

## PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1  
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EPAS ID: PAT4538798

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	ASSIGNMENT
<b>CONVEYING PARTY DATA</b>	
<b>Name</b>	<b>Execution Date</b>
ALEX J. DUNN	02/26/2014
BRENDON A. MERKLEY	03/15/2012
TANGUY SERRA	11/01/2011
JAMES E. NYE	02/26/2014
JEREMY B. WARREN	03/03/2014
<b>RECEIVING PARTY DATA</b>	
<b>Name:</b>	VIVINT, INC.
<b>Street Address:</b>	4931 N. 300 W.
<b>City:</b>	PROVO
<b>State/Country:</b>	UTAH
<b>Postal Code:</b>	84604
<b>PROPERTY NUMBERS Total: 1</b>	
<b>Property Type</b>	<b>Number</b>
Application Number:	15670549
<b>CORRESPONDENCE DATA</b>	
<b>Fax Number:</b>	
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>	
<b>Phone:</b>	8017995800
<b>Email:</b>	patentdocket@hollandhart.com
<b>Correspondent Name:</b>	VIVINT HOLLAND & HART
<b>Address Line 1:</b>	222 SOUTH MAIN STREET, SUITE 2200
<b>Address Line 4:</b>	SALT LAKE CITY, UTAH 84101
<b>ATTORNEY DOCKET NUMBER:</b>	VIV024C1 (83199.0636)
<b>NAME OF SUBMITTER:</b>	PHILIP W. HARRIS
<b>SIGNATURE:</b>	/Philip W. Harris/
<b>DATE SIGNED:</b>	08/07/2017
<b>Total Attachments: 66</b>	
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

U.S. PATENT APPLICATION NO. ....TBD  
FILING DATE .....TBD  
INVENTOR(S)..... Alex J. Dunn et al.  
ASSIGNEE..... Vivint, Inc.  
ATTORNEY'S DOCKET NO ..... VIV024 (83199.0066)  
TITLE.....POWER PRODUCTION MONITORING OR CONTROL

**PATENT ASSIGNMENT**

**Inventors:**

Alex J. Dunn  
1123 East 1500 South  
Orem, UT 84097  
*Citizenship: US*

Brendon A. Merkle  
3 Plaza View Land #308  
Poster City, CA 94404  
*Citizenship: US*

Tanguy Serra  
232 Castro Street  
San Francisco, CA 94114  
*Citizenship: US*

James E. Nye  
626 South Pheasant Ridge Cir.  
Alpine, UT 84004  
*Citizenship: US*

Jeremy B. Warren  
14767 South Maple Park Court  
Draper, UT 84020  
*Citizenship: US*

**Assignee:**

Vivint, Inc.  
4931 N. 300 W.  
Provo, UT 84604

**BACKGROUND OF THE ASSIGNMENT**

INVENTORS have conceived a certain new and useful invention disclosed in a United States patent application titled "POWER PRODUCTION MONITORING OR CONTROL."

ASSIGNEE desires to acquire the entire right, title and interest in the invention and with respect to any Letters Patent or grant of rights equivalent thereto that may be granted with respect to the invention in both the United States and in all foreign countries.

**THE PARTIES AGREE AS FOLLOWS:**

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, each of the undersigned INVENTORS hereby sells, assigns, and transfers to Vivint, Inc., a corporation of the state of Utah, the entire right, title, and interest in the above-identified patent application executed concurrently herewith and to all divisional, continuing, substitute, renewal, reissue, and all other applications for patent or the legal equivalent thereof which have been or may be filed in the United States and all countries foreign to the United States relating to any subject matter disclosed by the above-identified patent application and hereby authorizes the Commissioner of Patents and Trademarks to issue such Letters Patent to ASSIGNEE for the sole use of ASSIGNEE, its successors, or assigns.

Specifically, ASSIGNEE is hereby authorized to apply for patents relating to the invention in its own name in countries where such procedure is proper; to claim the benefit of, file, and prosecute applications relating to the invention under any international conventions or treaties, if applicable. INVENTORS agree to execute applications relating to the invention in those countries and under those international conventions or treaties, if applicable, where it is necessary that the same be executed by the inventors, and to execute assignments of such applications and the resulting grant of patent rights or equivalents thereof to ASSIGNEE as well as all other necessary papers in relation to such applications and Letters Patent.

Each of the INVENTORS further agree, at the request and expense of ASSIGNEE, to:  
execute all divisional, continuing, substitute, renewal, reissue, and any other documents relating thereto;

execute all rightful oaths, declarations, assignments, powers of attorney, and other papers;  
communicate to the ASSIGNEE all facts and provide to the ASSIGNEE all documents and things known to the undersigned relating to the above-referenced Application for United States Letters Patent;

testify as to the same in any interference, litigation, or other proceeding relating to the above-referenced application for United States Letters Patent; and

in general, do everything reasonably possible which the ASSIGNEE shall consider desirable for vesting title to such Application for United States Letters Patent in the ASSIGNEE, and for securing, maintaining, defending, or enforcing valid and enforceable patent protection therefor.

Each of the INVENTORS acknowledge that the sale, assignment, and transfer of rights and property set forth herein is and shall be irrevocable and binding upon the heirs, assigns, representatives and successors of each undersigned INVENTOR and extends to the successors, assigns, and nominees of the ASSIGNEE.

**POWER OF ATTORNEY**

In the event the ASSIGNEE is unable to secure INVENTORS' signature on any document necessary to apply for, prosecute, obtain, or enforce any patent, copyright, or other right or protection relating to any invention, whether due to mental or physical incapacity or other cause, INVENTORS hereby irrevocably designate and appoint the ASSIGNEE and each of its

duly authorized officers and agents as his or her agent and attorney-in-fact, to act for and in his or her behalf and stead to execute and file any such documents and to do all other lawfully permitted acts to further the prosecution, issuance, and enforcement of patents, copyrights, or other rights or protections with the same force and effect as if executed and delivered by the INVENTORS.

Signed on 2/26, 2014.

  
\_\_\_\_\_  
Alex J. Dunn

Signed on \_\_\_\_\_, 2014.

\_\_\_\_\_  
Brendon A. Merkley

Signed on \_\_\_\_\_, 2014.

\_\_\_\_\_  
Tanguy Serra

Signed on \_\_\_\_\_, 2014.

\_\_\_\_\_  
James E. Nye

Signed on \_\_\_\_\_, 2014.

\_\_\_\_\_  
Jeremy B. Warren

duly authorized officers and agents as his or her agent and attorney-in-fact, to act for and in his or her behalf and stead to execute and file any such documents and to do all other lawfully permitted acts to further the prosecution, issuance, and enforcement of patents, copyrights, or other rights or protections with the same force and effect as if executed and delivered by the INVENTORS.

Signed on \_\_\_\_\_, 2014.

\_\_\_\_\_  
Alex J. Dunn

Signed on \_\_\_\_\_, 2014.

\_\_\_\_\_  
Brendon A. Merkley

Signed on \_\_\_\_\_, 2014.

\_\_\_\_\_  
Tanguy Serra

Signed on Feb 26, 2014.

  
\_\_\_\_\_  
James E. Nye

Signed on \_\_\_\_\_, 2014.

\_\_\_\_\_  
Jeremy B. Warren



duly authorized officers and agents as his or her agent and attorney-in-fact, to act for and in his or her behalf and stead to execute and file any such documents and to do all other lawfully permitted acts to further the prosecution, issuance, and enforcement of patents, copyrights, or other rights or protections with the same force and effect as if executed and delivered by the INVENTORS.

Signed on \_\_\_\_\_, 2014.

\_\_\_\_\_  
Alex J. Dunn

Signed on \_\_\_\_\_, 2014.

\_\_\_\_\_  
Brendon A. Merkley

Signed on \_\_\_\_\_, 2014.

\_\_\_\_\_  
Tanguy Serra

Signed on \_\_\_\_\_, 2014.

\_\_\_\_\_  
James E. Nye

Signed on 3/3, 2014.

  
\_\_\_\_\_  
Jeremy B. Warren

VIVINT SOLAR, INC.  
INCENTIVE STOCK OPTION AGREEMENT

THIS INCENTIVE STOCK OPTION AGREEMENT (this "Agreement") is between VIVINT SOLAR, INC., a Delaware corporation (the "Company"), and BRENDON MERKLEY ("Optionee"), pursuant to the Company's 2011 Stock Incentive Plan (the "Plan"). The Company and Optionee agree as follows:

1. Option Grant. The Company grants to Optionee on the terms and conditions of this Agreement the right and the option (the "Option") to purchase all or any part of One Hundred Fifty (150) shares of the Company's Common Stock (the "Option Shares") at a purchase price of \$39.60 per share (the "Exercise Price"). The terms and conditions of the Option grant set forth in attached Exhibit A are incorporated into and made a part of this Agreement. The Option is intended to be an Incentive Stock Option as defined in Section 422 of the Internal Revenue Code of 1986, as amended.

2. Grant Date; Expiration Date. The Grant Date for this Option is November 1, 2011. The Option shall continue in effect until the tenth (10<sup>th</sup>) anniversary of the Grant Date (the "Expiration Date") unless earlier terminated as provided in Sections 3, 6, 8, 9, or 18.6 of Exhibit A. The Option shall not be exercisable on or after the Expiration Date.

3. Exercise of Option. The Vesting Reference Date of this Option is June 1, 2011. The Option will become exercisable in accordance with Section 2 of Exhibit A.


The parties have executed this Agreement in duplicate as of the Grant Date.

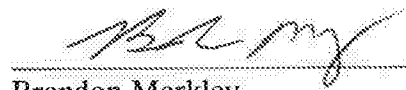
VIVINT SOLAR, INC.

OPTIONEE

By: \_\_\_\_\_

Title: \_\_\_\_\_

  
Director

  
Brendon Merkley

\_\_\_\_\_  
[address]

342 E 1250 N  
Orem UT  
84057

**VIVINT SOLAR, INC.**

**EXHIBIT A TO  
INCENTIVE STOCK OPTION AGREEMENT**

1. Definitions. For the purposes of this Agreement, the following terms shall have the following respective meanings. All capitalized terms used in the Agreement or this Exhibit A and not otherwise defined in the Agreement or this Exhibit A shall have the respective meanings set forth in the Plan.

“Affiliate” means, as to any Person, a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such Person. A Person shall be deemed to control another Person if such first Person possesses directly or indirectly the power to direct, or cause the direction of, the management and policies of the second Person, whether through the ownership of voting securities, by contract or otherwise.

“APX Group” means APX Group, Inc., a Delaware corporation.

“APX Group Sale Event” means, regardless of the form thereof and except in the case of an initial public offering of APX Group, consummation of any of the following transactions, if such transaction also includes a Company Sale Event or a Parent Sale Event as part of the same transaction or series of related transactions: (i) the sale of all or substantially all of the assets of APX Group to an unrelated person or entity, (ii) a merger, reorganization or consolidation in which the outstanding equity securities of APX Group are converted into or exchanged for securities of the successor entity and the holders of APX Group’s outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the successor entity immediately upon completion of such transaction, (iii) the sale of all or a majority of the outstanding capital stock of APX Group to an unrelated person or entity or (iv) any other transaction in which, the owners of APX Group’s outstanding voting power prior to such transaction do not own, collectively, at least a majority of the outstanding voting power of the successor entity immediately upon completion of the transaction.

“Bankruptcy” means (i) the filing of a voluntary petition under any bankruptcy or insolvency law, or a petition for the appointment of a receiver or the making of an assignment for the benefit of creditors, with respect to Optionee or any Permitted Transferee, or (ii) Optionee or any Permitted Transferee being subjected involuntarily to such a petition or assignment or to an attachment or other legal or equitable interest with respect to Optionee’s or such Permitted Transferee’s assets, which involuntary petition or assignment or attachment is not discharged within sixty (60) days after its date, and/or (iii) Optionee or any Permitted Transferee being subject to a transfer of the Option or the Option Shares by operation of law (including by divorce, even if not insolvent), except by reason of death.

“Board” means the Board of Directors of the Company.

“Cause” means, as determined in good faith by the Board: (i) the commission of any act by Optionee constituting financial dishonesty against the Company (which act would be chargeable as a crime under applicable law); (ii) Optionee’s engaging in any other act of

dishonesty, fraud, intentional misrepresentation, moral turpitude, illegality or harassment which would: (A) adversely affect the business or the reputation of the Company with its current or prospective customers, suppliers, lenders and/or other third parties with whom it does or might do business; or (B) expose the Company to a risk of civil or criminal legal damages, liabilities or penalties; (iii) the repeated failure by Optionee to follow the directives of the Board after written notice of such failure; (iv) Optionee's material failure to perform the essential functions of his or her job due to the use or consumption of controlled substances or alcohol; (v) Optionee's breach of any material provision of this Agreement or (vi) any other material misconduct, violation of the Company's policies, or willful and deliberate non-performance of duty by Optionee in connection with the business affairs of the Company that, if capable of being cured, is not cured within thirty (30) days after written notice of such misconduct, violation or non-performance.

"Common Stock" means the common stock, par value \$0.0001 per share of the Company.

"Company Sale Event" means, regardless of the form thereof and except in the case of an initial public offering of the Company, consummation of (i) the sale of all or substantially all of the assets of the Company to an unrelated person or entity, (ii) a merger, reorganization or consolidation in which the outstanding equity securities of the Company are converted into or exchanged for securities of the successor entity and the holders of the Company's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the successor entity immediately upon completion of such transaction, (iii) the sale of all or a majority of the outstanding capital stock of the Company to an unrelated person or entity or (iv) any other transaction in which, the owners of the Company's outstanding voting power prior to such transaction do not own, collectively, at least a majority of the outstanding voting power of the successor entity immediately upon completion of the transaction.

"Competition" means, as reasonably determined by the Board, participating, directly or indirectly, in a Prohibited Capacity, as a director, officer, employee, principal, agent, consultant, adviser, stockholder, owner, member or partner of any business, organization, entity, or enterprise engaged, within the Restricted Area, in the sale of (i) photovoltaic panels and equipment and related services and contracts to residential customers; and (ii) any other products or services substantially similar to those sold or provided by the Company during the period of Optionee's employment by or service with the Company.

"Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time, including rules thereunder and successor provisions and rules thereto.

"Fair Market Value" means:

(i) prior to the Initial Public Offering, the fair market value per share of Common Stock proposed by the Board, unless within five (5) business days after the delivery by the Board to Optionee of the Board's determination of such fair market value Optionee notifies the Board in writing that he or she objects to such proposed fair market value (a "Notice of Objection"). If Optionee and the Board are unable to agree on Fair Market Value within five (5) business days after delivery of the Notice of Objection (the "Negotiation Period"), then Fair Market Value shall be finally and conclusively determined (with no right of appeal or challenge)

by an appraiser (the “Appraiser”) who shall be appointed by the Board, but who in all events shall be an individual that regularly engages, as a primary occupation, in the professional appraisal of businesses or business interests, and who shall hold the designation of Accredited Senior Appraiser bestowed by the American Society of Appraisers. In determining Fair Market Value, the Appraiser shall comply with the Uniform Standards of Professional Appraisal Practice, and the Appraiser’s engagement shall be a valuation engagement (as opposed to a calculation engagement). The standard of value applied by the Appraiser shall be the amount at which a pro rata portion of 100% of the equity of the Company would change hands between a willing seller and a willing buyer of the Company as a going concern when neither is acting under compulsion and both have reasonable knowledge of the relevant facts. For avoidance of doubt, the Appraiser shall not apply a minority interest discount. The Company shall make available on a timely basis all books and records of the Company requested by the Appraiser. The Appraiser’s determination of Fair Market Value shall be reported to the Board and Optionee in writing, signed by the Appraiser, within thirty (30) days after the appointment of the Appraiser. The Company shall be responsible for the fees and expenses of the Appraiser. Notwithstanding the foregoing, if the fair market value of the Common Stock has been determined at any time within six (6) months before the date as to which a determination of Fair Market Value is required under this Exhibit A in a manner consistent in all material respects with the procedure outlined above in this clause (i), then such determination of fair market value of Common Stock shall be the Fair Market Value for all purposes under this Agreement, provided that between the time of such prior determination and the date for determination required under this Agreement there shall have occurred no material change in the business, prospects, financial condition or operations of the Company;

(ii) at the time of the Initial Public Offering, the per share price offered to the public in such Initial Public Offering, and

(iii) after the Initial Public Offering, on any date (A) if the Common Stock is listed on a national securities exchange, the mean between the highest and lowest sale prices reported as having occurred on the primary exchange with which the Common Stock is listed and traded on the date prior to such date, or, if there is no such sale on that date, then on the last preceding date on which such a sale was reported, or (B) if the Common Stock is not listed on any national securities exchange but is listed on the Nasdaq Global Market, the average between the high bid price and low ask price reported on the date prior to such date, or, if there is no such sale on that date then on the last preceding date on which such a sale was reported. If, after the Initial Public Offering, the Stock is not listed on a national securities exchange or the Nasdaq Global Market, the Fair Market Value shall mean the amount determined by the procedures set forth in clause (i) above.

