Stock Units, Other Stock-Based Award or Cash Incentive Award.

(d) "Board" means the Board of Directors of the Company.

(e) "Cash Incentive Award" means an Award described in Section 11 of the Plan.

(f) "Cause" means what the term is expressly defined to mean in a then-effective written agreement (including an Agreement) between a Participant and the Company or any Affiliate or, in the absence of any such then-effective agreement or definition, means a Participant's (i) failure or refusal to perform satisfactorily the duties reasonably required of the Participant by the Company (other than by reason of Disability); (ii) material violation of any law, rule, regulation, court order or regulatory directive (other than traffic violations, misdemeanors or other minor offenses); (iii) material breach of any Company code of conduct or Company policy, of any agreement with the Company or any Affiliate, or of any nondisclosure, non-solicitation, non-competition or similar obligation owed to the Company or any Affiliate; (iv) engaging in any act or practice that involves personal dishonesty on the part of the Participant or demonstrates a willful and continuing disregard for the best interests of the Company and its Affiliates; or (v) engaging in conduct that would be reasonably expected to harm or bring disrepute to the Company, any of its Affiliates, or any of their customers, employees or vendors.

(g) "Change in Control" means one of the following:

(1) An Exchange Act Person becomes the beneficial owner (within the meaning of Rule 13d-3 under the Exchange Act) of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding Voting Securities, except that the following will not constitute a Change in Control:

(A) any acquisition of securities of the Company by an Exchange Act Person directly or indirectly from the Company for the purpose of providing financing to the Company;

(B) any formation of a Group consisting solely of beneficial owners of the Company's Voting Securities as of the Effective Date of this Plan; or

(C) any Exchange Act Person becomes the beneficial owner of more than 50% of the combined voting power of the Company's outstanding Voting Securities as the result of any repurchase or other acquisition by the Company of its Voting Securities.

If, however, an Exchange Act Person or Group referenced in clause (A), (B) or (C) above acquires beneficial ownership of additional Company Voting Securities after initially becoming the beneficial owner of more than 50% of the combined voting power of the Company's outstanding Voting Securities by one of the means described in those clauses, then a Change in Control shall be deemed to have occurred.

(2) Individuals who are Continuing Directors cease for any reason to constitute a majority of the members of the Board.

(3) The consummation of a Corporate Transaction unless, immediately following such Corporate Transaction, all or substantially all of the individuals and entities who were the beneficial owners of the outstanding Company Voting Securities immediately prior to such Corporate Transaction beneficially own, directly or indirectly, more than 50% of the combined voting power of the then outstanding Voting Securities of the of the surviving or acquiring entity (or its Parent) resulting from such Corporate Transaction in substantially the same proportions as their ownership, immediately before such Corporate Transaction, of the outstanding Company Voting Securities.

Notwithstanding the foregoing, no Change in Control shall be deemed to have occurred upon an event described in Section 2(g) 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 Code Section 409A.

(h) "Code" means the Internal Revenue Code of 1986, as amended and in effect from time to time. For purposes of the Plan, references to sections of the Code shall be deemed to include any applicable regulations and guidance promulgated thereunder and any successor or similar statutory provisions.

(i) "Code Section 409A" means Section 409A of the Code.

(j) "Committee" means two or more Non-Employee Directors designated by the Board to administer the Plan under Section 3, each member of which shall (i) satisfy the independence requirements for independent directors and members of compensation committees as set forth from time to time in the Listing Rules of the Nasdaq Stock Market and (ii) be a non-employee director within the meaning of Exchange Act Rule 16b-3. The Committee shall be the Compensation and Talent Committee of the Board unless otherwise specified by the Board.

(k) "Company" means Proto Labs, Inc., a Minnesota corporation, or any successor thereto.

(l) "Continuing Director" means an individual (A) who is, as of the Effective Date of the Plan, a director of the Company, or (B) who becomes a director of the Company subsequent to the Effective Date of the Plan and whose initial election, or nomination for initial election by the Company's shareholders, was approved by at least a majority of the then Continuing Directors, but excluding, for purposes of this clause (B), any such individual whose initial assumption of office occurs as a result of an actual or threatened proxy contest involving the solicitation of proxies or consents by a person or Group other than the Board, or by reason of an agreement intended to avoid or settle an actual or threatened proxy contest.

(m) "Corporate Transaction" means a reorganization, merger, consolidation or statutory share exchange involving the Company, regardless of whether the Company is the surviving entity, or a sale or other disposition (in one or a series of transactions) of all or substantially all of the assets of the Company.

(n) "Disability" means "total and permanent disability" within the meaning of Code Section 22(e)(3).

(o) "Employee" means an employee of the Company or an Affiliate.

(p) "Exchange Act" means the Securities Exchange Act of 1934, as amended and in effect from time to time.

(q) "Exchange Act Person" means any natural person, entity or Group other than (i) the Company or any Subsidiary of the Company; (ii) any employee benefit plan (or related trust) sponsored or maintained by the Company or any Affiliate; (iii) an underwriter temporarily holding securities in connection with a registered public offering of such securities; or (iv) an entity owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of stock of the Company.

(r) "Fair Market Value" means the closing sales price for a Share on the New York Stock Exchange as reported in *The Wall Street Journal* or such other source as the Committee deems reliable, or if no sale of Shares occurred on that date, on the next preceding date on which a sale of Shares occurred; provided, however, that if the Shares are not then readily tradable on an established securities market (as determined under Code Section 409A), or if Fair Market Value for any date cannot be so determined, then Fair Market Value will be determined by the Committee as the result of a reasonable application of a reasonable valuation method that satisfies the requirements of Code Section 409A.

(s) "Full Value Award" means an Award other than an Option Award, Stock Appreciation Rights Award or Cash Incentive Award.

(t) "Grant Date" means the date on which the Committee approves the grant of an Award under the Plan, or such later date as may be specified by the Committee on the date the Committee approves the Award.

(u) "Global Service Provider" means a Service Provider who is located outside of the United States, who is not compensated from a payroll maintained in the United States, or who is otherwise subject to (or could cause the Company to be subject to) legal, tax or regulatory requirements of countries outside of the United States.

(v) "Group" means two or more persons who act, or agree to act together, as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding, voting or disposing of securities of the Company

(w) "Non-Employee Director" means a member of the Board who is not an Employee.

(x) "Option" means a right granted under the Plan to purchase a specified number of Shares at a specified price during a specified period of time. An "Incentive Stock Option" or "ISO" means any Option designated as such and granted in accordance with the requirements of Code Section 422. A "Non-Statutory Stock Option" means an Option other than an Incentive Stock Option.

(y) "Other Stock-Based Award" means an Award described in Section 11 of this Plan.

(z) "Parent" means a "parent corporation," as defined in Code Section 424(e).

(aa) "Participant" means a Service Provider to whom an Award is or has been made in accordance with the Plan.

(bb) "Performance-Based Award" means an Award that is conditioned on the achievement of specified performance goals.

(cc) “Plan” means this Proto Labs, Inc. 2022 Long-Term Incentive Plan, as amended and in effect from time to time.

(dd) “Prior Plan” means the Proto Labs, Inc. 2012 Long-Term Incentive Plan, as amended.

(ee) “Restricted Stock” means Shares issued to a Participant that are subject to such restrictions on transfer, vesting conditions and other restrictions or limitations as may be set forth in this Plan and the applicable Agreement.

(ff) “Service” means the provision of services by a Participant to the Company or any Affiliate in any Service Provider capacity. A Service Provider’s Service shall be deemed to have terminated either upon an actual cessation of providing services to the Company or any Affiliate or upon the entity for which the Service Provider provides services ceasing to be an Affiliate. Except as otherwise provided in this Plan or any Agreement, Service shall not be deemed terminated in the case of (i) any approved leave of absence; (ii) transfers among the Company and any Affiliates in any Service Provider capacity; or (iii) any change in status so long as the individual remains in the service of the Company or any Affiliate in any Service Provider capacity.

(gg) “Service Provider” means an Employee, a Non-Employee Director, or any consultant or advisor, who is a natural person and who provides services (other than in connection with (i) a capital-raising transaction or (ii) promoting or maintaining a market in Company securities) to the Company or any Affiliate.

(hh) “Share” means a share of Stock.

(ii) “Stock” means the common stock, par value $0.001 per share, of the Company.

(jj) “Stock Appreciation Right” or “SAR” means a right granted under the Plan to receive, in cash and/or Shares as determined by the Committee, an amount equal to the appreciation in value of a specified number of Shares between the Grant Date of the SAR and its exercise date.

(kk) “Stock Unit” means a right granted under the Plan to receive, in cash and/or Shares as determined by the Committee, the Fair Market Value of a Share, subject to such restrictions on transfer, vesting conditions and other restrictions or limitations as may be set forth in this Plan and the applicable Agreement.

(ll) “Subsidiary” means a “subsidiary corporation,” as defined in Code Section 424(f), of the Company.

(mm) “Substitute Award” means an Award granted upon the assumption of, or in substitution or exchange for, outstanding awards granted by a company or other entity acquired by the Company or any Affiliate or with which the Company or any Affiliate combines. The terms and conditions of a Substitute Award may vary from the terms and conditions set forth in the Plan to the extent that the Committee at the time of the grant may deem appropriate to conform, in whole or in part, to the provisions of the award in substitution for which it has been granted.

(nn) “Voting Securities” of an entity means the outstanding securities entitled to vote generally in the election of directors (or comparable equity interests) of such entity.

3. Administration of the Plan.

(a) Administration. The authority to control and manage the operations and administration of the Plan shall be vested in the Committee in accordance with this Section 3. Notwithstanding the foregoing sentence, the Board shall perform the duties and have the responsibilities of the Committee with respect to Awards made to Non-Employee Directors.

(b) Scope of Authority. Subject to the terms of the Plan, the Committee shall have the authority, in its discretion, to take such actions as it deems necessary or advisable to administer the Plan, including:

(1) determining the Service Providers to whom Awards will be granted, the timing of each such Award, the types of Awards and the number of Shares or amount of cash covered by each Award, the terms, conditions, performance criteria, restrictions and other provisions of Awards, and the manner in which Awards are paid or settled;

(2) cancelling or suspending an Award or the exercisability of an Award, accelerating the vesting or extending the exercise period of an Award, or otherwise amending the terms and conditions of any outstanding Award, subject to the requirements of Sections 6(b), 15(d) and 15(e);

(3) establishing, amending or rescinding rules to administer the Plan, interpreting the Plan and any Award or Agreement made under the Plan, and making all other determinations necessary or desirable for the administration of the Plan; and

(4) taking such actions as are described in Section 3(c) with respect to Awards to Global Service Providers.

(c) Awards to Global Service Providers. The Committee may grant Awards to Global Service Providers, on such terms and conditions different from those specified in the Plan as may, in the judgment of the Committee, be necessary or desirable to comply with applicable foreign laws and regulatory requirements and to promote achievement of the purposes of the Plan. In connection therewith, the Committee may establish such subplans or annexes to Award Agreements and may modify exercise procedures and other Plan rules and procedures to the extent such actions are deemed necessary or desirable, and may take any other action that it deems advisable to obtain local regulatory approvals or to comply with any necessary local governmental regulatory exemptions.

(d) Acts of the Committee; Delegation. A majority of the members of the Committee shall constitute a quorum for any meeting of the Committee, and any act of a majority of the members present at any meeting at which a quorum is present or any act unanimously approved in writing by all members of the Committee shall be the act of the Committee. Any such action of the Committee shall be valid and effective even one or more of the members of the Committee at the time of such action are later determined not to have satisfied all of the criteria for membership in clauses (i) or (ii) of Section 2(j). To the extent not inconsistent with applicable law or stock exchange rules, the Committee may delegate all or any portion of its authority under the Plan to any one or more of its members or, as to Awards to Participants who are not subject to Section 16 of the Exchange Act, to one or more directors or executive officers of the Company, or to a committee of the Board comprised of one or more directors of the Company. The Committee may also delegate non-discretionary administrative responsibilities in connection with the Plan to such other persons as it deems advisable.

(e) Finality of Decisions. The Committee's interpretation of the Plan and of any Award or Agreement made under the Plan and all related decisions or resolutions of the Board or Committee shall be final and binding on all parties with an interest therein.

(f) Indemnification. Each person who is or has been a member of the Committee or of the Board, and any other person to whom the Committee delegates authority under the Plan, shall be indemnified by the Company, to the maximum extent permitted by law, against liabilities and expenses imposed upon or reasonably incurred by such person in connection with or resulting from any claims against such person by reason of the performance of the individual's duties under the Plan. This right to indemnification is conditioned upon such person providing the Company an opportunity, at the Company's expense, to handle and defend the claims before such person undertakes to handle and defend them on such person's own behalf. The Company will not be required to indemnify any person for any amount paid in settlement of a claim unless the Company has first consented in writing to the settlement. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such person or persons may be entitled under the Company's Articles of Incorporation or Bylaws, as a matter of law, or otherwise.

4. Shares Available Under the Plan.

(a) Maximum Shares Available. Subject to the provisions of this Section 4 and to adjustment as provided in Section 12(a), the number of Shares that may be the subject of Awards and issued under the Plan shall be (i) 2,225,500, plus (ii) any Shares subject to outstanding awards under the Prior Plan that expire, are cancelled, or are otherwise forfeited, plus (iii) 296,000. Shares to be issued under the Plan shall be authorized and unissued Shares. In determining the number of Shares to be counted against this share reserve in connection with any Award, the following rules shall apply:

(1) Where the number of Shares subject to an Award is variable on the Grant Date, the number of Shares to be counted against the share reserve shall be the maximum number of Shares that could be received under that particular Award, until such time as it can be determined that only a lesser number of shares could be received.

(2) Where two or more types of Awards are granted to a Participant in tandem with each other, such that the exercise of one type of Award with respect to a number of Shares cancels at least an equal number of Shares of the other, the number of Shares to be counted against the share reserve shall be the largest number of Shares that would be counted against the share reserve under either of the Awards.

(3) Shares subject to Substitute Awards shall not be counted against the share reserve, nor shall they reduce the Shares authorized for grant to a Participant in any calendar year.

(4) Awards that may be settled solely in cash shall not be counted against the share reserve, nor shall they reduce the Shares authorized for grant to a Participant in any calendar year.

(b) Effect of Forfeitures and Other Actions. Any Shares subject to an Award, or to an award granted under the Prior Plan that is outstanding on the Effective Date of this Plan (a "Prior Plan Award"), that is cancelled, expires or forfeited or is settled for cash shall, to the extent of such cancellation, forfeiture, expiration or cash settlement, again become available for Awards under this Plan, the share reserve under Section 4(a) shall be correspondingly replenished as provided in Section 4(c) below. The following Shares shall not, however, again become available for Awards or replenish the share reserve under Section 4(a): (i) Shares tendered (either actually or by attestation) by the Participant or withheld by the Company in payment of the exercise price of a stock option issued under this Plan or the Prior Plan, (ii) Shares tendered (either actually or by attestation) by the Participant or withheld by the Company to satisfy any tax withholding obligation with respect to an Award or Prior Plan Award, (iii) Shares repurchased by the Company with proceeds received from the exercise of an option issued under this Plan or the Prior Plan, and (iv) Shares subject to a stock appreciation right award issued under this Plan or the Prior Plan that are not issued in connection with the stock settlement of that Award upon its exercise.