“Good Reason” means the occurrence of any of the following events: (i) a substantial adverse change in the nature or scope of Optionee’s responsibilities, authorities, powers, functions or duties; or (ii) a reduction in Optionee’s annual base salary except for across-the-board salary reductions similarly affecting all or substantially all management employees.

“Initial Public Offering” means the consummation of the first fully underwritten, firm commitment public offering pursuant to an effective registration statement under the Securities

Act covering the offer and sale by the Company of its equity securities, as a result of or following which the Common Stock of the Company shall be publicly held.

“Monthly Period” means a period of at least 28 but no more than 31 days that ends on the same numbered day as the Initial Vesting Date in a following calendar month, provided that if the Initial Vesting Date occurs on a numbered day that does not occur in a successive month (e.g., the 29<sup>th</sup>, 30<sup>th</sup> or 31<sup>st</sup>), the relevant vesting date for the next Monthly Period shall be the last day of such next calendar month. For example, if the Initial Vesting Date occurs on January 31, the next following Monthly Periods would end on February 28 (or February 29 if a leap year), March 31, April 30, May 31, and so on, without regard to the actual number of days in such calendar months.

“Parent” means V Solar Holdings, Inc., a Delaware corporation (“V Solar”).

“Parent Sale Event” means, regardless of the form thereof and except in the case of an initial public offering of Parent, consummation of (i) the sale of all or substantially all of the assets of Parent to an unrelated person or entity, (ii) a merger, reorganization or consolidation in which the outstanding equity securities of Parent are converted into or exchanged for securities of the successor entity and the holders of Parent’s outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the successor entity immediately upon completion of such transaction, (iii) the sale of all or a majority of the outstanding capital stock of Parent to an unrelated person or entity or (iv) any other transaction in which, the owners of Parent’s outstanding voting power prior to such transaction do not own, collectively, at least a majority of the outstanding voting power of the successor entity immediately upon completion of the transaction.

“Permitted Transferees” means Optionee’s spouse, children (natural or adopted), stepchildren or a trust for their sole benefit of which Optionee is the settlor; provided, however, that any such trust does not require or permit distribution of any Option Shares during the term of this Agreement unless subject to its terms. Upon the death of Optionee (or a Permitted Transferee to whom shares have been transferred hereunder), the term Permitted Transferees shall also include Optionee’s (or such deceased Permitted Transferee’s) estate, executors, administrators, personal representatives, heirs, legatees and distributees, as the case may be.

“Person” means any individual, corporation, partnership (limited or general), limited liability company, limited liability partnership, association, trust, joint venture, unincorporated organization or any similar entity.

“Prohibited Capacity” means (i) any capacity that involves the performance of tasks or activities substantially similar to those performed by Optionee in his or her capacity as an employee of the Company at any time within the twelve (12) months immediately prior to the cessation of his or her employment with the Company; or (ii) any capacity that involves the management or supervision of any function for which Optionee was responsible in his or her capacity as an employee of the Company at any time within the twelve (12) months immediately prior to the cessation of his or her employment with the Company.

“Proprietary Information” means any information: applicable to the business of the Company or of any client, customer, or supplier of the Company, in each case which may be made known to Optionee by the Company or by any client, customer, or supplier of the Company; or learned by Optionee in such context during the period of Optionee’s employment with the Company, but excluding any records, data or information which are in the public domain, provided the same are not in the public domain as a consequence of unauthorized disclosure by Optionee in violation of this Agreement. By way of illustration, but not limitation, Proprietary Information may include: (i) corporate information, including plans, strategies, product suppliers or importers, sales methods and strategies, policies, dispute resolutions, negotiations or litigation; (ii) marketing information, including strategies, methods, sales representative and regional manager identities or other information about sales representative compensation and recruiting methodologies, prospect identities or other information about prospects, or market analyses or projections; (iii) financial information, including cost and performance data, debt arrangements, unique financing structures, equity structure, investors and holdings, purchasing and sales data and price lists; (iv) operational and technological information, manuals, forms, templates, software, designs, methods, procedures, formulas, discoveries, inventions, improvements, concepts and ideas; and (v) personnel information, including personnel lists, reporting or organizational structure, resumes, personnel data, compensation structure, performance evaluations and termination arrangements or documents. The Company derives economic value from Proprietary Information that would be diminished if such Proprietary Information were disclosed to Persons in competition with the Company or to the general public.

“Repurchase Event” means (a) a Separation From Service, (b) Bankruptcy, (c) Optionee’s material breach of the Agreement, including without limitation, the covenants of Section 18 of this Exhibit A or (d) a Trigger Sale Event.

“Restricted Area” means any county, city, town, or municipality where the Company conducts business and in which (i) Optionee operates on behalf of the Company; or (ii) Optionee exercises responsibility for or control over an aspect of the Company’s business, in each case in his capacity as Chief Executive Officer, President and Secretary.

“Restricted Period” means the period during which Optionee is employed by the Company and a period of twelve (12) months following the cessation of Optionee’s employment with the Company for any reason whatsoever.

“Sale Event” means a Company Sale Event and/or and Trigger Sale Event.

“Securities Act” means the Securities Act of 1933, as amended, including rules thereunder and successor provisions and rules thereto.

“Subsidiary” means any corporation (other than the Company) in any unbroken chain of corporations or other entities beginning with the Company if each of the corporations (other than the last corporation in the unbroken chain) owns stock or other interests possessing 50% or more of the total combined voting power of all classes of stock or in one of the other corporations in the chain.

“Total Disability” means a medically determinable mental or physical impairment that is expected to result in death or has lasted or is expected to last for a continuous period of twelve (12) months or more and that, in the opinion of the Company and two independent physicians, causes Optionee to be unable to perform duties as an employee, director, officer or consultant of the Employer and unable to be engaged in any substantial gainful activity. Total disability shall be deemed to have occurred on the first day after the two independent physicians have furnished their written opinion of total disability to the Company and the Company has reached an opinion of Total Disability.

“Trigger Sale Event” means a Parent Sale Event or an APX Group Sale Event.

2. Vesting Schedule. No portion of the Option may be exercised until such portion shall have vested in accordance with this Section 2 of Exhibit A. Subject to Section 8.1, until it expires or is terminated as provided in Sections 3, 6, 8, 9, or 18.6 of this Exhibit A, the Option shall vest (a) with respect to twenty percent (20%) of the Option Shares, twelve (12) months after the Vesting Reference Date (the “Initial Vesting Date”), and (b) one-sixtieth (1/60<sup>th</sup>) of the Option Shares shall vest on the completion of each Monthly Period of uninterrupted employment or service following the Initial Vesting Date until the Option has fully vested.

3. Separation From Service.

3.1. General Rule. Except as provided in this Section 3 of Exhibit A, the Option may not be exercised unless at the time of exercise Optionee is employed by or in the service of the Company and shall have been so employed or provided such service continuously since the Grant Date. For purposes of this Exhibit A, Optionee shall be considered to be employed by or in the service of the Company if Optionee is employed by or in the service of the Company or any parent or subsidiary of the Company (an “Employer”).

3.2. Separation From Service Generally. If Optionee’s employment or service with the Company or its successor entity terminates (a “Separation From Service”) for any reason other than for Cause or because of Total Disability or death as provided in Sections 3.4 and 3.5 of this Exhibit A, respectively, the Option may be exercised at any time before the earlier of (i) the Expiration Date or (ii) the expiration of thirty (30) days after the date of Separation From Service (“Separation Date”), but only if and to the extent Optionee was entitled to exercise the Option at the Separation Date.

3.3. Separation From Service For Cause. Upon Optionee’s Separation From Service for Cause, the Option shall terminate on the Separation Date.

3.4. Separation From Service Because of Total Disability. Upon Optionee’s Separation From Service because of Total Disability, the Option may be exercised at any time before the earlier of (i) the Expiration Date or (ii) the date twelve (12) months after the Separation Date resulting from Total Disability, but only if and to the extent Optionee was entitled to exercise the Option at such Separation Date.

3.5. Separation From Service Because of Death. If Optionee dies while employed by or in the service of the Company, the Option may be exercised at any time before the earlier of (i) the Expiration Date or (ii) the date twelve (12) months after the date of death,



but only if and to the extent Optionee was entitled to exercise the Option at the date of death and only by the person or persons to whom Optionee's rights under the Option shall pass by Optionee's will or by the laws of descent and distribution of the state or country of domicile of Optionee at the time of death.

3.6. Leave of Absence. Absence on leave approved by Employer or on account of illness or disability (other than Total Disability) shall not be deemed a Separation From Service or interruption of employment or service. Vesting of the Option shall continue during an approved medical, family or military leave of absence, whether paid or unpaid, and vesting of the Option shall be suspended during any other unpaid leave of absence.

3.7. Failure to Exercise Option. If, following Separation From Service, the Option is not exercised within the applicable periods described in this Section 3 of this Exhibit A, all further rights to purchase shares pursuant to the Option shall cease and terminate.

4. Method of Exercise of Option.

4.1. Exercise Notice; Payment of Exercise Price. The Option may be exercised only by delivery by Optionee or, in the case of exercise pursuant to Section 3.5, Optionee's executor or other person authorized to represent the estate of Optionee pursuant to Optionee's will or by the laws of descent and distribution of the state or country of domicile of Optionee at the time of death (in either case the "Authorized Person") to the Company of an exercise notice ("Exercise Notice") in the form attached hereto as Appendix 1 which shall constitute a binding commitment to purchase Option Shares. The Exercise Notice shall specify the number of Option Shares being purchased under the Option, and shall be accompanied by cash or a cashier's check in the amount of the Exercise Price, unless another form of payment of the Exercise Price is authorized under the Plan.

4.2. Tax Withholding Payments. Promptly after receipt of the Exercise Notice, the Company shall notify the Authorized Person in writing of the amount of any additional amounts that are payable with respect to any applicable federal, state and local tax withholding requirements, in each case as determined by the Company, that are payable by Optionee pursuant to the Plan, which amounts shall be paid by cash or check by the Authorized Person before the Option Shares covered by the Exercise Notice are issued. If additional withholding is or becomes required (as a result of exercise of the Option or as a result of subsequent disposition of Option Shares) in excess of any amount deposited before issuance of the certificates for the Option Shares, the Authorized Person shall pay or cause Optionee's estate to pay, as applicable, such amount to the Company, in cash or by check, on demand. If the Authorized Person fails to pay, or to cause Optionee's estate to pay, as applicable, the amount demanded, the Company or the Employer may withhold that amount from other amounts payable to Optionee, including salary, subject to applicable law.

4.3. Issuance of Option Shares. Subject to Section 15 of this Exhibit A, certificates for the Option Shares so purchased will be issued and delivered to the Authorized Person upon compliance to the satisfaction of the Company with all requirements under applicable laws or regulations in connection with such issuance. Until Optionee has complied with the requirements of the Agreement and of the Plan, the Company shall be under no

obligation to issue Option Shares, and the determination of the Committee as to such compliance shall be final and binding on Optionee. Optionee shall not be deemed to be the holder of, or to have any of the rights of a holder with respect to, any Option Shares unless and until the Option has been exercised pursuant to the terms of the Agreement, the Company shall have issued and delivered the Option Shares to Optionee (or for the benefit of Optionee pursuant to Section 15 of this Exhibit A, and Optionee's name shall have been entered as a stockholder of record on the books of the Company.

5. Disqualifying Disposition. If within two years after the Grant Date or within twelve (12) months after the exercise of the Option, Optionee sells or otherwise disposes of Option Shares acquired upon exercise of the Option, Optionee or Optionee's estate, as applicable, shall within thirty (30) days after the sale or disposition notify the Company in writing of (i) the date of the sale or disposition, (ii) the amount realized on the sale or disposition and (iii) the nature of the disposition (e.g., sale, gift, etc.).

6. Nontransferability of Option. Without the prior written consent of the Company, Optionee shall not sell, assign, pledge, or in any manner transfer this Option or any right or interest in the Option, whether voluntarily or by operation of law, or by gift, bequest or otherwise. Any sale or transfer, or purported sale or transfer, of the Option, or of any right or interest in the Option, in violation of this Section 6 of this Exhibit A shall be null and void, and shall result in the immediately termination of the Option.

7. Stock Splits, Stock Dividends. If the outstanding Common Stock of the Company is hereafter increased or decreased or changed into or exchanged for a different number or kind of shares or other securities of the Company by reason of any stock split, combination of shares, dividend payable in shares, recapitalization or reclassification, appropriate adjustment shall be made by the Company in (i) the number and kind of Option Shares subject to the Option, or the unexercised portion thereof, and (ii) the Option price per share, so that Optionee's proportionate interest before and after the occurrence of the event is maintained.

8. Sale Event.

8.1. Acceleration of Vesting; Forfeiture. The vesting of any then unvested portion of the Option shall be accelerated and such unvested portion of the Option shall be deemed to have fully vested and become exercisable prior to the closing of any Sale Event. Any unexercised portion of the Option shall terminate upon the closing of such Sale Event.

8.2. Put Option Upon Trigger Sale Event. In connection with the closing of a Trigger Sale Event, Optionee (or transferees of Option Shares as allowed by Section 11) shall have the right (the "Put Option") to require the Company to purchase any or all of the Option Shares as to which the Option is exercised prior to or simultaneously with the closing of such Trigger Sale Event. The purchase price for the Option Shares upon such exercise of the Put Option shall be (i) if the Trigger Sale Event is a Parent Sale Event but not an APX Group Sale Event, the per share value of the Option Shares based on the valuation established in the Trigger Sale Event for Parent and the Company on a consolidated basis, and (ii) if the Trigger Sale Event is an APX Group Sale Event, the Fair Market Value of the Option Shares as to which the Put Option is exercised. Such transaction shall be consummated, and the purchase price for Option

Shares as to which the Put Option is exercised shall be paid in cash and in full simultaneously with the consummation of the Trigger Sale Event, or such later date as shall be agreed by the Persons who have the right to exercise the Put Option.

9. Dissolution. If the Company dissolves or liquidates, the Company shall provide a period of no more than thirty (30) days or less than ten (10) days before the effective date of the dissolution or liquidation of the Company during which the Option may be exercised to the extent then exercisable, and upon the consummation of the dissolution or liquidation, the then unexercised portion of the Option shall terminate. The Company may, in its sole discretion, accelerate the vesting of the Option so that the Option is exercisable in full during that period.

10. Restrictive Legends and Stop-Transfer Orders.

10.1. Legends. The Company shall cause the legends set forth below or legends substantially equivalent thereto, to be placed upon any certificate(s) evidencing ownership of the Option Shares together with any other legends that may be required by the Company or by state or federal securities laws:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "ACT") AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER THE ACT OR, IN THE OPINION OF COUNSEL SATISFACTORY TO THE ISSUER OF THESE SECURITIES, SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION IS IN COMPLIANCE THEREWITH.

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER, DRAG-ALONG RIGHTS, A RIGHT OF FIRST REFUSAL, REPURCHASE RIGHTS AND OTHER RIGHTS HELD BY THE ISSUER OR ITS ASSIGNEE(S) AND RESTRICTIONS AS SET FORTH IN THE INCENTIVE STOCK OPTION AGREEMENT BETWEEN THE ISSUER AND THE ORIGINAL HOLDER OF THESE SHARES, A COPY OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE ISSUER. SUCH RIGHTS AND RESTRICTIONS ARE BINDING ON TRANSFEREES OF THESE SHARES.