(c) Counting Shares Again Available. Each Share that again becomes available for Awards as provided in Section 4(b) shall correspondingly increase the share reserve under Section 4(a), with such increase based on the same share ratio by which the applicable share reserve was decreased upon the grant of the applicable award.

(d) Effect of Plans Operated by Acquired Companies. If a company acquired by the Company or any Subsidiary or with which the Company or any Subsidiary combines has shares available under a pre-existing plan approved by shareholders and not adopted in contemplation of such acquisition or combination, the shares available for grant pursuant to the terms of such pre-existing 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 supplement the share reserve under Section 4(a). Awards using such available shares shall not be made after the date awards or grants could have been made under the terms of the pre-existing plan, absent the acquisition or combination, and shall only be made to individuals who were not Employees or Non-Employee Directors prior to such acquisition or combination.

(e) No Fractional Shares. Unless otherwise determined by the Committee, the number of Shares subject to an Award shall always be a whole number. No fractional Shares may be issued under the Plan, but the Committee may, in its discretion, adopt any rounding convention it deems suitable or pay cash in lieu of any fractional Share in settlement of an Award.

(f) Limits on Awards to Non-Employee Directors. The aggregate grant date fair value (as determined in accordance with generally accepted accounting principles applicable in the United States) of all Awards granted during any calendar year to any Non-Employee Director, together with the amount of any cash fees or retainers paid to such Non-Employee Director during such calendar year with respect to such individual's Service as a Non-Employee Director shall not exceed $750,000.

5. Eligibility. Participation in the Plan is limited to Service Providers. Incentive Stock Options may only be granted to Employees who are not Global Service Providers.

6. General Terms of Awards.

(a) Award Agreement. Except for any Award that involves only the immediate issuance of unrestricted Shares, each Award shall be evidenced by an Agreement setting forth the number of Shares subject to the Award together with such other terms and conditions applicable to the Award (and not inconsistent with the Plan) as determined by the Committee. If an Agreement calls for acceptance by the Participant, the Award evidenced by the Agreement will not become effective unless acceptance of the Agreement in a manner permitted by the Committee is received by the Company within 30 days of the date the Agreement is delivered to the Participant. An Award to a Participant may be made singly or in combination with any form of Award. Two types of Awards may be made in tandem with each other such that the exercise of one type of Award with respect to a number of Shares reduces the number of Shares subject to the related Award by at least an equal amount.

(b) Vesting and Term. Each Agreement shall set forth the period until the applicable Award is scheduled to vest and, if applicable, expire (which shall not be more than ten years from the Grant Date), and consistent with the requirements of this Section 6, the applicable vesting conditions and any applicable performance period. Awards that vest based solely on the satisfaction by the Participant of service-based vesting conditions shall be subject to a vesting period of not less than one year from the applicable Grant Date (during which no portion of the award may be scheduled to vest), and Awards whose grant or vesting is subject to the satisfaction of performance goals over a performance period shall be subject to a performance period of not less than one year. The foregoing minimum vesting and performance periods will not, however, apply in connection with: (i) a Change in Control as provided in Sections 12(b) or 12(c), (ii) a Separation from Service due to death or Disability, (iii) to a Substitute Award that does not reduce the vesting period of the award being replaced, (iv) Awards made in payment of or exchange for other compensation already earned and payable, and (v) outstanding, exercised and settled Awards involving an aggregate number of Shares not in excess of 5% of the Plan's share reserve specified in Section 4(a). For purposes of Awards to Non-Employee Directors, a vesting period will be deemed to be one year if runs from the date of one annual meeting of the Company's stockholders to the date of the next annual meeting of the Company's shareholders. Unless the Committee provides otherwise, the vesting of Awards granted hereunder will continue to vest during any unpaid leave of absence.

(c) Transferability. Except as provided in this Section 6(c), (i) during the lifetime of a Participant, only the Participant or the Participant's guardian or legal representative may exercise an Option or SAR, or receive payment with respect to any other Award; and (ii) no Award may be sold, assigned, transferred, exchanged or encumbered, voluntarily or involuntarily, other than by will or the laws of descent and distribution. Any attempted transfer in violation of this Section 6(c) shall be of no effect. The Committee may, however, provide in an Agreement or otherwise that an Award (other than an Incentive Stock Option) may be transferred pursuant to a domestic relations order or may be transferable by gift to any "family member" (as defined in General Instruction A(1)(a)(5) to Form S-8 under the Securities Act of 1933) of the Participant. Any Award held by a transferee shall continue to be subject to the same terms and conditions that were applicable to that Award immediately before the transfer thereof. For purposes of any provision of the Plan relating to notice to a Participant or to acceleration or termination of an Award upon the death or termination of Service of a Participant, the references to "Participant" shall mean the original grantee of an Award and not any transferee.

(d) Designation of Beneficiary. The Committee may permit each Participant to designate a beneficiary or beneficiaries to exercise any Award or receive a payment under any Award that is exercisable or payable on or after the Participant's death. Any such designation shall be on a written or electronic form approved by the Committee and shall be effective upon its receipt by the Company or an agent selected by the Company.

(e) Termination of Service. Unless otherwise provided in an Agreement, and subject to Sections 6(i) and 12 of this Plan, if a Participant's Service with the Company and all of its Affiliates terminates, the following provisions shall apply (in all cases subject to the originally scheduled expiration of an Option or Stock Appreciation Right Award, as applicable):

(1) Upon termination of Service for Cause, or upon conduct during a post-termination exercise period that would constitute Cause, all unexercised Options and SARs and all unvested portions of any other outstanding Awards shall be immediately forfeited without consideration.

(2) Upon termination of Service due to death or Disability, any unvested portion of an Award shall immediately become vested (and exercisable, if applicable), and the vested and exercisable portions of Options or SARs may be exercised for a period of twelve months after the date of such termination and shall terminate upon the expiration of such period.

(3) Upon a termination of Service for any reason other than Cause, death or Disability, all unvested and unexercisable portions of any outstanding Awards shall be immediately forfeited without consideration, but the currently vested and exercisable portions of Options and SARs may be exercised for a period of three months after the date of such termination and shall, subject to the following sentence, terminate upon the expiration of such period. However, if a Participant dies during such three-month post-termination exercise period, then the applicable post-termination exercise period shall be extended to twelve months after the date of such termination.

(f) Rights as Shareholder. No Participant shall have any rights as a shareholder with respect to any Shares covered by an Award unless and until the date the Participant becomes the holder of record of the Shares, if any, to which the Award relates.

(g) Performance-Based Awards. Any Award may be granted as Performance-Based Award if the Committee establishes one or more measures of corporate, Subsidiary, business unit or individual performance which must be attained, and the performance period over which the specified performance is to be attained, as a condition to the grant, vesting, exercisability, lapse of restrictions and/or settlement in cash or Shares of such Award. In connection with any such Award, the Committee shall determine the extent to which performance measures have been attained and other applicable terms and conditions have been satisfied, and the degree to which the grant, vesting, exercisability, lapse of restrictions and/or settlement of such Award has been earned. Any Performance-Based Award shall additionally be subject to the requirements of Section 17 of this Plan. Except as provided in Section 17 with respect to Performance-Based Award, the Committee shall also have the authority to provide, in an Agreement or otherwise, for the modification of a performance period and/or an adjustment or waiver of the achievement of performance goals upon the occurrence of events that are unusual in nature or infrequently occurring, such as a Change of Control, a Corporate Transaction, an equity restructuring, a recapitalization, a divestiture, a change in the accounting practices of the Company, or the Participant's death or Disability.