10.2. Stop-Transfer Notices. Optionee agrees that, in order to ensure compliance with the restrictions referred to in this Exhibit A, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

10.3. Refusal to Transfer. The Company shall not be required (i) to transfer on its books any Option Shares that have been sold or otherwise transferred in violation of any of the provisions of this Exhibit A or (ii) to treat as owner of such Option Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Option Shares shall have been so transferred.

11. Restrictions on Transfer of Option Shares. None of the Option Shares acquired upon exercise of the Option may be sold, assigned, transferred, pledged, hypothecated, given away or in any other manner disposed of or encumbered, whether voluntarily or by operation of law, unless such transfer is in compliance with all applicable securities laws (including, without limitation, the Securities Act, and such disposition is in accordance with the terms and conditions of this Section 11 and Section 12 of this Exhibit A, and provided that any transferred Option Shares and any transferee thereof continues to be subject to Sections 11, 12, 13, 14, 15 and 17 of this Exhibit A and Optionee continues to be bound by Section 18 of this Exhibit A and such disposition does not cause the Company to become subject to the reporting requirements of the Exchange Act. In connection with any transfer of Option Shares, the Company may require the transferor to provide at Optionee's expense an opinion of counsel to the transferor, satisfactory to the Company, that such transfer is in compliance with all foreign, federal and state securities laws (including, without limitation, the Securities Act). Any attempted disposition of Option Shares not in accordance with the terms and conditions of this Section 11 and Section 12 of this Exhibit A shall be null and void, and the Company shall not reflect on its records any change in record ownership of any Option Shares as a result of any such disposition, shall otherwise refuse to recognize any such disposition and shall not in any way give effect to any such disposition of any Option Shares. Subject to the foregoing general provisions, Option Shares may be transferred pursuant to the following specific terms and conditions:

11.1. Transfers to Permitted Transferees. Optionee may sell, assign, transfer or give away any or all of the Option Shares to Permitted Transferees; provided, however, that such Permitted Transferee(s) shall, as a condition to any such transfer, agree to be subject to the provisions of this Agreement to the same extent as Optionee (including, without limitation, the provisions of Sections 11, 12, 13, 14, 15 and 17 of this Exhibit A) and shall have delivered a written acknowledgment to that effect to the Company.

11.2. Transfers Upon Death. Upon the death of Optionee, any Option Shares then held by Optionee at the time of such death and any Option Shares acquired thereafter by Optionee's legal representative pursuant to this Agreement shall be subject to the provisions of Sections 11, 12, 13, 14, 15 and 17 of this Exhibit A, to the extent applicable, and Optionee's estate, executors, administrators, personal representatives, heirs, legatees and distributees shall be obligated to convey such Option Shares to the Company or its assigns under the terms contemplated hereby.

12. Right of First Refusal. All Option Shares are subject to a right of first refusal by the Company. If Optionee desires to and may, pursuant to the Agreement, dispose of Option Shares to a third party, Optionee shall promptly deliver to the Company written notice of the intended disposition (the "Disposition Notice") and the material terms and conditions thereof, including the identity of the proposed purchaser and the price per Option Share. The Company shall, for a period of sixty (60) days following receipt of the Disposition Notice, have the right to repurchase all or any portion of the Option Shares at the price and on the terms set forth in the Disposition Notice. Such right shall be exercisable by written notice delivered to Optionee prior to the expiration of the 60-day exercise period ("ROFR Notice"). If such right is exercised, the Company shall effect the repurchase of the Option Shares covered by the ROFR Notice, including payment of the purchase price, not more than five business days after delivery of the ROFR Notice. At such time, Optionee shall deliver to the Company any certificates representing

the Option Shares to be purchased, each certificate to be properly endorsed for transfer. If all of the Option Shares offered by Optionee are not purchased by the Company, Optionee shall have 30 days following lapse of the period of the right of first refusal provided to the Company to dispose of all, but not less than all, of the remaining Option Shares to the purchaser identified in the Disposition Notice on terms no more favorable to the purchaser than those specified in the Disposition Notice. After such 30-day period lapses, the Option Shares shall once again be subject to the right of first refusal in this Section 12 of this Exhibit A. The right of the Company to purchase any part of the Option Shares under this Section 12 of this Exhibit A may be assigned in whole or in part to any person or persons designated by the Board.

13. Drag-Along Right. If the holders of a majority of the Company's equity securities then outstanding (the "Majority Stockholders") determine to sell or otherwise dispose of all or substantially all of the assets of the Company or all or fifty percent (50%) or more of the capital stock of the Company in each case in a transaction constituting a change in control of the Company, to any non-Affiliate(s) of the Company or any of the Majority Stockholders, or to cause the Company to merge with or into or consolidate with any non-Affiliate(s) of the Company or any of the Majority Stockholders (in each case, the "Buyer") in a *bona fide* negotiated transaction (a "Transaction"), Optionee, including any Permitted Transferees, shall be obligated to and shall upon the written request of the Majority Stockholders: (a) sell, transfer and deliver, or cause to be sold, transferred and delivered, to the Buyer, his or her Option Shares on substantially the same terms applicable to the Majority Stockholders (with appropriate adjustments to reflect the conversion of convertible securities, the redemption of redeemable securities and the exercise of exercisable securities as well as the relative preferences and priorities of preferred stock); and (b) execute and deliver such instruments of conveyance and transfer and take such other action, including voting such Option Shares in favor of any Transaction proposed by the Majority Stockholders and executing any purchase agreements, merger agreements, indemnity agreements, escrow agreements or related documents, as the Majority Stockholders or the Buyer may reasonably require in order to carry out the terms and provisions of this Section 13 of this Exhibit A.

13.1. Power of Attorney, Custodian. By entering into the Agreement and purchasing the Option Shares, Optionee hereby appoints the Company and its officers Optionee's true and lawful attorney-in-fact and custodian, with full power of substitution (the "Custodian"), and authorizes the Custodian to take such actions as the Custodian may deem necessary or appropriate to effect the sale and transfer of the Option Shares pursuant to this Section 13 of this Exhibit A upon receipt of the purchase price therefor, free and clear of all security interests, liens, claims, encumbrances, charges, options, restrictions on transfer, proxies and voting and other agreements of whatever nature, and to take such other action as may be necessary or appropriate in connection with such sale or transfer, including consenting to any amendments, waivers (including waivers of appraisal rights that Optionee may hold with respect to such sale or transfer), modifications or supplements to the terms of the sale (provided that the Majority Stockholders also so consent, and, to the extent applicable, sell and transfer their corresponding amounts of the Company's securities on the same terms as so amended, waived, modified or supplemented) and executing any purchase agreement, merger agreement or other agreement in connection with such sale, and instructs the Secretary of the Company (or other person holding any certificates for the Common Stock) to deliver to the Custodian certificates representing Optionee's Option Shares, together with all necessary duly-executed stock powers.

Promptly after the Drag-Along Closing, the Custodian shall give notice thereof to Optionee and shall remit to Optionee the net proceeds of such sale (reduced by any amount required to be held in escrow pursuant to the terms of the purchase and sale agreement and any other expenses). If the Company or any Investor enters into any transaction for which Rule 506 (or any similar rule then in effect) promulgated under the Securities Act may be available (including, without limitation, a merger, consolidation or other reorganization), Optionee shall, if requested by the Company, appoint a purchaser representative (as such term is defined in Rule 501 of the Securities Act) reasonably acceptable to the Company. If such purchaser representative was designated by the Company, the Company shall pay the fees and expenses of such purchaser representative, but if Optionee appoints another purchaser representative, Optionee shall be responsible for the fees and expenses of the purchaser representative so appointed.

13.2. Third-Party Beneficiary; Remedies. Optionee acknowledges and agrees that the Majority Stockholders are intended third-party beneficiaries of this Section 13 of this Exhibit A, as if the Majority Stockholders were parties to this Agreement directly. Following a breach or a threatened breach by Optionee of the provisions of this Section 13 of this Exhibit A, the Majority Stockholders may obtain an injunction granting specific performance of Optionee's obligations under this Section 13 of this Exhibit A. Whether or not the Majority Stockholders obtain such an injunction, and whether or not the Transaction is consummated, following such a breach or threatened breach by Optionee the Company shall have the option to purchase any or all of Optionee's Option Shares at a purchase price per share equal to the lesser of the Exercise Price or the per share consideration payable pursuant to the Transaction. The preceding two sentences shall not limit the Company's or the Majority Stockholders' rights to recover damages (or the amount thereof) from Optionee.

#### 14. Company's Right of Repurchase.

14.1. Repurchase Right. Upon the occurrence of a Repurchase Event, the Company shall have the right (the "Repurchase Right") to repurchase from Optionee (or any Permitted Transferee holding Option Shares) some or all (as determined by the Company in its discretion) of the Option Shares acquired upon exercise of the Option by Optionee (or any Permitted Transferee) at the Repurchase Price per share specified in Section 14.2 and free and clear of any liens or encumbrances. The Repurchase Right may be exercised by the Company no earlier than six (6) months after the date of exercise of the Option and within the period that ends on the later of (i) six (6) months following the date of the occurrence of the Repurchase Event or (ii) seven (7) months after the exercise of the Option (the "Repurchase Period"). The Company may exercise the Repurchase Right by giving Optionee and any Permitted Transferee written notice on or before the last day of the Repurchase Period of its exercise of the Repurchase Right. Upon such notification, Optionee and any Permitted Transferees shall promptly surrender to the Company any certificates representing the Option Shares being purchased, together with a duly executed stock power for the transfer of such Option Shares to the Company or the Company's assignee or assignees. The Company may pay all or any portion of the Repurchase Price for such shares by offsetting and canceling any indebtedness then owed by Optionee to the Company. The Company shall pay any remaining amount of the Repurchase Price, net of amounts offset as provided in the preceding sentence, to Optionee or to such Permitted Transferee, pro rata in accordance with the number of Option Shares owned, in four (4) equal semi-annual installments

with the first such installment due six (6) months from the effective date of exercise of the Repurchase Right. The Company may assign the Repurchase Right to one or more Persons.

14.2. Repurchase Price. Upon its exercise of the Repurchase Right, the Company shall pay the following per share amounts for the Option Shares as to which the Repurchase Right is exercised (the “Repurchase Price”):

(i) If the Repurchase Event (x) is a Separation From Service resulting from the termination of Optionee by the Company for Cause or (y) results from the breach or violation by Optionee of the Agreement, the Exercise Price paid by Optionee to the Company upon exercise of the Option for such Option Shares; and

(ii) If the Repurchase Event is other than as described in Section 14.2(i) above, the greater of (x) the Exercise Price paid by Optionee to the Company upon exercise of the Option for such Option Shares and (y) the Fair Market Value as of the date of exercise of the Repurchase Right.

15. Escrow Arrangement.

15.1. Escrow. In order to carry out the provisions of Sections 11, 12, 13, 14, 15 and 17 more effectively, the Company shall hold any Option Shares in escrow together with separate stock powers executed by Optionee in blank for transfer, and any Permitted Transferee shall, as an additional condition to any transfer of Option Shares, execute a like stock power as to such Option Shares. The Company shall not dispose of the Option Shares except as otherwise provided in this Agreement. In the event of any repurchase by the Company (or any of its assigns), the Company is hereby authorized by Optionee and any Permitted Transferee, as Optionee’s and each such Permitted Transferee’s attorney-in-fact, to date and complete the stock powers necessary for the transfer of the Option Shares being purchased and to transfer such Option Shares in accordance with the terms hereof. At such time as any Option Shares are no longer subject to the Company’s repurchase, first refusal and drag along rights, the Company shall, at the written request of Optionee, deliver to Optionee (or the relevant Permitted Transferee) a certificate representing such Option Shares with the balance of the Option Shares to be held in escrow pursuant to this Section 15 of this Exhibit A.

15.2. Remedy. Without limitation of any other provision of the Agreement or other rights, if Optionee, any Permitted Transferee or any other person or entity is required to sell Optionee’s Option Shares pursuant to the provisions of Sections 12, 13 or 14 of this Exhibit A and if he or she refuses or for any reason fails to deliver to the Company or its designated purchaser of such Option Shares the certificate or certificates evidencing such Option Shares together with a related stock power, the Company or such designated purchaser may deposit the applicable purchase price for such Option Shares with a bank designated by the Company, as agent or trustee, or in escrow, for Optionee, any Permitted Transferee or other person or entity, to be held by such bank for the benefit of and for delivery to him, her, them or it, and/or, in its discretion, pay such purchase price by offsetting any indebtedness then owed by Optionee as provided above. Upon any such deposit and/or offset by the Company or its designated purchaser of such amount and upon notice to the person or entity who was required to sell the Option Shares to be sold pursuant to the provisions of Sections 12, 13 or 14 of this Exhibit A, such

Option Shares shall at such time be deemed to have been sold, assigned, transferred and conveyed to such purchaser, the holder thereof shall have no further rights thereto (other than the right to withdraw the payment thereof held in escrow, if applicable), and the Company shall record such transfer in its stock transfer book or in any appropriate manner.

16. Conditions on Obligations. The Company shall not be obligated to issue shares of Common Stock upon exercise of the Option if the Company is advised by its legal counsel that such issuance would violate applicable state or federal laws, including securities laws. The Company will use its best efforts to take steps required by state or federal law or applicable regulations in connection with issuance of shares upon exercise of the Option.

17. Lockup Provision. Optionee agrees, if requested by the Company and any underwriter engaged by the Company, not to sell or otherwise transfer or dispose of any Option Shares (including, without limitation pursuant to Rule 144 under the Securities Act) held by him or her for such period following the effective date of the Initial Public Offering as the Company or such underwriter shall specify reasonably and in good faith, not to exceed 180 days.

18. Restrictive Covenants. Optionee understands and agrees that in his capacity as Chief Executive Officer, President and Secretary of the Company he has substantial involvement in and/or responsibility over significant components of the Company's business, as well as access to Proprietary Information; that the Company has a legitimate business interest in protecting its Proprietary Information and prohibiting unfair competition by Optionee within the Restricted Area; and that this Section 18 is intended to protect the Company's legitimate business interests to the fullest extent allowed by law. Accordingly, and in consideration for the award of the Option pursuant to the Plan and the Agreement, Optionee acknowledges and agrees that:

18.1. Confidentiality of Proprietary Information. In the course of his employment with the Company, Optionee will be afforded access to Proprietary Information. Optionee shall not disclose any Proprietary Information to any Person or use any Proprietary Information for Optionee's own benefit or for the benefit of any other Person, except that Optionee may disclose Proprietary Information (i) to the extent required in the course of Optionee's service to the Company, to authorized personnel of the Company who in the reasonable judgment of Optionee need to know such Proprietary Information, or such Persons to whom Optionee has been specifically instructed to make disclosure by an officer of the Company having supervisory or management authority with respect to Optionee, and (ii) to the extent required by law.

18.2. Surrender of Materials. Upon cessation of Optionee's employment with the Company or earlier request of the Company, Optionee shall promptly surrender to the Company any Company property and any document, electronic or digital media, or information in any other form relating to or in any way connected with the operations, customers, suppliers or business affairs of the Company, or constituting or containing Proprietary Information, in each case in Optionee's possession or under Optionee's control.

18.3. Non-Competition Covenant. During the Restricted Period and in the Restricted Area, Optionee will not engage in Competition. Notwithstanding the foregoing



provision of this Section 18.3 of this Exhibit A, Optionee may directly or indirectly own, solely as a passive investment, securities of a Person which are publicly traded on a national or regional securities exchange if Optionee (i) is not a controlling individual or a member of a group which controls such Person and (ii) does not, directly or indirectly, own one percent (1%) or more of any class of securities of such Person. Optionee acknowledges and agrees that if he or she violates any of the provisions of this Section 18.3 of this Exhibit A, the running of the Restricted Period will be extended by the time during which he or she engages in such violation(s).

18.4. Non-Piracy Covenant. During the Restricted Period and within the Restricted Area, Optionee shall not, directly or indirectly, solicit or otherwise attempt to cause any customer or supplier of the Company as to which Optionee, during the most recent twelve (12) months of his or her employment, (i) had direct contact or involvement in his or her capacity as an employee of the Company; (ii) had responsibility for or control over in his or her capacity as an employee of the Company; or (iii) had access to pertinent Proprietary Information about, to terminate, reduce or diminish its relationship or level of business with the Company, provided, however, that the restrictions of this Section 18.4 of this Exhibit A shall not apply to activities on behalf of or for the benefit of the Company or to general solicitations that are not specifically directed to customers or suppliers of the Company. Optionee acknowledges and agrees that if he violates any of the provisions of this Section 18.4 of this Exhibit A, the Restricted Period will be extended by the time during which he or she engages in such violation(s).

18.5. Non-Raiding Covenant. During the Restricted Period and within the Restricted Area, Optionee will not solicit, entice or attempt to persuade any individual employed by or engaged as a consultant for the Company during the most recent twelve (12) months, (i) with whom Optionee had direct contact while Optionee was an employee of the Company or (ii) over whom Optionee had supervisory responsibility, in each case during the most recent twelve (12) months of Optionee's employment with the Company, to terminate such individual's employment with or engagement by the Company for purposes of accepting employment with or engagement by a competitor of the Company in the Restricted Area and in the same or a substantially similar capacity in which such individual was employed or engaged by the Company during the Restricted Period, provided, however, that the restrictions of this Section 18.5 shall not apply to activities on behalf of or for the benefit of the Company or general solicitations that are not specifically directed to employees of the Company. Optionee acknowledges and agrees that if he violates any of the provisions of this Section 18.5 of this Exhibit A, the Restricted Period will be extended by the time during which he or she engages in such violation(s).

18.6. Remedies. If Optionee violates or fails to satisfy any requirement of this Section 18, in addition to any other remedy available at law or pursuant to this Agreement, Optionee shall forfeit any portion of the Option that has not been exercised, whether such portion has vested or not. Additionally, Optionee acknowledges and agrees that any breach of this Section 18 shall constitute a Repurchase Event. Optionee acknowledges and agrees that the remedy provided under this Section 18.6 of this Exhibit A does not constitute an adequate remedy at law for breach of this Section 18 of this Exhibit A and specifically shall not be construed to preclude the availability of other relief, including equitable relief.

19. Intellectual Property, Inventions and Patents. Optionee acknowledge that all discoveries, concepts, ideas, inventions, innovations, improvements, developments, methods, designs, analyses, drawings, reports, patent applications, copyrightable work and mask work (whether or not including any confidential information) and all registrations or applications related thereto, all other proprietary information and all similar or related information (whether or not patentable) which relate specifically to the business of the Company and which are conceived, developed or made by him (whether alone or jointly with others) while employed by the Company and its Affiliates, whether before or after the date of this Agreement (“Work Product”), belong to the Company or such Affiliate. Optionee shall promptly disclose such Work Product to the Company and, at the Company's expense, perform all actions reasonably requested by the Company (whether during or after your employment with the Company and its Affiliates) to establish and confirm such ownership (including, without limitation, assignments, consents, powers of attorney and other instruments).

20. Termination. Sections 8, 9, 11, 12, 13, 14 and 15 shall terminate upon the closing of the Company’s Initial Public Offering or upon consummation of any Sale Event, in either case as a result of which shares of the Company (or successor entity) of the same class as the Option Shares are registered under Section 12 of the Exchange Act, and publicly traded on the NASDAQ Global Market or any national security exchange.

21. Miscellaneous.

21.1. No Right to Employment or Service. Nothing in the Plan or this Agreement shall (i) confer upon Optionee any right to be continued in the employment of an Employer or interfere in any way with the Employer’s right to terminate Optionee’s employment at will at any time, for any reason, with or without cause, or to decrease Optionee’s compensation or benefits, or (ii) confer upon Optionee any right to be retained or employed by the Employer or to the continuation, extension, renewal or modification of any compensation, contract or arrangement with or by the Employer.

21.2. Successors of Company. This Agreement shall be binding upon and shall inure to the benefit of any successor of the Company but, except as provided herein, the Option may not be assigned or otherwise transferred by Optionee.

21.3. Notices. Any notices under this Agreement must be in writing and will be effective when actually delivered or, if mailed, three days after deposit into the United States mail by registered or certified mail, postage prepaid. Mail shall be directed to the addresses stated on the face page of this Agreement or to such address as a party may certify by notice to the other party.

21.4. Rights as a Shareholder. Optionee shall have no rights as a shareholder with respect to any shares of Common Stock until the date Optionee becomes the holder or record of those shares. No adjustment shall be made for dividends or other rights for which the record date occurs before the date Optionee becomes the holder of record.

21.5. Amendments. The Company may at any time amend this Agreement if the amendment does not adversely affect Optionee. Otherwise, this Agreement may not be amended without the written consent of Optionee and the Company.

21.6. Governing Law. This Agreement shall be governed by the laws of the state of Delaware.

21.7. Headings. The headings in the Agreement and this Exhibit A are intended only for convenience in finding the subject matter and do not constitute part of the text of the Agreement or this Exhibit A and shall not be considered in the interpretation of this Agreement.

21.8. Savings Clause. If any provision(s) of the Agreement (including this Exhibit A) shall be determined to be illegal or unenforceable, such determination shall in no manner affect the legality or enforceability of any other provision of the Agreement (including this Exhibit A).

21.9. Complete Agreement. The Agreement (including this Exhibit A) constitutes the entire agreement between Optionee and the Company, both oral and written concerning the matters addressed herein, and all prior agreements or representations concerning the matters addressed herein, whether written or oral, express or implied, are terminated and of no further effect.

## APPENDIX 1

### STOCK OPTION EXERCISE NOTICE

Vivint Solar, Inc.  
c/o Vivint, Inc.  
4931 North 300 West  
Provo, UT 84604  
Attention: Chief Financial Officer

Pursuant to the terms of my stock option agreement dated [\_\_\_\_\_], 20[\_\_\_]  
(the "Agreement") under the Vivint Solar, Inc., 2011 Stock Incentive Plan, I,  
[\_\_\_\_\_], hereby partially/fully [Circle One] exercise such option by  
including herein payment in the amount of \$ \_\_\_\_\_ representing the  
Exercise Price for [Fill in number of Option Shares] \_\_\_\_\_ Option Shares. I  
have chosen the following form(s) of payment:

- Cash
- Certified or bank check payable to Vivint Solar, Inc.
- Other (as described in the Agreement (please describe)):

---

In connection with my exercise of the option as set forth above, I hereby represent and warrant to Vivint Solar, Inc. as follows:

1. I am purchasing the Option Shares for my own account for investment only, and not for resale or with a view to the distribution thereof.
2. I have had such an opportunity as I have deemed adequate to obtain from Vivint Solar, Inc. such information as is necessary to permit me to evaluate the merits and risks of my investment in Vivint Solar, Inc. and have consulted with my own advisers with respect to my investment in Vivint Solar, Inc.
3. I have sufficient experience in business, financial and investment matters to be able to evaluate the risks involved in the purchase of the Option Shares and to make an informed investment decision with respect to such purchase.
4. I can afford a complete loss of the value of the Option Shares and am able to bear the economic risk of holding such option shares for an indefinite period of time.
5. I understand that the Option Shares may not be registered under the Securities Act of 1933 (it being understood that the Option Shares are being issued and sold in reliance on the exemption provided in Rule 701 thereunder) or any applicable state securities or "blue sky" laws and may not be sold or otherwise transferred or disposed of in the absence of an effective registration statement under the

Securities Act of 1933 and under any applicable state securities or “blue sky” laws (or exemptions from the registration requirement thereof). I further acknowledge that certificates representing Option Shares will bear restrictive legends reflecting the foregoing.

Sincerely yours,

\_\_\_\_\_  
Print Name:

Address:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**VIVINT SOLAR, INC.  
INCENTIVE STOCK OPTION AGREEMENT**

THIS INCENTIVE STOCK OPTION AGREEMENT (this "Agreement") is between VIVINT SOLAR, INC., a Delaware corporation (the "Company"), and BRENDON MERKLEY ("Optionee"), pursuant to the Company's 2011 Stock Incentive Plan (the "Plan"). The Company and Optionee agree as follows:

1. Option Grant. The Company grants to Optionee on the terms and conditions of this Agreement the right and the option (the "Option") to purchase all or any part of Fifty (50) shares of the Company's Common Stock (the "Option Shares") at a purchase price of \$7,000.00 per share (the "Exercise Price"). The terms and conditions of the Option grant set forth in attached Exhibit A are incorporated into and made a part of this Agreement. The Option is intended to be an Incentive Stock Option as defined in Section 422 of the Internal Revenue Code of 1986, as amended.

2. Grant Date; Expiration Date. The Grant Date for this Option is March 15, 2012. The Option shall continue in effect until the tenth (10<sup>th</sup>) anniversary of the Grant Date (the "Expiration Date") unless earlier terminated as provided in Sections 3, 6, 8, 9, or 18.6 of Exhibit A. The Option shall not be exercisable on or after the Expiration Date.

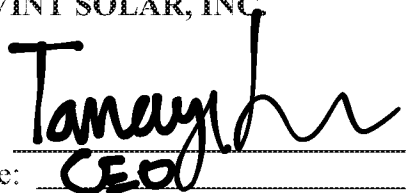
3. Exercise of Option. The Vesting Reference Date of this Option is June 1, 2011. The Option will become exercisable in accordance with Section 2 of Exhibit A.

The parties have executed this Agreement in duplicate as of the Grant Date.

VIVINT SOLAR, INC.

By: \_\_\_\_\_

Title: \_\_\_\_\_

  
CEO

OPTIONEE

\_\_\_\_\_  
Brendon Merkley

\_\_\_\_\_  
342 E 1250 N  
Orem, UT. 84057

VIVINT SOLAR, INC.

EXHIBIT A TO  
INCENTIVE STOCK OPTION AGREEMENT

1. Definitions. For the purposes of this Agreement, the following terms shall have the following respective meanings. All capitalized terms used in the Agreement or this Exhibit A and not otherwise defined in the Agreement or this Exhibit A shall have the respective meanings set forth in the Plan.

“Affiliate” means, as to any Person, a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such Person. A Person shall be deemed to control another Person if such first Person possesses directly or indirectly the power to direct, or cause the direction of, the management and policies of the second Person, whether through the ownership of voting securities, by contract or otherwise.

“APX Group” means APX Group, Inc., a Delaware corporation.

“APX Group Sale Event” means, regardless of the form thereof and except in the case of an initial public offering of APX Group, consummation of any of the following transactions, if such transaction also includes a Company Sale Event or a Parent Sale Event as part of the same transaction or series of related transactions: (i) the sale of all or substantially all of the assets of APX Group to an unrelated person or entity, (ii) a merger, reorganization or consolidation in which the outstanding equity securities of APX Group are converted into or exchanged for securities of the successor entity and the holders of APX Group’s outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the successor entity immediately upon completion of such transaction, (iii) the sale of all or a majority of the outstanding capital stock of APX Group to an unrelated person or entity or (iv) any other transaction in which, the owners of APX Group’s outstanding voting power prior to such transaction do not own, collectively, at least a majority of the outstanding voting power of the successor entity immediately upon completion of the transaction.

“Bankruptcy” means (i) the filing of a voluntary petition under any bankruptcy or insolvency law, or a petition for the appointment of a receiver or the making of an assignment for the benefit of creditors, with respect to Optionee or any Permitted Transferee, or (ii) Optionee or any Permitted Transferee being subjected involuntarily to such a petition or assignment or to an attachment or other legal or equitable interest with respect to Optionee’s or such Permitted Transferee’s assets, which involuntary petition or assignment or attachment is not discharged within sixty (60) days after its date, and/or (iii) Optionee or any Permitted Transferee being subject to a transfer of the Option or the Option Shares by operation of law (including by divorce, even if not insolvent), except by reason of death.

“Board” means the Board of Directors of the Company.

“Cause” means, as determined in good faith by the Board: (i) the commission of any act by Optionee constituting financial dishonesty against the Company (which act would be chargeable as a crime under applicable law); (ii) Optionee’s engaging in any other act of

dishonesty, fraud, intentional misrepresentation, moral turpitude, illegality or harassment which would: (A) adversely affect the business or the reputation of the Company with its current or prospective customers, suppliers, lenders and/or other third parties with whom it does or might do business; or (B) expose the Company to a risk of civil or criminal legal damages, liabilities or penalties; (iii) the repeated failure by Optionee to follow the directives of the Board after written notice of such failure; (iv) Optionee's material failure to perform the essential functions of his or her job due to the use or consumption of controlled substances or alcohol; (v) Optionee's breach of any material provision of this Agreement or (vi) any other material misconduct, violation of the Company's policies, or willful and deliberate non-performance of duty by Optionee in connection with the business affairs of the Company that, if capable of being cured, is not cured within thirty (30) days after written notice of such misconduct, violation or non-performance.

"Common Stock" means the common stock, par value \$0.0001 per share of the Company.

"Company Sale Event" means, regardless of the form thereof and except in the case of an initial public offering of the Company, consummation of (i) the sale of all or substantially all of the assets of the Company to an unrelated person or entity, (ii) a merger, reorganization or consolidation in which the outstanding equity securities of the Company are converted into or exchanged for securities of the successor entity and the holders of the Company's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the successor entity immediately upon completion of such transaction, (iii) the sale of all or a majority of the outstanding capital stock of the Company to an unrelated person or entity or (iv) any other transaction in which, the owners of the Company's outstanding voting power prior to such transaction do not own, collectively, at least a majority of the outstanding voting power of the successor entity immediately upon completion of the transaction.

"Competition" means, as reasonably determined by the Board, participating, directly or indirectly, in a Prohibited Capacity, as a director, officer, employee, principal, agent, consultant, adviser, stockholder, owner, member or partner of any business, organization, entity, or enterprise engaged, within the Restricted Area, in the sale of (i) photovoltaic panels and equipment and related services and contracts to residential customers; and (ii) any other products or services substantially similar to those sold or provided by the Company during the period of Optionee's employment by or service with the Company.

"Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time, including rules thereunder and successor provisions and rules thereto.

"Fair Market Value" means:

(i) prior to the Initial Public Offering, the fair market value per share of Common Stock proposed by the Board, unless within five (5) business days after the delivery by the Board to Optionee of the Board's determination of such fair market value Optionee notifies the Board in writing that he or she objects to such proposed fair market value (a "Notice of Objection"). If Optionee and the Board are unable to agree on Fair Market Value within five (5) business days after delivery of the Notice of Objection (the "Negotiation Period"), then Fair Market Value shall be finally and conclusively determined (with no right of appeal or challenge)



by an appraiser (the “Appraiser”) who shall be appointed by the Board, but who in all events shall be an individual that regularly engages, as a primary occupation, in the professional appraisal of businesses or business interests, and who shall hold the designation of Accredited Senior Appraiser bestowed by the American Society of Appraisers. In determining Fair Market Value, the Appraiser shall comply with the Uniform Standards of Professional Appraisal Practice, and the Appraiser’s engagement shall be a valuation engagement (as opposed to a calculation engagement). The standard of value applied by the Appraiser shall be the amount at which a pro rata portion of 100% of the equity of the Company would change hands between a willing seller and a willing buyer of the Company as a going concern when neither is acting under compulsion and both have reasonable knowledge of the relevant facts. For avoidance of doubt, the Appraiser shall not apply a minority interest discount. The Company shall make available on a timely basis all books and records of the Company requested by the Appraiser. The Appraiser’s determination of Fair Market Value shall be reported to the Board and Optionee in writing, signed by the Appraiser, within thirty (30) days after the appointment of the Appraiser. The Company shall be responsible for the fees and expenses of the Appraiser. Notwithstanding the foregoing, if the fair market value of the Common Stock has been determined at any time within six (6) months before the date as to which a determination of Fair Market Value is required under this Exhibit A in a manner consistent in all material respects with the procedure outlined above in this clause (i), then such determination of fair market value of Common Stock shall be the Fair Market Value for all purposes under this Agreement, provided that between the time of such prior determination and the date for determination required under this Agreement there shall have occurred no material change in the business, prospects, financial condition or operations of the Company;

(ii) at the time of the Initial Public Offering, the per share price offered to the public in such Initial Public Offering, and

(iii) after the Initial Public Offering, on any date (A) if the Common Stock is listed on a national securities exchange, the mean between the highest and lowest sale prices reported as having occurred on the primary exchange with which the Common Stock is listed and traded on the date prior to such date, or, if there is no such sale on that date, then on the last preceding date on which such a sale was reported, or (B) if the Common Stock is not listed on any national securities exchange but is listed on the Nasdaq Global Market, the average between the high bid price and low ask price reported on the date prior to such date, or, if there is no such sale on that date then on the last preceding date on which such a sale was reported. If, after the Initial Public Offering, the Stock is not listed on a national securities exchange or the Nasdaq Global Market, the Fair Market Value shall mean the amount determined by the procedures set forth in clause (i) above.