(h) Dividends and Dividend Equivalents. Any dividends, dividend equivalents or distributions paid with respect to Shares that are subject to the unvested portion of an Award will be subject to the same restrictions as the Shares to which such dividends or distributions relate. No dividends, dividend equivalents or distributions will be paid with respect to Shares subject to an Option or SAR Award. In its discretion, the Committee may provide in an Agreement for a Stock Unit Award or an Other Stock-Based Award that the Participant will be entitled to receive dividend equivalents on the units or other Share equivalents subject to the Award based on dividends actually declared and paid on outstanding Shares. Dividends and dividend equivalents on Performance-Based Awards will be subject to the same terms and conditions, including vesting conditions and the achievement of any applicable performance goals, as the original Award. The additional terms of any such dividend equivalents will be as set forth in the applicable Award Agreement, including any additional restrictions and whether such dividend equivalents will be credited with interest or deemed to be reinvested in additional units or Share equivalents. Any Shares issued or issuable during the term of this Plan as the result of the reinvestment of dividends or the deemed reinvestment of dividend equivalents in connection with an Award or a Prior Plan Award shall be counted against, and replenish upon any subsequent forfeiture, the Plan's share reserve as provided in Section 4.

(i) Extension of Termination Date. If a Participant would otherwise be precluded from exercising an Option or SAR prior to the expiration of its scheduled term or prior to its termination following the termination of the Participant's Service solely because the issuance of the Shares upon such exercise would violate applicable registration requirements under the Securities Act, then the Committee may provide that the period during which the Option or SAR may be exercised and the termination date of the Option or SAR shall be extended until the later of (i) the date that is 30 days after the exercise of the Option or SAR would no longer violate the registration requirements of the Securities Act, or (ii) the end of the applicable post-termination exercise period, but in no event later than the scheduled expiration date of the Option as set forth in the applicable Agreement.

7. Stock Option Awards.

(a) Type and Exercise Price. The Agreement pursuant to which an Option is granted shall specify whether the Option is an Incentive Stock Option or a Non-Statutory Stock Option. The exercise price at which each Share subject to an Option may be purchased shall be determined by the Committee and set forth in the Agreement, and shall not be less than the Fair Market Value of a Share on the Grant Date, except in the case of Substitute Awards (to the extent consistent with Code Section 409A and, in the case of Incentive Stock Options, Code Section 424).

(b) Payment of Exercise Price. The purchase price of the Shares with respect to which an Option is exercised shall be payable in full at the time of exercise. The purchase price may be paid in cash or in such other manner as the Committee may permit, including by payment under a broker-assisted sale and remittance program acceptable to the Committee or by withholding Shares otherwise issuable to the Participant upon exercise of the Option or by delivery to the Company of Shares (by actual delivery or attestation) already owned by the Participant (in each case, such Shares having a Fair Market Value as of the date the Option is exercised equal to the purchase price of the Shares being purchased).

(c) Exercisability and Expiration. Each Option shall be exercisable in whole or in part on the terms provided in the Agreement. No Option shall be exercisable at any time after its scheduled expiration. When an Option is no longer exercisable, it shall be deemed to have terminated.

(d) Incentive Stock Options.

(1) An Option will constitute an Incentive Stock Option only if the Participant receiving the Option is an Employee who is not a Global Service Provider, and only to the extent that (i) it is so designated in the applicable Agreement and (ii) the aggregate Fair Market Value (determined as of the Option's Grant Date) of the Shares with respect to which Incentive Stock Options held by the Participant first become exercisable in any calendar year (under the Plan and all other plans of the Company and its Affiliates) does not exceed $100,000. To the extent an Option granted to a Participant exceeds this limit, the Option shall be treated as a Non-Statutory Stock Option. The maximum number of Shares that may be issued upon the exercise of Incentive Stock Options shall equal the maximum number of Shares that may be the subject of Awards and issued under the Plan as provided in the first sentence of Section 4(a) subject to adjustment as provided in Section 12(a).

(2) No Participant may receive an Incentive Stock Option under the Plan if, immediately after the grant of such Award, the Participant would own (after application of the rules contained in Code Section 424(d)) Shares possessing more than 10% of the total combined voting power of all classes of stock of the Company or an Affiliate, unless (i) the option price for that Incentive Stock Option is at least 110% of the Fair Market Value of the Shares subject to that Incentive Stock Option on the Grant Date and (ii) that Option will expire no later than five years after its Grant Date.

(3) For purposes of continued Service by a Participant who has been granted an Incentive Stock Option, no approved leave of absence may exceed three months unless reemployment upon expiration of such leave is provided by statute or contract. If reemployment is not so provided, then on the date six months following the first day of such leave, any Incentive Stock Option held by the Participant shall cease to be treated as an Incentive Stock Option and shall be treated for tax purposes as a Non-Statutory Stock Option.

(4) If an Incentive Stock Option is exercised after the expiration of the exercise periods that apply for purposes of Code Section 422, or otherwise fails to qualify as an Incentive Stock Option, such Option shall thereafter be treated as a Non-Statutory Stock Option.

(5) The Agreement covering an Incentive Stock Option shall contain such other terms and provisions that the Committee determines necessary to qualify the Option as an Incentive Stock Option.

8. Stock Appreciation Rights.

(a) Nature of Award. An Award of Stock Appreciation Rights shall be subject to such terms and conditions as are determined by the Committee, and shall provide a Participant the right to receive upon exercise of the SAR all or a portion of the excess of (i) the Fair Market Value as of the date of exercise of the SAR of the number of Shares as to which the SAR is being exercised, over (ii) the aggregate exercise price for such number of Shares. The per Share exercise price for any SAR Award shall be determined by the Committee and set forth in the applicable Agreement, and shall not be less than the Fair Market Value of a Share on the Grant Date, except in the case of Substitute Awards (to the extent consistent with Code Section 409A).

(b) Exercise of SAR. Each SAR may be exercisable in whole or in part at the times, on the terms and in the manner provided in the Agreement. No SAR shall be exercisable at any time after its scheduled expiration. When a SAR is no longer exercisable, it shall be deemed to have terminated. Upon exercise of a SAR, payment to the Participant shall be made at such time or times as shall be provided in the Agreement in the form of cash, Shares or a combination of cash and Shares as determined by the Committee. The Agreement may provide for a limitation upon the amount or percentage of the total appreciation on which payment (whether in cash and/or Shares) may be made in the event of the exercise of a SAR.

9. Restricted Stock Awards.

(a) Vesting and Consideration. Shares subject to a Restricted Stock Award shall be subject to vesting conditions, and the corresponding lapse of forfeiture conditions and other restrictions, based on such factors and occurring over such period of time as the Committee may determine in its discretion. The Committee may provide whether any consideration other than Services must be received by the Company or any Affiliate as a condition precedent to the grant of a Restricted Stock Award, and may correspondingly provide for Company reacquisition or repurchase rights if such additional consideration has been required and some or all of a Restricted Stock Award does not vest.

(b) Shares Subject to Restricted Stock Awards. Unvested Shares subject to a Restricted Stock Award shall be evidenced by a book-entry in the name of the Participant with the Company's transfer agent or by one or more Stock certificates issued in the name of the Participant. Any such Stock certificate shall be deposited with the Company or its designee, together with an assignment separate from the certificate, in blank, signed by the Participant, and bear an appropriate legend referring to the restricted nature of the Restricted Stock evidenced thereby. Any book-entry shall be subject to transfer restrictions and accompanied by a similar legend. Upon the vesting of Shares of Restricted Stock and the corresponding lapse of the restrictions and forfeiture conditions, and any necessary conditions precedent to the release of vested Shares (such as satisfaction of tax withholding obligations) have been satisfied, the corresponding transfer restrictions and restrictive legend will be removed from the book-entry evidencing such Shares or the certificate evidencing such Shares, and any such certificate shall be delivered to the Participant. Such vested Shares may, however, remain subject to additional restrictions as provided in Section 18(c). Except as otherwise provided in the Plan or an applicable Agreement, a Participant with a Restricted Stock Award shall have all the rights of a shareholder, including the right to vote the Shares of Restricted Stock.