“Good Reason” means the occurrence of any of the following events: (i) a substantial adverse change in the nature or scope of Optionee’s responsibilities, authorities, powers, functions or duties; or (ii) a reduction in Optionee’s annual base salary except for across-the-board salary reductions similarly affecting all or substantially all management employees.

“Initial Public Offering” means the consummation of the first fully underwritten, firm commitment public offering pursuant to an effective registration statement under the Securities

Act covering the offer and sale by the Company of its equity securities, as a result of or following which the Common Stock of the Company shall be publicly held.

“Monthly Period” means a period of at least 28 but no more than 31 days that ends on the same numbered day as the Initial Vesting Date in a following calendar month, provided that if the Initial Vesting Date occurs on a numbered day that does not occur in a successive month (e.g., the 29<sup>th</sup>, 30<sup>th</sup> or 31<sup>st</sup>), the relevant vesting date for the next Monthly Period shall be the last day of such next calendar month. For example, if the Initial Vesting Date occurs on January 31, the next following Monthly Periods would end on February 28 (or February 29 if a leap year), March 31, April 30, May 31, and so on, without regard to the actual number of days in such calendar months.

“Parent” means V Solar Holdings, Inc., a Delaware corporation (“V Solar”).

“Parent Sale Event” means, regardless of the form thereof and except in the case of an initial public offering of Parent, consummation of (i) the sale of all or substantially all of the assets of Parent to an unrelated person or entity, (ii) a merger, reorganization or consolidation in which the outstanding equity securities of Parent are converted into or exchanged for securities of the successor entity and the holders of Parent’s outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the successor entity immediately upon completion of such transaction, (iii) the sale of all or a majority of the outstanding capital stock of Parent to an unrelated person or entity or (iv) any other transaction in which, the owners of Parent’s outstanding voting power prior to such transaction do not own, collectively, at least a majority of the outstanding voting power of the successor entity immediately upon completion of the transaction.

“Permitted Transferees” means Optionee’s spouse, children (natural or adopted), stepchildren or a trust for their sole benefit of which Optionee is the settlor; provided, however, that any such trust does not require or permit distribution of any Option Shares during the term of this Agreement unless subject to its terms. Upon the death of Optionee (or a Permitted Transferee to whom shares have been transferred hereunder), the term Permitted Transferees shall also include Optionee’s (or such deceased Permitted Transferee’s) estate, executors, administrators, personal representatives, heirs, legatees and distributees, as the case may be.

“Person” means any individual, corporation, partnership (limited or general), limited liability company, limited liability partnership, association, trust, joint venture, unincorporated organization or any similar entity.

“Prohibited Capacity” means (i) any capacity that involves the performance of tasks or activities substantially similar to those performed by Optionee in his or her capacity as an employee of the Company at any time within the twelve (12) months immediately prior to the cessation of his or her employment with the Company; or (ii) any capacity that involves the management or supervision of any function for which Optionee was responsible in his or her capacity as an employee of the Company at any time within the twelve (12) months immediately prior to the cessation of his or her employment with the Company.

“Proprietary Information” means any information: applicable to the business of the Company or of any client, customer, or supplier of the Company, in each case which may be made known to Optionee by the Company or by any client, customer, or supplier of the Company; or learned by Optionee in such context during the period of Optionee’s employment with the Company, but excluding any records, data or information which are in the public domain, provided the same are not in the public domain as a consequence of unauthorized disclosure by Optionee in violation of this Agreement. By way of illustration, but not limitation, Proprietary Information may include: (i) corporate information, including plans, strategies, product suppliers or importers, sales methods and strategies, policies, dispute resolutions, negotiations or litigation; (ii) marketing information, including strategies, methods, sales representative and regional manager identities or other information about sales representative compensation and recruiting methodologies, prospect identities or other information about prospects, or market analyses or projections; (iii) financial information, including cost and performance data, debt arrangements, unique financing structures, equity structure, investors and holdings, purchasing and sales data and price lists; (iv) operational and technological information, manuals, forms, templates, software, designs, methods, procedures, formulas, discoveries, inventions, improvements, concepts and ideas; and (v) personnel information, including personnel lists, reporting or organizational structure, resumes, personnel data, compensation structure, performance evaluations and termination arrangements or documents. The Company derives economic value from Proprietary Information that would be diminished if such Proprietary Information were disclosed to Persons in competition with the Company or to the general public.

“Repurchase Event” means (a) a Separation From Service, (b) Bankruptcy, (c) Optionee’s material breach of the Agreement, including without limitation, the covenants of Section 18 of this Exhibit A or (d) a Trigger Sale Event.

“Restricted Area” means any county, city, town, or municipality where the Company conducts business and in which (i) Optionee operates on behalf of the Company; or (ii) Optionee exercises responsibility for or control over an aspect of the Company’s business, in each case in his capacity as Chief Executive Officer, President and Secretary.

“Restricted Period” means the period during which Optionee is employed by the Company and a period of twelve (12) months following the cessation of Optionee’s employment with the Company for any reason whatsoever.

“Sale Event” means a Company Sale Event and/or and Trigger Sale Event.

“Securities Act” means the Securities Act of 1933, as amended, including rules thereunder and successor provisions and rules thereto.

“Subsidiary” means any corporation (other than the Company) in any unbroken chain of corporations or other entities beginning with the Company if each of the corporations (other than the last corporation in the unbroken chain) owns stock or other interests possessing 50% or more of the total combined voting power of all classes of stock or in one of the other corporations in the chain.

“Total Disability” means a medically determinable mental or physical impairment that is expected to result in death or has lasted or is expected to last for a continuous period of twelve (12) months or more and that, in the opinion of the Company and two independent physicians, causes Optionee to be unable to perform duties as an employee, director, officer or consultant of the Employer and unable to be engaged in any substantial gainful activity. Total disability shall be deemed to have occurred on the first day after the two independent physicians have furnished their written opinion of total disability to the Company and the Company has reached an opinion of Total Disability.

“Trigger Sale Event” means a Parent Sale Event or an APX Group Sale Event.

2. Vesting Schedule. No portion of the Option may be exercised until such portion shall have vested in accordance with this Section 2 of Exhibit A. Subject to Section 8.1, until it expires or is terminated as provided in Sections 3, 6, 8, 9, or 18.6 of this Exhibit A, the Option shall vest (a) with respect to twenty percent (20%) of the Option Shares, twelve (12) months after the Vesting Reference Date (the “Initial Vesting Date”), and (b) one-sixtieth (1/60<sup>th</sup>) of the Option Shares shall vest on the completion of each Monthly Period of uninterrupted employment or service following the Initial Vesting Date until the Option has fully vested.

3. Separation From Service.

3.1. General Rule. Except as provided in this Section 3 of Exhibit A, the Option may not be exercised unless at the time of exercise Optionee is employed by or in the service of the Company and shall have been so employed or provided such service continuously since the Grant Date. For purposes of this Exhibit A, Optionee shall be considered to be employed by or in the service of the Company if Optionee is employed by or in the service of the Company or any parent or subsidiary of the Company (an “Employer”).

3.2. Separation From Service Generally. If Optionee’s employment or service with the Company or its successor entity terminates (a “Separation From Service”) for any reason other than for Cause or because of Total Disability or death as provided in Sections 3.4 and 3.5 of this Exhibit A, respectively, the Option may be exercised at any time before the earlier of (i) the Expiration Date or (ii) the expiration of thirty (30) days after the date of Separation From Service (“Separation Date”), but only if and to the extent Optionee was entitled to exercise the Option at the Separation Date.

3.3. Separation From Service For Cause. Upon Optionee’s Separation From Service for Cause, the Option shall terminate on the Separation Date.

3.4. Separation From Service Because of Total Disability. Upon Optionee’s Separation From Service because of Total Disability, the Option may be exercised at any time before the earlier of (i) the Expiration Date or (ii) the date twelve (12) months after the Separation Date resulting from Total Disability, but only if and to the extent Optionee was entitled to exercise the Option at such Separation Date.

3.5. Separation From Service Because of Death. If Optionee dies while employed by or in the service of the Company, the Option may be exercised at any time before the earlier of (i) the Expiration Date or (ii) the date twelve (12) months after the date of death,

but only if and to the extent Optionee was entitled to exercise the Option at the date of death and only by the person or persons to whom Optionee's rights under the Option shall pass by Optionee's will or by the laws of descent and distribution of the state or country of domicile of Optionee at the time of death.

3.6. Leave of Absence. Absence on leave approved by Employer or on account of illness or disability (other than Total Disability) shall not be deemed a Separation From Service or interruption of employment or service. Vesting of the Option shall continue during an approved medical, family or military leave of absence, whether paid or unpaid, and vesting of the Option shall be suspended during any other unpaid leave of absence.

3.7. Failure to Exercise Option. If, following Separation From Service, the Option is not exercised within the applicable periods described in this Section 3 of this Exhibit A, all further rights to purchase shares pursuant to the Option shall cease and terminate.

4. Method of Exercise of Option.

4.1. Exercise Notice; Payment of Exercise Price. The Option may be exercised only by delivery by Optionee or, in the case of exercise pursuant to Section 3.5, Optionee's executor or other person authorized to represent the estate of Optionee pursuant to Optionee's will or by the laws of descent and distribution of the state or country of domicile of Optionee at the time of death (in either case the "Authorized Person") to the Company of an exercise notice ("Exercise Notice") in the form attached hereto as Appendix 1 which shall constitute a binding commitment to purchase Option Shares. The Exercise Notice shall specify the number of Option Shares being purchased under the Option, and shall be accompanied by cash or a cashier's check in the amount of the Exercise Price, unless another form of payment of the Exercise Price is authorized under the Plan.

4.2. Tax Withholding Payments. Promptly after receipt of the Exercise Notice, the Company shall notify the Authorized Person in writing of the amount of any additional amounts that are payable with respect to any applicable federal, state and local tax withholding requirements, in each case as determined by the Company, that are payable by Optionee pursuant to the Plan, which amounts shall be paid by cash or check by the Authorized Person before the Option Shares covered by the Exercise Notice are issued. If additional withholding is or becomes required (as a result of exercise of the Option or as a result of subsequent disposition of Option Shares) in excess of any amount deposited before issuance of the certificates for the Option Shares, the Authorized Person shall pay or cause Optionee's estate to pay, as applicable, such amount to the Company, in cash or by check, on demand. If the Authorized Person fails to pay, or to cause Optionee's estate to pay, as applicable, the amount demanded, the Company or the Employer may withhold that amount from other amounts payable to Optionee, including salary, subject to applicable law.

4.3. Issuance of Option Shares. Subject to Section 15 of this Exhibit A, certificates for the Option Shares so purchased will be issued and delivered to the Authorized Person upon compliance to the satisfaction of the Company with all requirements under applicable laws or regulations in connection with such issuance. Until Optionee has complied with the requirements of the Agreement and of the Plan, the Company shall be under no

obligation to issue Option Shares, and the determination of the Committee as to such compliance shall be final and binding on Optionee. Optionee shall not be deemed to be the holder of, or to have any of the rights of a holder with respect to, any Option Shares unless and until the Option has been exercised pursuant to the terms of the Agreement, the Company shall have issued and delivered the Option Shares to Optionee (or for the benefit of Optionee pursuant to Section 15 of this Exhibit A, and Optionee's name shall have been entered as a stockholder of record on the books of the Company.

5. Disqualifying Disposition. If within two years after the Grant Date or within twelve (12) months after the exercise of the Option, Optionee sells or otherwise disposes of Option Shares acquired upon exercise of the Option, Optionee or Optionee's estate, as applicable, shall within thirty (30) days after the sale or disposition notify the Company in writing of (i) the date of the sale or disposition, (ii) the amount realized on the sale or disposition and (iii) the nature of the disposition (e.g., sale, gift, etc.).

6. Nontransferability of Option. Without the prior written consent of the Company, Optionee shall not sell, assign, pledge, or in any manner transfer this Option or any right or interest in the Option, whether voluntarily or by operation of law, or by gift, bequest or otherwise. Any sale or transfer, or purported sale or transfer, of the Option, or of any right or interest in the Option, in violation of this Section 6 of this Exhibit A shall be null and void, and shall result in the immediately termination of the Option.

7. Stock Splits, Stock Dividends. If the outstanding Common Stock of the Company is hereafter increased or decreased or changed into or exchanged for a different number or kind of shares or other securities of the Company by reason of any stock split, combination of shares, dividend payable in shares, recapitalization or reclassification, appropriate adjustment shall be made by the Company in (i) the number and kind of Option Shares subject to the Option, or the unexercised portion thereof, and (ii) the Option price per share, so that Optionee's proportionate interest before and after the occurrence of the event is maintained.

8. Sale Event.

8.1. Acceleration of Vesting; Forfeiture. The vesting of any then unvested portion of the Option shall be accelerated and such unvested portion of the Option shall be deemed to have fully vested and become exercisable prior to the closing of any Sale Event. Any unexercised portion of the Option shall terminate upon the closing of such Sale Event.

8.2. Put Option Upon Trigger Sale Event. In connection with the closing of a Trigger Sale Event, Optionee (or transferees of Option Shares as allowed by Section 11) shall have the right (the "Put Option") to require the Company to purchase any or all of the Option Shares as to which the Option is exercised prior to or simultaneously with the closing of such Trigger Sale Event. The purchase price for the Option Shares upon such exercise of the Put Option shall be (i) if the Trigger Sale Event is a Parent Sale Event but not an APX Group Sale Event, the per share value of the Option Shares based on the valuation established in the Trigger Sale Event for Parent and the Company on a consolidated basis, and (ii) if the Trigger Sale Event is an APX Group Sale Event, the Fair Market Value of the Option Shares as to which the Put Option is exercised. Such transaction shall be consummated, and the purchase price for Option

Shares as to which the Put Option is exercised shall be paid in cash and in full simultaneously with the consummation of the Trigger Sale Event, or such later date as shall be agreed by the Persons who have the right to exercise the Put Option.

9. Dissolution. If the Company dissolves or liquidates, the Company shall provide a period of no more than thirty (30) days or less than ten (10) days before the effective date of the dissolution or liquidation of the Company during which the Option may be exercised to the extent then exercisable, and upon the consummation of the dissolution or liquidation, the then unexercised portion of the Option shall terminate. The Company may, in its sole discretion, accelerate the vesting of the Option so that the Option is exercisable in full during that period.

10. Restrictive Legends and Stop-Transfer Orders.

10.1. Legends. The Company shall cause the legends set forth below or legends substantially equivalent thereto, to be placed upon any certificate(s) evidencing ownership of the Option Shares together with any other legends that may be required by the Company or by state or federal securities laws:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "ACT") AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER THE ACT OR, IN THE OPINION OF COUNSEL SATISFACTORY TO THE ISSUER OF THESE SECURITIES, SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION IS IN COMPLIANCE THEREWITH.

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER, DRAG-ALONG RIGHTS, A RIGHT OF FIRST REFUSAL, REPURCHASE RIGHTS AND OTHER RIGHTS HELD BY THE ISSUER OR ITS ASSIGNEE(S) AND RESTRICTIONS AS SET FORTH IN THE INCENTIVE STOCK OPTION AGREEMENT BETWEEN THE ISSUER AND THE ORIGINAL HOLDER OF THESE SHARES, A COPY OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE ISSUER. SUCH RIGHTS AND RESTRICTIONS ARE BINDING ON TRANSFEREES OF THESE SHARES.

10.2. Stop-Transfer Notices. Optionee agrees that, in order to ensure compliance with the restrictions referred to in this Exhibit A, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

10.3. Refusal to Transfer. The Company shall not be required (i) to transfer on its books any Option Shares that have been sold or otherwise transferred in violation of any of the provisions of this Exhibit A or (ii) to treat as owner of such Option Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Option Shares shall have been so transferred.

11. Restrictions on Transfer of Option Shares. None of the Option Shares acquired upon exercise of the Option may be sold, assigned, transferred, pledged, hypothecated, given away or in any other manner disposed of or encumbered, whether voluntarily or by operation of law, unless such transfer is in compliance with all applicable securities laws (including, without limitation, the Securities Act, and such disposition is in accordance with the terms and conditions of this Section 11 and Section 12 of this Exhibit A, and provided that any transferred Option Shares and any transferee thereof continues to be subject to Sections 11, 12, 13, 14, 15 and 17 of this Exhibit A and Optionee continues to be bound by Section 18 of this Exhibit A and such disposition does not cause the Company to become subject to the reporting requirements of the Exchange Act. In connection with any transfer of Option Shares, the Company may require the transferor to provide at Optionee's expense an opinion of counsel to the transferor, satisfactory to the Company, that such transfer is in compliance with all foreign, federal and state securities laws (including, without limitation, the Securities Act). Any attempted disposition of Option Shares not in accordance with the terms and conditions of this Section 11 and Section 12 of this Exhibit A shall be null and void, and the Company shall not reflect on its records any change in record ownership of any Option Shares as a result of any such disposition, shall otherwise refuse to recognize any such disposition and shall not in any way give effect to any such disposition of any Option Shares. Subject to the foregoing general provisions, Option Shares may be transferred pursuant to the following specific terms and conditions:

11.1. Transfers to Permitted Transferees. Optionee may sell, assign, transfer or give away any or all of the Option Shares to Permitted Transferees; provided, however, that such Permitted Transferee(s) shall, as a condition to any such transfer, agree to be subject to the provisions of this Agreement to the same extent as Optionee (including, without limitation, the provisions of Sections 11, 12, 13, 14, 15 and 17 of this Exhibit A) and shall have delivered a written acknowledgment to that effect to the Company.

11.2. Transfers Upon Death. Upon the death of Optionee, any Option Shares then held by Optionee at the time of such death and any Option Shares acquired thereafter by Optionee's legal representative pursuant to this Agreement shall be subject to the provisions of Sections 11, 12, 13, 14, 15 and 17 of this Exhibit A, to the extent applicable, and Optionee's estate, executors, administrators, personal representatives, heirs, legatees and distributees shall be obligated to convey such Option Shares to the Company or its assigns under the terms contemplated hereby.

12. Right of First Refusal. All Option Shares are subject to a right of first refusal by the Company. If Optionee desires to and may, pursuant to the Agreement, dispose of Option Shares to a third party, Optionee shall promptly deliver to the Company written notice of the intended disposition (the "Disposition Notice") and the material terms and conditions thereof, including the identity of the proposed purchaser and the price per Option Share. The Company shall, for a period of sixty (60) days following receipt of the Disposition Notice, have the right to repurchase all or any portion of the Option Shares at the price and on the terms set forth in the Disposition Notice. Such right shall be exercisable by written notice delivered to Optionee prior to the expiration of the 60-day exercise period ("ROFR Notice"). If such right is exercised, the Company shall effect the repurchase of the Option Shares covered by the ROFR Notice, including payment of the purchase price, not more than five business days after delivery of the ROFR Notice. At such time, Optionee shall deliver to the Company any certificates representing



the Option Shares to be purchased, each certificate to be properly endorsed for transfer. If all of the Option Shares offered by Optionee are not purchased by the Company, Optionee shall have 30 days following lapse of the period of the right of first refusal provided to the Company to dispose of all, but not less than all, of the remaining Option Shares to the purchaser identified in the Disposition Notice on terms no more favorable to the purchaser than those specified in the Disposition Notice. After such 30-day period lapses, the Option Shares shall once again be subject to the right of first refusal in this Section 12 of this Exhibit A. The right of the Company to purchase any part of the Option Shares under this Section 12 of this Exhibit A may be assigned in whole or in part to any person or persons designated by the Board.

13. Drag-Along Right. If the holders of a majority of the Company's equity securities then outstanding (the "Majority Stockholders") determine to sell or otherwise dispose of all or substantially all of the assets of the Company or all or fifty percent (50%) or more of the capital stock of the Company in each case in a transaction constituting a change in control of the Company, to any non-Affiliate(s) of the Company or any of the Majority Stockholders, or to cause the Company to merge with or into or consolidate with any non-Affiliate(s) of the Company or any of the Majority Stockholders (in each case, the "Buyer") in a *bona fide* negotiated transaction (a "Transaction"), Optionee, including any Permitted Transferees, shall be obligated to and shall upon the written request of the Majority Stockholders: (a) sell, transfer and deliver, or cause to be sold, transferred and delivered, to the Buyer, his or her Option Shares on substantially the same terms applicable to the Majority Stockholders (with appropriate adjustments to reflect the conversion of convertible securities, the redemption of redeemable securities and the exercise of exercisable securities as well as the relative preferences and priorities of preferred stock); and (b) execute and deliver such instruments of conveyance and transfer and take such other action, including voting such Option Shares in favor of any Transaction proposed by the Majority Stockholders and executing any purchase agreements, merger agreements, indemnity agreements, escrow agreements or related documents, as the Majority Stockholders or the Buyer may reasonably require in order to carry out the terms and provisions of this Section 13 of this Exhibit A.

13.1. Power of Attorney, Custodian. By entering into the Agreement and purchasing the Option Shares, Optionee hereby appoints the Company and its officers Optionee's true and lawful attorney-in-fact and custodian, with full power of substitution (the "Custodian"), and authorizes the Custodian to take such actions as the Custodian may deem necessary or appropriate to effect the sale and transfer of the Option Shares pursuant to this Section 13 of this Exhibit A upon receipt of the purchase price therefor, free and clear of all security interests, liens, claims, encumbrances, charges, options, restrictions on transfer, proxies and voting and other agreements of whatever nature, and to take such other action as may be necessary or appropriate in connection with such sale or transfer, including consenting to any amendments, waivers (including waivers of appraisal rights that Optionee may hold with respect to such sale or transfer), modifications or supplements to the terms of the sale (provided that the Majority Stockholders also so consent, and, to the extent applicable, sell and transfer their corresponding amounts of the Company's securities on the same terms as so amended, waived, modified or supplemented) and executing any purchase agreement, merger agreement or other agreement in connection with such sale, and instructs the Secretary of the Company (or other person holding any certificates for the Common Stock) to deliver to the Custodian certificates representing Optionee's Option Shares, together with all necessary duly-executed stock powers.

Promptly after the Drag-Along Closing, the Custodian shall give notice thereof to Optionee and shall remit to Optionee the net proceeds of such sale (reduced by any amount required to be held in escrow pursuant to the terms of the purchase and sale agreement and any other expenses). If the Company or any Investor enters into any transaction for which Rule 506 (or any similar rule then in effect) promulgated under the Securities Act may be available (including, without limitation, a merger, consolidation or other reorganization), Optionee shall, if requested by the Company, appoint a purchaser representative (as such term is defined in Rule 501 of the Securities Act) reasonably acceptable to the Company. If such purchaser representative was designated by the Company, the Company shall pay the fees and expenses of such purchaser representative, but if Optionee appoints another purchaser representative, Optionee shall be responsible for the fees and expenses of the purchaser representative so appointed.

13.2. Third-Party Beneficiary; Remedies. Optionee acknowledges and agrees that the Majority Stockholders are intended third-party beneficiaries of this Section 13 of this Exhibit A, as if the Majority Stockholders were parties to this Agreement directly. Following a breach or a threatened breach by Optionee of the provisions of this Section 13 of this Exhibit A, the Majority Stockholders may obtain an injunction granting specific performance of Optionee's obligations under this Section 13 of this Exhibit A. Whether or not the Majority Stockholders obtain such an injunction, and whether or not the Transaction is consummated, following such a breach or threatened breach by Optionee the Company shall have the option to purchase any or all of Optionee's Option Shares at a purchase price per share equal to the lesser of the Exercise Price or the per share consideration payable pursuant to the Transaction. The preceding two sentences shall not limit the Company's or the Majority Stockholders' rights to recover damages (or the amount thereof) from Optionee.

#### 14. Company's Right of Repurchase.

14.1. Repurchase Right. Upon the occurrence of a Repurchase Event, the Company shall have the right (the "Repurchase Right") to repurchase from Optionee (or any Permitted Transferee holding Option Shares) some or all (as determined by the Company in its discretion) of the Option Shares acquired upon exercise of the Option by Optionee (or any Permitted Transferee) at the Repurchase Price per share specified in Section 14.2 and free and clear of any liens or encumbrances. The Repurchase Right may be exercised by the Company no earlier than six (6) months after the date of exercise of the Option and within the period that ends on the later of (i) six (6) months following the date of the occurrence of the Repurchase Event or (ii) seven (7) months after the exercise of the Option (the "Repurchase Period"). The Company may exercise the Repurchase Right by giving Optionee and any Permitted Transferee written notice on or before the last day of the Repurchase Period of its exercise of the Repurchase Right. Upon such notification, Optionee and any Permitted Transferees shall promptly surrender to the Company any certificates representing the Option Shares being purchased, together with a duly executed stock power for the transfer of such Option Shares to the Company or the Company's assignee or assignees. The Company may pay all or any portion of the Repurchase Price for such shares by offsetting and canceling any indebtedness then owed by Optionee to the Company. The Company shall pay any remaining amount of the Repurchase Price, net of amounts offset as provided in the preceding sentence, to Optionee or to such Permitted Transferee, pro rata in accordance with the number of Option Shares owned, in four (4) equal semi-annual installments

with the first such installment due six (6) months from the effective date of exercise of the Repurchase Right. The Company may assign the Repurchase Right to one or more Persons.

14.2. Repurchase Price. Upon its exercise of the Repurchase Right, the Company shall pay the following per share amounts for the Option Shares as to which the Repurchase Right is exercised (the "Repurchase Price"):

(i) If the Repurchase Event (x) is a Separation From Service resulting from the termination of Optionee by the Company for Cause or (y) results from the breach or violation by Optionee of the Agreement, the Exercise Price paid by Optionee to the Company upon exercise of the Option for such Option Shares; and

(ii) If the Repurchase Event is other than as described in Section 14.2(i) above, the greater of (x) the Exercise Price paid by Optionee to the Company upon exercise of the Option for such Option Shares and (y) the Fair Market Value as of the date of exercise of the Repurchase Right.

15. Escrow Arrangement.

15.1. Escrow. In order to carry out the provisions of Sections 11, 12, 13, 14, 15 and 17 more effectively, the Company shall hold any Option Shares in escrow together with separate stock powers executed by Optionee in blank for transfer, and any Permitted Transferee shall, as an additional condition to any transfer of Option Shares, execute a like stock power as to such Option Shares. The Company shall not dispose of the Option Shares except as otherwise provided in this Agreement. In the event of any repurchase by the Company (or any of its assigns), the Company is hereby authorized by Optionee and any Permitted Transferee, as Optionee's and each such Permitted Transferee's attorney-in-fact, to date and complete the stock powers necessary for the transfer of the Option Shares being purchased and to transfer such Option Shares in accordance with the terms hereof. At such time as any Option Shares are no longer subject to the Company's repurchase, first refusal and drag along rights, the Company shall, at the written request of Optionee, deliver to Optionee (or the relevant Permitted Transferee) a certificate representing such Option Shares with the balance of the Option Shares to be held in escrow pursuant to this Section 15 of this Exhibit A.

15.2. Remedy. Without limitation of any other provision of the Agreement or other rights, if Optionee, any Permitted Transferee or any other person or entity is required to sell Optionee's Option Shares pursuant to the provisions of Sections 12, 13 or 14 of this Exhibit A and if he or she refuses or for any reason fails to deliver to the Company or its designated purchaser of such Option Shares the certificate or certificates evidencing such Option Shares together with a related stock power, the Company or such designated purchaser may deposit the applicable purchase price for such Option Shares with a bank designated by the Company, as agent or trustee, or in escrow, for Optionee, any Permitted Transferee or other person or entity, to be held by such bank for the benefit of and for delivery to him, her, them or it, and/or, in its discretion, pay such purchase price by offsetting any indebtedness then owed by Optionee as provided above. Upon any such deposit and/or offset by the Company or its designated purchaser of such amount and upon notice to the person or entity who was required to sell the Option Shares to be sold pursuant to the provisions of Sections 12, 13 or 14 of this Exhibit A, such

Option Shares shall at such time be deemed to have been sold, assigned, transferred and conveyed to such purchaser, the holder thereof shall have no further rights thereto (other than the right to withdraw the payment thereof held in escrow, if applicable), and the Company shall record such transfer in its stock transfer book or in any appropriate manner.

16. Conditions on Obligations. The Company shall not be obligated to issue shares of Common Stock upon exercise of the Option if the Company is advised by its legal counsel that such issuance would violate applicable state or federal laws, including securities laws. The Company will use its best efforts to take steps required by state or federal law or applicable regulations in connection with issuance of shares upon exercise of the Option.

17. Lockup Provision. Optionee agrees, if requested by the Company and any underwriter engaged by the Company, not to sell or otherwise transfer or dispose of any Option Shares (including, without limitation pursuant to Rule 144 under the Securities Act) held by him or her for such period following the effective date of the Initial Public Offering as the Company or such underwriter shall specify reasonably and in good faith, not to exceed 180 days.

18. Restrictive Covenants. Optionee understands and agrees that in his capacity as Chief Executive Officer, President and Secretary of the Company he has substantial involvement in and/or responsibility over significant components of the Company's business, as well as access to Proprietary Information; that the Company has a legitimate business interest in protecting its Proprietary Information and prohibiting unfair competition by Optionee within the Restricted Area; and that this Section 18 is intended to protect the Company's legitimate business interests to the fullest extent allowed by law. Accordingly, and in consideration for the award of the Option pursuant to the Plan and the Agreement, Optionee acknowledges and agrees that:

18.1. Confidentiality of Proprietary Information. In the course of his employment with the Company, Optionee will be afforded access to Proprietary Information. Optionee shall not disclose any Proprietary Information to any Person or use any Proprietary Information for Optionee's own benefit or for the benefit of any other Person, except that Optionee may disclose Proprietary Information (i) to the extent required in the course of Optionee's service to the Company, to authorized personnel of the Company who in the reasonable judgment of Optionee need to know such Proprietary Information, or such Persons to whom Optionee has been specifically instructed to make disclosure by an officer of the Company having supervisory or management authority with respect to Optionee, and (ii) to the extent required by law.

18.2. Surrender of Materials. Upon cessation of Optionee's employment with the Company or earlier request of the Company, Optionee shall promptly surrender to the Company any Company property and any document, electronic or digital media, or information in any other form relating to or in any way connected with the operations, customers, suppliers or business affairs of the Company, or constituting or containing Proprietary Information, in each case in Optionee's possession or under Optionee's control.

18.3. Non-Competition Covenant. During the Restricted Period and in the Restricted Area, Optionee will not engage in Competition. Notwithstanding the foregoing

provision of this Section 18.3 of this Exhibit A, Optionee may directly or indirectly own, solely as a passive investment, securities of a Person which are publicly traded on a national or regional securities exchange if Optionee (i) is not a controlling individual or a member of a group which controls such Person and (ii) does not, directly or indirectly, own one percent (1%) or more of any class of securities of such Person. Optionee acknowledges and agrees that if he or she violates any of the provisions of this Section 18.3 of this Exhibit A, the running of the Restricted Period will be extended by the time during which he or she engages in such violation(s).

18.4. Non-Piracy Covenant. During the Restricted Period and within the Restricted Area, Optionee shall not, directly or indirectly, solicit or otherwise attempt to cause any customer or supplier of the Company as to which Optionee, during the most recent twelve (12) months of his or her employment, (i) had direct contact or involvement in his or her capacity as an employee of the Company; (ii) had responsibility for or control over in his or her capacity as an employee of the Company; or (iii) had access to pertinent Proprietary Information about, to terminate, reduce or diminish its relationship or level of business with the Company, provided, however, that the restrictions of this Section 18.4 of this Exhibit A shall not apply to activities on behalf of or for the benefit of the Company or to general solicitations that are not specifically directed to customers or suppliers of the Company. Optionee acknowledges and agrees that if he violates any of the provisions of this Section 18.4 of this Exhibit A, the Restricted Period will be extended by the time during which he or she engages in such violation(s).