10. Stock Unit Awards.

(a) Vesting and Consideration. A Stock Unit Award shall be subject to vesting conditions, and the corresponding lapse of forfeiture conditions and other restrictions, based on such factors and occurring over such period of time as the Committee may determine in its discretion. If a Stock Unit Award is a Performance-Based Award, the extent to which the goals are achieved over the specified performance period shall determine the number of Stock Units that will be earned and eligible to vest, which may be greater or less than the target number of Stock Units stated in the Agreement. The Committee may provide whether any consideration other than Services must be received by the Company or any Affiliate as a condition precedent to the settlement of a Stock Unit Award.

(b) Settlement of Award. Following the vesting of a Stock Unit Award, and the Committee's determination that any necessary conditions precedent to the settlement of the Award (such as satisfaction of tax withholding obligations and compliance with applicable legal requirements) have been satisfied, settlement of the Award and payment to the Participant shall be made at such time or times in the form of cash, Shares (which may themselves be considered Restricted Stock under the Plan subject to restrictions on transfer and forfeiture conditions) or a combination of cash and Shares as determined by the Committee.

11. Cash-Based and Other Stock-Based Awards.

(a) Cash Incentive Awards. A Cash Incentive Award may be considered a Performance-Based Award, and may be granted to any Participant in such amounts and upon such terms and at such times as shall be determined by the Committee, and may be denominated in units that have a dollar value established by the Committee as of the Grant Date. Following the completion of the applicable performance period and the vesting of a Cash Incentive Award, payment of the settlement amount of the Award to the Participant shall be made at such time or times in the form of cash, Shares or other forms of Awards under the Plan (valued for these purposes at their grant date fair value) or a combination of cash, Shares and other forms of Awards as determined by the Committee and specified in the applicable Agreement.

(b) Other Stock-Based Awards. The Committee may from time to time grant Stock and other Awards that are valued by reference to and/or payable in whole or in part in Shares under the Plan. The Committee, in its sole discretion, shall determine the terms and conditions of such Awards, which shall be consistent with the terms and purposes of the Plan. The Committee may, in its sole discretion, direct the Company to issue Shares subject to restrictive legends and/or stop transfer instructions that are consistent with the terms and conditions of the Award to which the Shares relate.

12. Changes in Capitalization and Other Corporate Events.

(a) Adjustments for Changes in Capitalization. In the event of any equity restructuring (within the meaning of FASB ASC Topic 718 - *Stock Compensation*) that causes the per share value of Shares to change, such as a stock dividend, stock split, spinoff, rights offering or recapitalization through an extraordinary dividend, the Committee shall make such adjustments as it deems equitable and appropriate to (i) the aggregate number and kind of Shares or other securities issued or reserved for issuance under the Plan, (ii) the number and kind of Shares or other securities subject to outstanding Awards, (iii) the exercise price of outstanding Options and SARs, and (iv) any maximum limitations prescribed by the Plan with respect to certain types of Awards or the grants to individuals of certain types of Awards. In the event of any other change in corporate capitalization, including a merger, consolidation, reorganization, or partial or complete liquidation of the Company, such equitable adjustments described in the foregoing sentence may be made as determined to be appropriate and equitable by the Committee to prevent dilution or enlargement of rights of Participants. In either case, any such adjustment shall be conclusive and binding for all purposes of the Plan. No adjustment shall be made pursuant to this Section 12(a) in connection with the conversion of any convertible securities of the Company, or in a manner that would cause Incentive Stock Options to violate Section 422(b) of the Code or cause an Award to be subject to adverse tax consequences under Code Section 409A.

(b) Corporate Transactions. Unless otherwise provided in an applicable Agreement, in the event of a Change in Control that involves a Corporate Transaction, the Board or the Committee shall take one or more of the following actions with respect to outstanding Awards, which actions may vary among individual Participants and among Awards held by an individual Participant, and are conditioned in each case upon the closing or completion of the Corporate Transaction:

(1) *Continuation, Assumption or Replacement of Awards*. Arrange for the surviving or successor entity (or its Parent) to continue, assume or replace Awards outstanding as of the date of the Corporate Transaction (with such adjustments as may be required or permitted by Section 12(a)), and such Awards or replacements therefor to remain outstanding and be governed by their respective terms. A surviving or successor entity may elect to continue, assume or replace only some Awards or portions of Awards. For purposes of this Section 12(b)(1), an Award shall be considered assumed or replaced if, in connection with the Corporate Transaction and in a manner consistent with Code Sections 409A and 424, either (i) the contractual obligations represented by the Award are expressly assumed by the surviving or successor entity (or its Parent) with appropriate adjustments to the number and type of securities subject to the Award and the exercise price thereof that preserves the intrinsic value of the Award existing at the time of the Corporate Transaction, or (ii) the Participant has received a comparable equity-based award that preserves the intrinsic value of the Award existing at the time of the Corporate Transaction and is subject to substantially similar terms and conditions as the Award.

(2) *Acceleration*. Accelerate the vesting (and exercisability, if applicable) of (i) some or all outstanding Options and SARs so that such Awards may be exercised in full for such limited period of time prior to the effective time of the Corporate Transaction as is deemed fair and equitable by the Board or Committee, with such Awards then terminating to the extent not exercised at the effective time of the Corporate Transaction, and (ii) some or all outstanding Full Value Awards or Cash Incentive Awards immediately prior to the effective time of the Corporate Transaction. In the case of Performance-Based Awards, the number of Shares or the amount of a Cash Incentive Award subject to such accelerated vesting shall be based on a determination by the Board or Committee of the degree to which any performance-based vesting or payment conditions will be deemed satisfied. The Board or Committee shall provide written notice of the period of accelerated exercisability of Options and SARs to all affected Participants, and any exercise of such accelerated Awards shall be conditioned upon the consummation of the Corporate Transaction and shall be effective only immediately before the effective time of the Corporate Transaction.

(3) *Payment for Awards*. Cancel some or all outstanding Awards at or immediately prior to the effective time of the Corporate Transaction in exchange for payments to the holders as provided in this Section 12(b)(3). The payment for any Award canceled shall be in an amount equal to the difference, if any, between (i) the fair market value (as determined in good faith by the Board or Committee) of the consideration that would otherwise be received in the Corporate Transaction for the number of Shares remaining subject to the Award, and (ii) the aggregate exercise price (if any) for the number of Shares remaining subject to such Award. If the amount determined pursuant to clause (i) of the preceding sentence is less than or equal to the amount determined pursuant to clause (ii) of the preceding sentence with respect to any Award, such Award may be canceled without payment of any kind to the affected Participant. The payment for any canceled Cash Incentive Award that was to be settled in Shares shall be in an amount equal to the settlement amount that was to form the basis for the calculation of the number of Shares to be issued. In the case of Performance-Based Awards, the number of Shares remaining subject to an Award or the settlement amount of a Cash Incentive Award shall be calculated based on a determination by the Board or Committee of the degree to which any performance-based vesting or payment conditions will be deemed satisfied. Payment of any amount under this Section 12(b)(3) shall be made in such form (including in shares of the surviving or successor entity or its Parent), on such terms and subject to such conditions as the Board or Committee determines in its discretion, which may or may not be the same as the form, terms and conditions applicable to payments to the Company's shareholders in connection with the Corporate Transaction, and may, in the discretion of the Board or Committee, include subjecting such payments to vesting conditions comparable to those of the Award canceled, subjecting such payments to escrow or holdback terms comparable to those imposed upon the Company's shareholders under the Corporate Transaction, or calculating and paying the present value of payments that would otherwise be subject to escrow or holdback terms.