18.5. Non-Raiding Covenant. During the Restricted Period and within the Restricted Area, Optionee will not solicit, entice or attempt to persuade any individual employed by or engaged as a consultant for the Company during the most recent twelve (12) months, (i) with whom Optionee had direct contact while Optionee was an employee of the Company or (ii) over whom Optionee had supervisory responsibility, in each case during the most recent twelve (12) months of Optionee's employment with the Company, to terminate such individual's employment with or engagement by the Company for purposes of accepting employment with or engagement by a competitor of the Company in the Restricted Area and in the same or a substantially similar capacity in which such individual was employed or engaged by the Company during the Restricted Period, provided, however, that the restrictions of this Section 18.5 shall not apply to activities on behalf of or for the benefit of the Company or general solicitations that are not specifically directed to employees of the Company. Optionee acknowledges and agrees that if he violates any of the provisions of this Section 18.5 of this Exhibit A, the Restricted Period will be extended by the time during which he or she engages in such violation(s).

18.6. Remedies. If Optionee violates or fails to satisfy any requirement of this Section 18, in addition to any other remedy available at law or pursuant to this Agreement, Optionee shall forfeit any portion of the Option that has not been exercised, whether such portion has vested or not. Additionally, Optionee acknowledges and agrees that any breach of this Section 18 shall constitute a Repurchase Event. Optionee acknowledges and agrees that the remedy provided under this Section 18.6 of this Exhibit A does not constitute an adequate remedy at law for breach of this Section 18 of this Exhibit A and specifically shall not be construed to preclude the availability of other relief, including equitable relief.

19. Intellectual Property, Inventions and Patents. Optionee acknowledge that all discoveries, concepts, ideas, inventions, innovations, improvements, developments, methods, designs, analyses, drawings, reports, patent applications, copyrightable work and mask work (whether or not including any confidential information) and all registrations or applications related thereto, all other proprietary information and all similar or related information (whether or not patentable) which relate specifically to the business of the Company and which are conceived, developed or made by him (whether alone or jointly with others) while employed by the Company and its Affiliates, whether before or after the date of this Agreement (“Work Product”), belong to the Company or such Affiliate. Optionee shall promptly disclose such Work Product to the Company and, at the Company's expense, perform all actions reasonably requested by the Company (whether during or after your employment with the Company and its Affiliates) to establish and confirm such ownership (including, without limitation, assignments, consents, powers of attorney and other instruments).

20. Termination. Sections 8, 9, 11, 12, 13, 14 and 15 shall terminate upon the closing of the Company's Initial Public Offering or upon consummation of any Sale Event, in either case as a result of which shares of the Company (or successor entity) of the same class as the Option Shares are registered under Section 12 of the Exchange Act, and publicly traded on the NASDAQ Global Market or any national security exchange.

21. Miscellaneous.

21.1. No Right to Employment or Service. Nothing in the Plan or this Agreement shall (i) confer upon Optionee any right to be continued in the employment of an Employer or interfere in any way with the Employer's right to terminate Optionee's employment at will at any time, for any reason, with or without cause, or to decrease Optionee's compensation or benefits, or (ii) confer upon Optionee any right to be retained or employed by the Employer or to the continuation, extension, renewal or modification of any compensation, contract or arrangement with or by the Employer.

21.2. Successors of Company. This Agreement shall be binding upon and shall inure to the benefit of any successor of the Company but, except as provided herein, the Option may not be assigned or otherwise transferred by Optionee.

21.3. Notices. Any notices under this Agreement must be in writing and will be effective when actually delivered or, if mailed, three days after deposit into the United States mail by registered or certified mail, postage prepaid. Mail shall be directed to the addresses stated on the face page of this Agreement or to such address as a party may certify by notice to the other party.

21.4. Rights as a Shareholder. Optionee shall have no rights as a shareholder with respect to any shares of Common Stock until the date Optionee becomes the holder or record of those shares. No adjustment shall be made for dividends or other rights for which the record date occurs before the date Optionee becomes the holder of record.

21.5. Amendments. The Company may at any time amend this Agreement if the amendment does not adversely affect Optionee. Otherwise, this Agreement may not be amended without the written consent of Optionee and the Company.

21.6. Governing Law. This Agreement shall be governed by the laws of the state of Delaware.

21.7. Headings. The headings in the Agreement and this Exhibit A are intended only for convenience in finding the subject matter and do not constitute part of the text of the Agreement or this Exhibit A and shall not be considered in the interpretation of this Agreement.

21.8. Savings Clause. If any provision(s) of the Agreement (including this Exhibit A) shall be determined to be illegal or unenforceable, such determination shall in no manner affect the legality or enforceability of any other provision of the Agreement (including this Exhibit A).

21.9. Complete Agreement. The Agreement (including this Exhibit A) constitutes the entire agreement between Optionee and the Company, both oral and written concerning the matters addressed herein, and all prior agreements or representations concerning the matters addressed herein, whether written or oral, express or implied, are terminated and of no further effect.

APPENDIX 1

STOCK OPTION EXERCISE NOTICE

Vivint Solar, Inc.  
c/o Vivint, Inc.  
4931 North 300 West  
Provo, UT 84604  
Attention: Chief Financial Officer

Pursuant to the terms of my stock option agreement dated [\_\_\_\_\_], 20[\_\_\_]  
(the "Agreement") under the Vivint Solar, Inc., 2011 Stock Incentive Plan, I,  
[\_\_\_\_\_], hereby partially/fully [Circle One] exercise such option by  
including herein payment in the amount of \$ \_\_\_\_\_ representing the  
Exercise Price for [Fill in number of Option Shares] \_\_\_\_\_ Option Shares. I  
have chosen the following form(s) of payment:

- Cash
- Certified or bank check payable to Vivint Solar, Inc.
- Other (as described in the Agreement (please describe)):

---

In connection with my exercise of the option as set forth above, I hereby represent and warrant to Vivint Solar, Inc. as follows:

1. I am purchasing the Option Shares for my own account for investment only, and not for resale or with a view to the distribution thereof.
2. I have had such an opportunity as I have deemed adequate to obtain from Vivint Solar, Inc. such information as is necessary to permit me to evaluate the merits and risks of my investment in Vivint Solar, Inc. and have consulted with my own advisers with respect to my investment in Vivint Solar, Inc.
3. I have sufficient experience in business, financial and investment matters to be able to evaluate the risks involved in the purchase of the Option Shares and to make an informed investment decision with respect to such purchase.
4. I can afford a complete loss of the value of the Option Shares and am able to bear the economic risk of holding such option shares for an indefinite period of time.
5. I understand that the Option Shares may not be registered under the Securities Act of 1933 (it being understood that the Option Shares are being issued and sold in reliance on the exemption provided in Rule 701 thereunder) or any applicable state securities or "blue sky" laws and may not be sold or otherwise transferred or disposed of in the absence of an effective registration statement under the



Securities Act of 1933 and under any applicable state securities or “blue sky” laws (or exemptions from the registration requirement thereof). I further acknowledge that certificates representing Option Shares will bear restrictive legends reflecting the foregoing.

Sincerely yours,

\_\_\_\_\_  
Print Name:

Address:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

VIVINT SOLAR, INC.  
INCENTIVE STOCK OPTION AGREEMENT

THIS INCENTIVE STOCK OPTION AGREEMENT (this "Agreement") is between VIVINT SOLAR, INC., a Delaware corporation (the "Company"), and TANGUY SERRA ("Optionee"), pursuant to the Company's 2011 Stock Incentive Plan (the "Plan"). The Company and Optionee agree as follows:

1. Option Grant. The Company grants to Optionee on the terms and conditions of this Agreement the right and the option (the "Option") to purchase all or any part of [REDACTED] shares of the Company's Common Stock (the "Option Shares") at a purchase price of [REDACTED] per share (the "Exercise Price"). The terms and conditions of the Option grant set forth in attached Exhibit A are incorporated into and made a part of this Agreement. The Option is intended to be an Incentive Stock Option as defined in Section 422 of the Internal Revenue Code of 1986, as amended.

2. Grant Date; Expiration Date. The Grant Date for this Option is November 1, 2011. The Option shall continue in effect until the tenth (10<sup>th</sup>) anniversary of the Grant Date (the "Expiration Date") unless earlier terminated as provided in Sections 3, 6, 8, 9, or 18.6 of Exhibit A. The Option shall not be exercisable on or after the Expiration Date.

3. Exercise of Option. The Vesting Reference Date of this Option is June 1, 2011. The Option will become exercisable in accordance with Section 2 of Exhibit A.

The parties have executed this Agreement in duplicate as of the Grant Date.

VIVINT SOLAR, INC.

OPTIONEE

By: \_\_\_\_\_  
Title: \_\_\_\_\_

Alex J. Duan  
Director

\_\_\_\_\_  
Tanguy Serra

Tanguy Serra

[address]

232 CASTRO ST.  
94114 SAN FRANCISCO  
CA, USA

VIVINT SOLAR, INC.

EXHIBIT A TO  
INCENTIVE STOCK OPTION AGREEMENT

1. Definitions. For the purposes of this Agreement, the following terms shall have the following respective meanings. All capitalized terms used in the Agreement or this Exhibit A and not otherwise defined in the Agreement or this Exhibit A shall have the respective meanings set forth in the Plan.

"Affiliate" means, as to any Person, a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such Person. A Person shall be deemed to control another Person if such first Person possesses directly or indirectly the power to direct, or cause the direction of, the management and policies of the second Person, whether through the ownership of voting securities, by contract or otherwise.

"APX Group" means APX Group, Inc., a Delaware corporation.

"APX Group Sale Event" means, regardless of the form thereof and except in the case of an initial public offering of APX Group, consummation of any of the following transactions, if such transaction also includes a Company Sale Event or a Parent Sale Event as part of the same transaction or series of related transactions: (i) the sale of all or substantially all of the assets of APX Group to an unrelated person or entity, (ii) a merger, reorganization or consolidation in which the outstanding equity securities of APX Group are converted into or exchanged for securities of the successor entity and the holders of APX Group's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the successor entity immediately upon completion of such transaction, (iii) the sale of all or a majority of the outstanding capital stock of APX Group to an unrelated person or entity or (iv) any other transaction in which, the owners of APX Group's outstanding voting power prior to such transaction do not own, collectively, at least a majority of the outstanding voting power of the successor entity immediately upon completion of the transaction.

"Bankruptcy" means (i) the filing of a voluntary petition under any bankruptcy or insolvency law, or a petition for the appointment of a receiver or the making of an assignment for the benefit of creditors, with respect to Optionee or any Permitted Transferee, or (ii) Optionee or any Permitted Transferee being subjected involuntarily to such a petition or assignment or to an attachment or other legal or equitable interest with respect to Optionee's or such Permitted Transferee's assets, which involuntary petition or assignment or attachment is not discharged within sixty (60) days after its date, and/or (iii) Optionee or any Permitted Transferee being subject to a transfer of the Option or the Option Shares by operation of law (including by divorce, even if not insolvent), except by reason of death.

"Board" means the Board of Directors of the Company.

"Cause" means, as determined in good faith by the Board: (i) the commission of any act by Optionee constituting financial dishonesty against the Company (which act would be chargeable as a crime under applicable law); (ii) Optionee's engaging in any other act of

dishonesty, fraud, intentional misrepresentation, moral turpitude, illegality or harassment which would: (A) adversely affect the business or the reputation of the Company with its current or prospective customers, suppliers, lenders and/or other third parties with whom it does or might do business; or (B) expose the Company to a risk of civil or criminal legal damages, liabilities or penalties; (iii) the repeated failure by Optionee to follow the directives of the Board after written notice of such failure; (iv) Optionee's material failure to perform the essential functions of his or her job due to the use or consumption of controlled substances or alcohol; (v) Optionee's breach of any material provision of this Agreement or (vi) any other material misconduct, violation of the Company's policies, or willful and deliberate non-performance of duty by Optionee in connection with the business affairs of the Company that, if capable of being cured, is not cured within thirty (30) days after written notice of such misconduct, violation or non-performance.

"Common Stock" means the common stock, par value \$0.0001 per share of the Company.

"Company Sale Event" means, regardless of the form thereof and except in the case of an initial public offering of the Company, consummation of (i) the sale of all or substantially all of the assets of the Company to an unrelated person or entity, (ii) a merger, reorganization or consolidation in which the outstanding equity securities of the Company are converted into or exchanged for securities of the successor entity and the holders of the Company's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the successor entity immediately upon completion of such transaction, (iii) the sale of all or a majority of the outstanding capital stock of the Company to an unrelated person or entity or (iv) any other transaction in which, the owners of the Company's outstanding voting power prior to such transaction do not own, collectively, at least a majority of the outstanding voting power of the successor entity immediately upon completion of the transaction.

"Competition" means, as reasonably determined by the Board, participating, directly or indirectly, in a Prohibited Capacity, as a director, officer, employee, principal, agent, consultant, adviser, stockholder, owner, member or partner of any business, organization, entity, or enterprise engaged, within the Restricted Area, in the sale of (i) photovoltaic panels and equipment and related services and contracts to residential customers; and (ii) any other products or services substantially similar to those sold or provided by the Company during the period of Optionee's employment by or service with the Company.

"Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time, including rules thereunder and successor provisions and rules thereto.

"Fair Market Value" means:

(i) prior to the Initial Public Offering, the fair market value per share of Common Stock proposed by the Board, unless within five (5) business days after the delivery by the Board to Optionee of the Board's determination of such fair market value Optionee notifies the Board in writing that he or she objects to such proposed fair market value (a "Notice of Objection"). If Optionee and the Board are unable to agree on Fair Market Value within five (5) business days after delivery of the Notice of Objection (the "Negotiation Period"), then Fair Market Value shall be finally and conclusively determined (with no right of appeal or challenge)

by an appraiser (the "Appraiser") who shall be appointed by the Board, but who in all events shall be an individual that regularly engages, as a primary occupation, in the professional appraisal of businesses or business interests, and who shall hold the designation of Accredited Senior Appraiser bestowed by the American Society of Appraisers. In determining Fair Market Value, the Appraiser shall comply with the Uniform Standards of Professional Appraisal Practice, and the Appraiser's engagement shall be a valuation engagement (as opposed to a calculation engagement). The standard of value applied by the Appraiser shall be the amount at which a pro rata portion of 100% of the equity of the Company would change hands between a willing seller and a willing buyer of the Company as a going concern when neither is acting under compulsion and both have reasonable knowledge of the relevant facts. For avoidance of doubt, the Appraiser shall not apply a minority interest discount. The Company shall make available on a timely basis all books and records of the Company requested by the Appraiser. The Appraiser's determination of Fair Market Value shall be reported to the Board and Optionee in writing, signed by the Appraiser, within thirty (30) days after the appointment of the Appraiser. The Company shall be responsible for the fees and expenses of the Appraiser. Notwithstanding the foregoing, if the fair market value of the Common Stock has been determined at any time within six (6) months before the date as to which a determination of Fair Market Value is required under this Exhibit A in a manner consistent in all material respects with the procedure outlined above in this clause (i), then such determination of fair market value of Common Stock shall be the Fair Market Value for all purposes under this Agreement, provided that between the time of such prior determination and the date for determination required under this Agreement there shall have occurred no material change in the business, prospects, financial condition or operations of the Company;

(ii) at the time of the Initial Public Offering, the per share price offered to the public in such Initial Public Offering, and

(iii) after the Initial Public Offering, on any date (A) if the Common Stock is listed on a national securities exchange, the mean between the highest and lowest sale prices reported as having occurred on the primary exchange with which the Common Stock is listed and traded on the date prior to such date, or, if there is no such sale on that date, then on the last preceding date on which such a sale was reported, or (B) if the Common Stock is not listed on any national securities exchange but is listed on the Nasdaq Global Market, the average between the high bid price and low ask price reported on the date prior to such date, or, if there is no such sale on that date then on the last preceding date on which such a sale was reported. If, after the Initial Public Offering, the Stock is not listed on a national securities exchange or the Nasdaq Global Market, the Fair Market Value shall mean the amount determined by the procedures set forth in clause (i) above.