(4) *Termination After a Corporate Transaction*. Provide that with respect to any Award that is continued, assumed or replaced under the circumstances described in Section 12(b)(1), if within 18 months after the Corporate Transaction the Participant experiences an involuntary termination of Service from the surviving or successor entity (or its Parent or subsidiary) for reasons other than Cause, then (i) outstanding Options and SARs issued to the Participant that are not yet fully exercisable shall immediately become exercisable in full and shall remain exercisable for one year following the Participant's termination of Service, and (ii) any Full Value Awards that are not yet fully vested shall immediately vest in full, with vesting in full for a Performance-Based Award determined as provided in Section 12(b)(2).

(5) *Adjustments to Awards*. Make such adjustments to some or all outstanding Awards as may be required or permitted by Sections 12(a) and 6(g).

(c) Other Change in Control. In connection with a Change in Control that does not involve a Corporate Transaction, the Board or Committee may provide (in the applicable Agreement or otherwise) for one or more of the following: (i) that any Award shall become fully vested (and exercisable, if applicable) upon the occurrence of the Change in Control or upon the involuntary termination of the Participant without Cause within 18 months of the Change in Control, (ii) that any Option or SAR shall remain exercisable during all or some specified portion of its remaining term, or (iii) that Awards shall be canceled in exchange for payments in a manner similar to that provided in Section 12(b)(3). The Committee will not be required to treat all Awards similarly in such circumstances.

(d) Dissolution or Liquidation. Unless otherwise provided in an applicable Agreement, in the event the shareholders of the Company approve the complete dissolution or liquidation of the Company, all outstanding Awards will terminate immediately prior to the consummation of any such proposed action. The Committee will notify each Participant as soon as practicable of such pending termination.

(e) Limitation on Change in Control Payments. If any payments to a Participant pursuant to Awards made under this Plan (including, for this purpose, the acceleration of the vesting and exercisability of any Award or the payment of cash or other property in exchange for all or part of any Award), taken together with any payments or benefits otherwise paid or distributed to the Participant by the Company or any corporation that is a member of an "affiliated group" (as defined in Section 1504 of the Code without regard to Section 1504(b) of the Code) of which the Company is a member (the "other arrangements") would collectively constitute a "parachute payment" (as defined in Section 280G(b)(2) of the Code), and if the net after-tax amount of such parachute payment to the Participant is less than what the net after-tax amount to the Participant would be if the aggregate payments and benefits otherwise constituting the parachute payment were limited to three times the Participant's "base amount" (as defined in Section 280G(b)(3) of the Code) less $1.00, then the aggregate payments and benefits otherwise constituting the parachute payment shall be reduced to an amount that shall equal three times the Participant's base amount, less $1.00. Should such a reduction in payments and benefits be required, the Participant shall be entitled, subject to the following sentence, to designate those payments and benefits under this Plan or the other arrangements that will be reduced or eliminated (including, as applicable, a reduction in the number of Shares subject to Awards that will vest on an accelerated basis) so as to achieve the specified reduction in aggregate payments and benefits to the Participant and avoid characterization of such aggregate payments and benefits as a parachute payment. To the extent that the Participant's ability to make such a designation would cause any of the payments and benefits to become subject to any additional tax under Code Section 409A, or if the Participant fails to make such a designation within the time prescribed by the Committee, then the Committee shall achieve the necessary reduction in such payments and benefits in the following order: (1) by reducing or eliminating the portion of the payments and benefits that are payable in cash; (2) by reducing or eliminating equity awards (or the accelerated vesting thereof) that are included as parachute payments; (3) by reducing or eliminating any non-cash, non-equity benefits; in each case, within each category, in reverse order beginning with payments and benefits which are to be paid or provided the furthest in time from the date of the Committee's determination. For purposes of this Section 12(e), a net after-tax amount shall be determined by taking into account all applicable income, excise and employment taxes, whether imposed at the federal, state or local level, including the excise tax imposed under Section 4999 of the Code.

13. Plan Participation and Service Provider Status. Status as a Service Provider shall not be construed as a commitment that any Award will be made under the Plan to that Service Provider or to eligible Service Providers generally. Nothing in the Plan or in any Agreement or related documents shall confer upon any Service Provider or Participant any right to continued Service with the Company or any Affiliate, nor shall it interfere with or limit in any way any right of the Company or any Affiliate to terminate the person's Service at any time with or without Cause or change such person's compensation, other benefits, job responsibilities or title.

14. Tax Withholding. The Company or any Affiliate, as applicable, shall have the right to (i) withhold from any cash payment under the Plan or any other compensation owed to a Participant an amount sufficient to cover any required withholding taxes related to the grant, vesting, exercise or settlement of an Award, and (ii) require a Participant or other person receiving Shares under the Plan to pay a cash amount sufficient to cover any required withholding taxes before actual receipt of those Shares. In lieu of all or any part of a cash payment from a person receiving Shares under the Plan, the Committee may permit the individual to cover all or any part of the required withholdings (up to the Participant's maximum individual statutory tax withholding rate) through a reduction in the number of Shares delivered or a delivery or tender to the Company of Shares held by the Participant or other person, in each case valued in the same manner as used in computing the withholding taxes under applicable laws.

15. Duration, Amendment and Termination of the Plan.

(a) Duration of the Plan. The Plan shall remain in effect until all Shares subject to it shall be distributed, the Plan is terminated pursuant to Section 15(c), or the tenth anniversary of the Amended and Restated Effective Date, whichever occurs first (the "Termination Date"). Awards made before the Termination Date shall continue to be outstanding in accordance with their terms and the terms of the Plan unless otherwise provided in the applicable Agreements.

(b) Amendment and Termination of the Plan. The Board may at any time terminate, suspend or amend the Plan. The Company shall submit any amendment of the Plan to its shareholders for approval only to the extent required by applicable laws or regulations or the rules of any securities exchange on which the Shares may then be listed. No termination, suspension, or amendment of the Plan may materially impair the rights of any Participant under a previously granted Award without the Participant's consent, unless such action is necessary to comply with applicable law or stock exchange rules.

(c) Amendment of Awards. Subject to Section 15(e), the Committee may unilaterally amend the terms of any Agreement previously granted, except that no such amendment may materially impair the rights of any Participant under the applicable Award without the Participant's consent, unless such amendment is necessary to comply with applicable law or stock exchange rules or any compensation recovery policy as provided in Section 18(i)(2).

(d) No Option or SAR Repricing. Except as provided in Section 12(a), no Option or Stock Appreciation Right Award granted under the Plan may be (i) amended to decrease the exercise price thereof, (ii) cancelled in conjunction with the grant of any new Option or Stock Appreciation Right Award with a lower exercise price, (iii) cancelled in exchange for cash, other property or the grant of any Full Value Award at a time when the per share exercise price of the Option or Stock Appreciation Right Award is greater than the current Fair Market Value of a Share, or (iv) otherwise subject to any action that would be treated under accounting rules as a "repricing" of such Option or Stock Appreciation Right Award, unless such action is first approved by the Company's shareholders.

16. Substitute Awards. The Committee may also grant Awards under the Plan in substitution for, or in connection with the assumption of, existing awards granted or issued by another corporation and assumed or otherwise agreed to be provided for by the Company pursuant to or by reason of a transaction involving a merger, consolidation, acquisition of property or stock, separation, reorganization or liquidation to which the Company or an Affiliate is a party. The terms and conditions of the Substitute Awards may vary from the terms and conditions set forth in the Plan to the extent that the Committee at the time of the grant may deem appropriate to conform, in whole or in part, to the provisions of the awards in substitution for which they are granted.

17. Performance-Based Awards.

(a) Performance-Based Awards. If an Award is a Performance-Based Award, then the lapsing of restrictions thereon and the distribution of cash, Shares or other property pursuant thereto, as applicable, shall be subject to the achievement over the applicable performance period of one or more performance goals based on one or more of the performance measures specified in Section 17(b). The Committee will select the applicable performance measure(s) and specify the performance goal(s) based on those performance measures for any performance period, specify in terms of an objective formula or standard the method for calculating the amount payable to a Participant if the performance goal(s) are satisfied, and certify the degree to which applicable performance goals have been satisfied and any amount that vests and is payable in connection with an Award subject to this Section 17. In specifying the performance goals applicable to any performance period, the Committee may provide that one or more objectively determinable adjustments shall be made to the performance measures on which the performance goals are based, which may include adjustments that would cause such measures to be considered "non-GAAP financial measures" within the meaning of Rule 101 under Regulation G promulgated by the Securities and Exchange Commission, including adjustments for events that are unusual in nature or infrequently occurring, such as a Change in Control, acquisitions, divestitures, restructuring activities or asset write-downs, or for changes in applicable tax laws or accounting principles. The Committee may also adjust performance measures for a performance period in connection with an event described in Section 12(a) to prevent the dilution or enlargement of a Participant's rights with respect to Performance-Based Award. The Committee may adjust any amount determined to be otherwise payable in connection with such an Award. The Committee may also provide, in an Agreement or otherwise, that the achievement of specified performance goals in connection with an Award subject to this Section 17 may be waived upon the death or Disability of the Participant.

18. Other Provisions.

(a) Unfunded Plan. The Plan shall be unfunded and the Company shall not be required to segregate any assets that may at any time be represented by Awards under the Plan. Neither the Company, its Affiliates, the Committee, nor the Board shall be deemed to be a trustee of any amounts to be paid under the Plan nor shall anything contained in the Plan or any action taken pursuant to its provisions create or be construed to create a fiduciary relationship between the Company and/or its Affiliates, and a Participant. To the extent any person has or acquires a right to receive a payment in connection with an Award under the Plan, this right shall be no greater than the right of an unsecured general creditor of the Company.

(b) Limits of Liability. Except as may be required by law, neither the Company nor any member of the Board or of the Committee, nor any other person participating (including participation pursuant to a delegation of authority under Section 3(c) of the Plan) in any determination of any question under the Plan, or in the interpretation, administration or application of the Plan, shall have any liability to any party for any action taken, or not taken, in good faith under the Plan.

(c) Compliance with Applicable Legal Requirements and Company Policies. No Shares distributable pursuant to the Plan shall be issued and delivered unless the issuance of the Shares complies with all applicable legal requirements, including compliance with the provisions of applicable state and federal securities laws, and the requirements of any securities exchanges on which the Company's Shares may, at the time, be listed. The Committee may, in its discretion, to the extent permitted by Code Section 409A, if applicable, suspend the right to exercise Options or SARs to be settled in Shares, or delay the payment or settlement of any other Awards to be paid or settled in Shares, during any period in which the issuance of such Shares would not be in compliance with any applicable legal or securities exchange requirements. During any period in which the offering and issuance of Shares under the Plan are not registered under federal or state securities laws, Participants shall acknowledge that they are acquiring Shares under the Plan for investment purposes and not for resale, and that Shares may not be transferred except pursuant to an effective registration statement under, or an exemption from the registration requirements of, such securities laws. Any book-entry or stock certificate evidencing Shares issued under the Plan that are subject to such securities law restrictions shall be accompanied by or bear an appropriate restrictive legend or stop transfer instruction. Notwithstanding any other provision of this Plan, the acquisition, holding or disposition of Shares acquired pursuant to the Plan shall in all events be subject to compliance with applicable Company policies, including those relating to insider trading, pledging or hedging transactions, minimum post-vesting holding periods and stock ownership guidelines, and to forfeiture or recovery of compensation as provided in Section 18(i).

(d) Other Benefit and Compensation Programs. Payments and other benefits received by a Participant under an Award made pursuant to the Plan shall not be deemed a part of a Participant's regular, recurring compensation for purposes of the termination, indemnity or severance pay laws of any country or state and shall not be included in, nor have any effect on, the determination of benefits under any other employee benefit plan, contract or similar arrangement provided by the Company or an Affiliate unless expressly so provided by such other plan, contract or arrangement, or unless the Committee expressly determines that an Award or portion of an Award should be included to accurately reflect competitive compensation practices or to recognize that an Award has been made in lieu of a portion of competitive cash compensation.

(e) Governing Law. To the extent that federal laws do not otherwise control, the Plan and all determinations made and actions taken pursuant to the Plan shall be governed by the laws of the State of Minnesota without regard to its conflicts-of-law principles and shall be construed accordingly.

(f) Severability. If any provision of the Plan shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included.

(g) Code Section 409A. It is intended that all Awards under the Plan will be exempt from, or will comply with, Code Section 409A, and to the maximum extent permitted the Awards the Plan will be limited, construed and interpreted in accordance with this intent. Notwithstanding anything to the contrary in the Plan or any Agreement, with respect to any Award that constitutes a deferral of compensation subject to Code Section 409A:

(1) If any amount is payable under such Award upon a termination of Service, a termination of Service will be deemed to have occurred only at such time as the Participant has experienced a "separation from service" as such term is defined for purposes of Code Section 409A; and

(2) If any amount shall be payable with respect to any such Award as a result of a Participant's "separation from service" at such time as the Participant is a "specified employee" within the meaning of Code Section 409A, then no payment shall be made, except as permitted under Code Section 409A, prior to the first business day after the earlier of (i) the date that is six months after the Participant's separation from Service or (ii) the Participant's death. Unless the Committee has adopted a specified employee identification policy as contemplated by Code Section 409A, specified employees will be identified in accordance with the default provisions specified under Code Section 409A.

Each amount to be paid under an Award or this Plan shall be construed as a separate and distinct payment for purposes of Code Section 409A.

None of the Company, the Committee or any other person involved with the administration of this Plan shall (i) in any way be responsible for ensuring the exemption of any Award from, or compliance by any Award with, the requirements of Code Section 409A, (ii) have any duty or obligation to design or administer the Plan or Awards granted thereunder in a manner that minimizes a Participant's tax liabilities, including the avoidance of any additional tax liabilities under Code Section 409A; or (iii) have any liability to any Participant for any such tax liabilities.

(h) Rule 16b-3. It is intended that the Plan and all Awards granted pursuant to it shall be administered by the Committee so as to permit the Plan and Awards to comply with Exchange Act Rule 16b-3. If any provision of the Plan or of any Award would otherwise frustrate or conflict with the intent expressed in this Section 18(h), that provision to the extent possible shall be interpreted and deemed amended in the manner determined by the Committee so as to avoid the conflict. To the extent of any remaining irreconcilable conflict with this intent, the provision shall be deemed void as applied to Participants subject to Section 16 of the Exchange Act to the extent permitted by law and in the manner deemed advisable by the Committee.

(i) Forfeiture and Compensation Recovery.

(1) The Committee may specify in an Agreement that the Participant's rights, payments, and benefits with respect to an Award will be subject to reduction, cancellation, forfeiture or recovery by the Company upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events may include termination of Service for Cause, violation of any material Company or Affiliate policy, breach of noncompetition, non-solicitation or confidentiality provisions that apply to the Participant, a determination that the payment of the Award was based on an incorrect determination that financial or other criteria were met or other conduct by the Participant that is detrimental to the business or reputation of the Company or its Affiliates.

(2) Awards and any compensation associated therewith are subject to forfeiture, recovery by the Company or other action pursuant to any compensation recovery policy adopted by the Board or the Committee at any time, as amended from time to time, which includes but is not limited to any compensation recovery policy adopted by the Board or the Committee including in response to the requirements of Section 10D of the Exchange Act, the SEC's final rules thereunder, and any applicable listing rules or other implementing rules and regulations thereunder, or as otherwise required by law. Any Agreement will be automatically unilaterally amended to comply with any such compensation recovery policy.

Exhibit 99.1



Injection Molding
Sheet Metal Fabrication
CNC Machining
3D Printing

FOR IMMEDIATE RELEASE

Protolabs Appoints Suresh Krishna as President and CEO

Reaffirms Second Quarter 2025 Outlook

MINNEAPOLIS – (BUSINESS WIRE) – May 21, 2025 – Proto Labs, Inc. ("Protolabs" or the "Company") (NYSE: PRLB), the world's leading provider of digital manufacturing services, today announced its Board of Directors has appointed Suresh Krishna as President and Chief Executive Officer and a member of the Board of Directors, effective immediately. Krishna most recently served as President and Chief Executive Officer at Northern Tool + Equipment, a manufacturer and retailer of tools and commercial equipment.

Krishna succeeds Rob Bodor, who has entered into a consulting arrangement with the Company to facilitate a seamless transition. With Krishna as CEO, the Board believes Protolabs is well-positioned for success thanks to its strategy as a single manufacturing source - from prototyping to production - for product developers, engineers and supply chain teams across the globe. At Northern Tool + Equipment, he was instrumental in expanding the company's customer-centric culture and customer base and was the catalyst of accelerating its growth strategy through operational and supply chain optimizations.

Rainer Gawlick, Chairman of Protolabs' Board of Directors said, "Under Rob's leadership, Protolabs has expanded its capabilities, enhanced its manufacturing processes, significantly broadened the Protolabs Network and driven business-wide organizational improvements, all to better serve its customers. With the solid foundation that Rob helped establish, the Company is well-prepared to enter its next phase of growth. We thank Rob for his dedication to Protolabs and its customers and wish him well in his next chapter."

Gawlick continued, "Protolabs has started the year strong, and we are pleased to welcome Suresh as the Company's new CEO. With a 30-year track record of overseeing profitable growth and shareholder value creation at manufacturing companies, we are confident that he has the right skills and experience to build on the Company's positive momentum. He will take Protolabs to the next level by growing our customer loyalty and share, accelerating the execution of our production expansion initiatives and continuing to drive profitable growth through our unique digital manufacturing model. Importantly, Suresh brings fresh perspectives and a talent for implementing innovative growth strategies, which will be key to advancing our winning strategy and delivering results."

Krishna said, "I'm honored to join Protolabs as its next CEO. This is an important time as the Company works to expand its offerings and gain a larger share of the $100 billion digital manufacturing market. Protolabs has an amazing team, best in class production times and a key competitive advantage as the only digital manufacturer that combines in-house digital manufacturing with a network of manufacturing partners. This next chapter for the Company is going to be an extraordinary one, and I am thrilled to be leading the talented Protolabs team forward."

Bodor said, “It’s been a privilege to have led the Protolabs team over the past four years. Together, we have advanced the Company’s position as a leading prototype manufacturer serving some of the most innovative companies in the world across a range of industries. Core to our success has been our unwavering commitment to quality and our customers, who have rewarded us with their loyalty and business. I look forward to seeing Protolabs continue to advance and achieve its full potential.”

Second Quarter 2025 Outlook

The Company reaffirms its previously provided outlook for the second quarter of 2025.

In the second quarter of 2025, the Company expects to generate revenue between $124.0 million and $132.0 million.

The Company expects second quarter 2025 diluted net income per share between $0.11 and $0.19, and non-GAAP diluted net income per share between $0.30 and $0.38. See "Non-GAAP Financial Measure" below.

About Suresh Krishna

Suresh Krishna is an experienced operating executive and business leader with a 30-year track record of generating profitable growth. Krishna most recently served as President and Chief Executive Officer of Northern Tool + Equipment, a manufacturer and retailer of tools and commercial equipment serving millions of customers annually. At Northern Tool, he led the workforce through a business and cultural transformation with a focus on customer-centric innovation, operational excellence and growth. Prior to that, Krishna held operations and leadership roles at companies such as Sleep Number Corporation, Polaris Industries and UTC Fire & Security. Krishna holds a bachelor’s degree in mechanical engineering from the National Institute of Technology (Tiruchirappalli, Tamil Nadu, India) and a master’s in business administration from the Kellogg School of Management at Northwestern University.

About Protolabs

Protolabs is the world’s fastest manufacturing service enabling companies across every industry to streamline production of quality parts throughout the entire product life cycle. From custom prototyping to end-use production, we support product developers, engineers, and supply chain teams along every phase of their manufacturing journey. Get started now at protolabs.com.

Non-GAAP Financial Measure

The Company has included non-GAAP net income per share, adjusted for stock-based compensation expense, amortization expense, unrealized (gain) loss on foreign currency and benefits related to exit and disposal activities ("non-GAAP net income per share"), in this press release to provide investors with additional information regarding the Company's expected financial results.

The Company has provided below a reconciliation of GAAP to non-GAAP net income per share, the most directly comparable measure calculated and presented in accordance with GAAP. This non-GAAP measure is used by the Company's management and board of directors to understand and evaluate operating performance and trends, provide useful measures for period-to-period comparisons of the Company's business, and in determining executive and senior management incentive compensation. Accordingly, the Company believes that this non-GAAP measure provides useful information to investors and others in understanding and evaluating operating results in the same manner as our management and board of directors. This non-GAAP financial measure should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP. This non-GAAP financial measure excludes significant expenses and income that are required by GAAP to be recorded in our condensed consolidated financial statements and are subject to inherent limitations. Investors should review the reconciliation of this non-GAAP financial measure to the comparable GAAP financial measure that is included in this press release.

Forward-Looking Statements

Statements contained in this press release regarding matters that are not historical or current facts are "forward-looking statements" within the meaning of The Private Securities Litigation Reform Act of 1995. These statements involve known and unknown risks, uncertainties and other factors which may cause the results of Protolabs to be materially different than those expressed or implied in such statements. Certain of these risk factors and others are described in the "Risk Factors" section within reports filed with the SEC. Other unknown or unpredictable factors also could have material adverse effects on Protolabs' future results. The forward-looking statements included in this press release are made only as of the date hereof. Protolabs cannot guarantee future results, levels of activity, performance or achievements. Accordingly, you should not place undue reliance on these forward-looking statements. Finally, Protolabs expressly disclaims any intent or obligation to update any forward-looking statements to reflect subsequent events or circumstances.

Injection Molding
Sheet Metal Fabrication
CNC Machining
3D Printing

Proto Labs, Inc.
Reconciliation of GAAP to Non-GAAP Guidance
(Unaudited)

	Q2 2025 Outlook	
	Low	**High**
GAAP diluted net income per share	$ 0.11	$ 0.19
Add back:		
Stock-based compensation expense	0.16	0.16
Amortization expense	0.03	0.03
Unrealized (gain) loss on foreign currency	0.00	0.00
Total adjustments	0.19	0.19
Non-GAAP diluted net income per share	$ 0.30	$ 0.38

Investor Relations Contacts:

Protolabs

Ryan Johnsrud, 612-225-4873

Manager – Investor Relations and FP&A

ryan.johnsrud@protolabs.com

Media Contacts:

Protolabs

Brent Renneke, 763-479-7704

Marketing Communications Manager

brent.renneke@protolabs.com