"Good Reason" means the occurrence of any of the following events: (i) a substantial adverse change in the nature or scope of Optionee's responsibilities, authorities, powers, functions or duties; or (ii) a reduction in Optionee's annual base salary except for across-the-board salary reductions similarly affecting all or substantially all management employees.

"Initial Public Offering" means the consummation of the first fully underwritten, firm commitment public offering pursuant to an effective registration statement under the Securities

Act covering the offer and sale by the Company of its equity securities, as a result of or following which the Common Stock of the Company shall be publicly held.

“Monthly Period” means a period of at least 28 but no more than 31 days that ends on the same numbered day as the Initial Vesting Date in a following calendar month, provided that if the Initial Vesting Date occurs on a numbered day that does not occur in a successive month (e.g., the 29<sup>th</sup>, 30<sup>th</sup> or 31<sup>st</sup>), the relevant vesting date for the next Monthly Period shall be the last day of such next calendar month. For example, if the Initial Vesting Date occurs on January 31, the next following Monthly Periods would end on February 28 (or February 29 if a leap year), March 31, April 30, May 31, and so on, without regard to the actual number of days in such calendar months.

“Parent” means V Solar Holdings, Inc., a Delaware corporation (“V Solar”).

“Parent Sale Event” means, regardless of the form thereof and except in the case of an initial public offering of Parent, consummation of (i) the sale of all or substantially all of the assets of Parent to an unrelated person or entity, (ii) a merger, reorganization or consolidation in which the outstanding equity securities of Parent are converted into or exchanged for securities of the successor entity and the holders of Parent’s outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the successor entity immediately upon completion of such transaction, (iii) the sale of all or a majority of the outstanding capital stock of Parent to an unrelated person or entity or (iv) any other transaction in which, the owners of Parent’s outstanding voting power prior to such transaction do not own, collectively, at least a majority of the outstanding voting power of the successor entity immediately upon completion of the transaction.

“Permitted Transferees” means Optionee’s spouse, children (natural or adopted), stepchildren or a trust for their sole benefit of which Optionee is the settlor; provided, however, that any such trust does not require or permit distribution of any Option Shares during the term of this Agreement unless subject to its terms. Upon the death of Optionee (or a Permitted Transferee to whom shares have been transferred hereunder), the term Permitted Transferees shall also include Optionee’s (or such deceased Permitted Transferee’s) estate, executors, administrators, personal representatives, heirs, legatees and distributees, as the case may be.

“Person” means any individual, corporation, partnership (limited or general), limited liability company, limited liability partnership, association, trust, joint venture, unincorporated organization or any similar entity.

“Prohibited Capacity” means (i) any capacity that involves the performance of tasks or activities substantially similar to those performed by Optionee in his or her capacity as an employee of the Company at any time within the twelve (12) months immediately prior to the cessation of his or her employment with the Company; or (ii) any capacity that involves the management or supervision of any function for which Optionee was responsible in his or her capacity as an employee of the Company at any time within the twelve (12) months immediately prior to the cessation of his or her employment with the Company.

"Proprietary Information" means any information: applicable to the business of the Company or of any client, customer, or supplier of the Company, in each case which may be made known to Optionee by the Company or by any client, customer, or supplier of the Company; or learned by Optionee in such context during the period of Optionee's employment with the Company, but excluding any records, data or information which are in the public domain, provided the same are not in the public domain as a consequence of unauthorized disclosure by Optionee in violation of this Agreement. By way of illustration, but not limitation, Proprietary Information may include: (i) corporate information, including plans, strategies, product suppliers or importers, sales methods and strategies, policies, dispute resolutions, negotiations or litigation; (ii) marketing information, including strategies, methods, sales representative and regional manager identities or other information about sales representative compensation and recruiting methodologies, prospect identities or other information about prospects, or market analyses or projections; (iii) financial information, including cost and performance data, debt arrangements, unique financing structures, equity structure, investors and holdings, purchasing and sales data and price lists; (iv) operational and technological information, manuals, forms, templates, software, designs, methods, procedures, formulas, discoveries, inventions, improvements, concepts and ideas; and (v) personnel information, including personnel lists, reporting or organizational structure, resumes, personnel data, compensation structure, performance evaluations and termination arrangements or documents. The Company derives economic value from Proprietary Information that would be diminished if such Proprietary Information were disclosed to Persons in competition with the Company or to the general public.

"Repurchase Event" means (a) a Separation From Service, (b) Bankruptcy, (c) Optionee's material breach of the Agreement, including without limitation, the covenants of Section 18 of this Exhibit A or (d) a Trigger Sale Event.

"Restricted Area" means any county, city, town, or municipality where the Company conducts business and in which (i) Optionee operates on behalf of the Company; or (ii) Optionee exercises responsibility for or control over an aspect of the Company's business, in each case in his capacity as Chief Executive Officer, President and Secretary.

"Restricted Period" means the period during which Optionee is employed by the Company and a period of twelve (12) months following the cessation of Optionee's employment with the Company for any reason whatsoever.

"Sale Event" means a Company Sale Event and/or and Trigger Sale Event.

"Securities Act" means the Securities Act of 1933, as amended, including rules thereunder and successor provisions and rules thereto.

"Subsidiary" means any corporation (other than the Company) in any unbroken chain of corporations or other entities beginning with the Company if each of the corporations (other than the last corporation in the unbroken chain) owns stock or other interests possessing 50% or more of the total combined voting power of all classes of stock or in one of the other corporations in the chain.

"Total Disability" means a medically determinable mental or physical impairment that is expected to result in death or has lasted or is expected to last for a continuous period of twelve (12) months or more and that, in the opinion of the Company and two independent physicians, causes Optionee to be unable to perform duties as an employee, director, officer or consultant of the Employer and unable to be engaged in any substantial gainful activity. Total disability shall be deemed to have occurred on the first day after the two independent physicians have furnished their written opinion of total disability to the Company and the Company has reached an opinion of Total Disability.

"Trigger Sale Event" means a Parent Sale Event or an APX Group Sale Event.

2. Vesting Schedule. No portion of the Option may be exercised until such portion shall have vested in accordance with this Section 2 of Exhibit A. Subject to Section 8.1, until it expires or is terminated as provided in Sections 3, 6, 8, 9, or 18.6 of this Exhibit A, the Option shall vest (a) with respect to twenty percent (20%) of the Option Shares, twelve (12) months after the Vesting Reference Date (the "Initial Vesting Date"), and (b) one-sixtieth (1/60<sup>th</sup>) of the Option Shares shall vest on the completion of each Monthly Period of uninterrupted employment or service following the Initial Vesting Date until the Option has fully vested.

3. Separation From Service.

3.1. General Rule. Except as provided in this Section 3 of Exhibit A, the Option may not be exercised unless at the time of exercise Optionee is employed by or in the service of the Company and shall have been so employed or provided such service continuously since the Grant Date. For purposes of this Exhibit A, Optionee shall be considered to be employed by or in the service of the Company if Optionee is employed by or in the service of the Company or any parent or subsidiary of the Company (an "Employer").

3.2. Separation From Service Generally. If Optionee's employment or service with the Company or its successor entity terminates (a "Separation From Service") for any reason other than for Cause or because of Total Disability or death as provided in Sections 3.4 and 3.5 of this Exhibit A, respectively, the Option may be exercised at any time before the earlier of (i) the Expiration Date or (ii) the expiration of thirty (30) days after the date of Separation From Service ("Separation Date"), but only if and to the extent Optionee was entitled to exercise the Option at the Separation Date.

3.3. Separation From Service For Cause. Upon Optionee's Separation From Service for Cause, the Option shall terminate on the Separation Date.

3.4. Separation From Service Because of Total Disability. Upon Optionee's Separation From Service because of Total Disability, the Option may be exercised at any time before the earlier of (i) the Expiration Date or (ii) the date twelve (12) months after the Separation Date resulting from Total Disability, but only if and to the extent Optionee was entitled to exercise the Option at such Separation Date.

3.5. Separation From Service Because of Death. If Optionee dies while employed by or in the service of the Company, the Option may be exercised at any time before the earlier of (i) the Expiration Date or (ii) the date twelve (12) months after the date of death,



but only if and to the extent Optionee was entitled to exercise the Option at the date of death and only by the person or persons to whom Optionee's rights under the Option shall pass by Optionee's will or by the laws of descent and distribution of the state or country of domicile of Optionee at the time of death.

3.6. Leave of Absence. Absence on leave approved by Employer or on account of illness or disability (other than Total Disability) shall not be deemed a Separation From Service or interruption of employment or service. Vesting of the Option shall continue during an approved medical, family or military leave of absence, whether paid or unpaid, and vesting of the Option shall be suspended during any other unpaid leave of absence.

3.7. Failure to Exercise Option. If, following Separation From Service, the Option is not exercised within the applicable periods described in this Section 3 of this Exhibit A, all further rights to purchase shares pursuant to the Option shall cease and terminate.

4. Method of Exercise of Option.

4.1. Exercise Notice; Payment of Exercise Price. The Option may be exercised only by delivery by Optionee or, in the case of exercise pursuant to Section 3.5, Optionee's executor or other person authorized to represent the estate of Optionee pursuant to Optionee's will or by the laws of descent and distribution of the state or country of domicile of Optionee at the time of death (in either case the "Authorized Person") to the Company of an exercise notice ("Exercise Notice") in the form attached hereto as Appendix 1 which shall constitute a binding commitment to purchase Option Shares. The Exercise Notice shall specify the number of Option Shares being purchased under the Option, and shall be accompanied by cash or a cashier's check in the amount of the Exercise Price, unless another form of payment of the Exercise Price is authorized under the Plan.

4.2. Tax Withholding Payments. Promptly after receipt of the Exercise Notice, the Company shall notify the Authorized Person in writing of the amount of any additional amounts that are payable with respect to any applicable federal, state and local tax withholding requirements, in each case as determined by the Company, that are payable by Optionee pursuant to the Plan, which amounts shall be paid by cash or check by the Authorized Person before the Option Shares covered by the Exercise Notice are issued. If additional withholding is or becomes required (as a result of exercise of the Option or as a result of subsequent disposition of Option Shares) in excess of any amount deposited before issuance of the certificates for the Option Shares, the Authorized Person shall pay or cause Optionee's estate to pay, as applicable, such amount to the Company, in cash or by check, on demand. If the Authorized Person fails to pay, or to cause Optionee's estate to pay, as applicable, the amount demanded, the Company or the Employer may withhold that amount from other amounts payable to Optionee, including salary, subject to applicable law.

4.3. Issuance of Option Shares. Subject to Section 15 of this Exhibit A, certificates for the Option Shares so purchased will be issued and delivered to the Authorized Person upon compliance to the satisfaction of the Company with all requirements under applicable laws or regulations in connection with such issuance. Until Optionee has complied with the requirements of the Agreement and of the Plan, the Company shall be under no

obligation to issue Option Shares, and the determination of the Committee as to such compliance shall be final and binding on Optionee. Optionee shall not be deemed to be the holder of, or to have any of the rights of a holder with respect to, any Option Shares unless and until the Option has been exercised pursuant to the terms of the Agreement, the Company shall have issued and delivered the Option Shares to Optionee (or for the benefit of Optionee pursuant to Section 15 of this Exhibit A, and Optionee's name shall have been entered as a stockholder of record on the books of the Company.

5. Disqualifying Disposition. If within two years after the Grant Date or within twelve (12) months after the exercise of the Option, Optionee sells or otherwise disposes of Option Shares acquired upon exercise of the Option, Optionee or Optionee's estate, as applicable, shall within thirty (30) days after the sale or disposition notify the Company in writing of (i) the date of the sale or disposition, (ii) the amount realized on the sale or disposition and (iii) the nature of the disposition (e.g., sale, gift, etc.).

6. Nontransferability of Option. Without the prior written consent of the Company, Optionee shall not sell, assign, pledge, or in any manner transfer this Option or any right or interest in the Option, whether voluntarily or by operation of law, or by gift, bequest or otherwise. Any sale or transfer, or purported sale or transfer, of the Option, or of any right or interest in the Option, in violation of this Section 6 of this Exhibit A shall be null and void, and shall result in the immediately termination of the Option.

7. Stock Splits, Stock Dividends. If the outstanding Common Stock of the Company is hereafter increased or decreased or changed into or exchanged for a different number or kind of shares or other securities of the Company by reason of any stock split, combination of shares, dividend payable in shares, recapitalization or reclassification, appropriate adjustment shall be made by the Company in (i) the number and kind of Option Shares subject to the Option, or the unexercised portion thereof, and (ii) the Option price per share, so that Optionee's proportionate interest before and after the occurrence of the event is maintained.

8. Sale Event.

8.1. Acceleration of Vesting; Forfeiture. The vesting of any then unvested portion of the Option shall be accelerated and such unvested portion of the Option shall be deemed to have fully vested and become exercisable prior to the closing of any Sale Event. Any unexercised portion of the Option shall terminate upon the closing of such Sale Event.

8.2. Put Option Upon Trigger Sale Event. In connection with the closing of a Trigger Sale Event, Optionee (or transferees of Option Shares as allowed by Section 11) shall have the right (the "Put Option") to require the Company to purchase any or all of the Option Shares as to which the Option is exercised prior to or simultaneously with the closing of such Trigger Sale Event. The purchase price for the Option Shares upon such exercise of the Put Option shall be (i) if the Trigger Sale Event is a Parent Sale Event but not an APX Group Sale Event, the per share value of the Option Shares based on the valuation established in the Trigger Sale Event for Parent and the Company on a consolidated basis, and (ii) if the Trigger Sale Event is an APX Group Sale Event, the Fair Market Value of the Option Shares as to which the Put Option is exercised. Such transaction shall be consummated, and the purchase price for Option

Shares as to which the Put Option is exercised shall be paid in cash and in full simultaneously with the consummation of the Trigger Sale Event, or such later date as shall be agreed by the Persons who have the right to exercise the Put Option.

9. Dissolution. If the Company dissolves or liquidates, the Company shall provide a period of no more than thirty (30) days or less than ten (10) days before the effective date of the dissolution or liquidation of the Company during which the Option may be exercised to the extent then exercisable, and upon the consummation of the dissolution or liquidation, the then unexercised portion of the Option shall terminate. The Company may, in its sole discretion, accelerate the vesting of the Option so that the Option is exercisable in full during that period.

10. Restrictive Legends and Stop-Transfer Orders.

10.1. Legends. The Company shall cause the legends set forth below or legends substantially equivalent thereto, to be placed upon any certificate(s) evidencing ownership of the Option Shares together with any other legends that may be required by the Company or by state or federal securities laws:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "ACT") AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER THE ACT OR, IN THE OPINION OF COUNSEL SATISFACTORY TO THE ISSUER OF THESE SECURITIES, SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION IS IN COMPLIANCE THEREWITH.

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER, DRAG-ALONG RIGHTS, A RIGHT OF FIRST REFUSAL, REPURCHASE RIGHTS AND OTHER RIGHTS HELD BY THE ISSUER OR ITS ASSIGNEE(S) AND RESTRICTIONS AS SET FORTH IN THE INCENTIVE STOCK OPTION AGREEMENT BETWEEN THE ISSUER AND THE ORIGINAL HOLDER OF THESE SHARES, A COPY OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE ISSUER. SUCH RIGHTS AND RESTRICTIONS ARE BINDING ON TRANSFEREES OF THESE SHARES.

10.2. Stop-Transfer Notices. Optionee agrees that, in order to ensure compliance with the restrictions referred to in this Exhibit A, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

10.3. Refusal to Transfer. The Company shall not be required (i) to transfer on its books any Option Shares that have been sold or otherwise transferred in violation of any of the provisions of this Exhibit A or (ii) to treat as owner of such Option Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Option Shares shall have been so transferred.

11. Restrictions on Transfer of Option Shares. None of the Option Shares acquired upon exercise of the Option may be sold, assigned, transferred, pledged, hypothecated, given away or in any other manner disposed of or encumbered, whether voluntarily or by operation of law, unless such transfer is in compliance with all applicable securities laws (including, without limitation, the Securities Act, and such disposition is in accordance with the terms and conditions of this Section 11 and Section 12 of this Exhibit A, and provided that any transferred Option Shares and any transferee thereof continues to be subject to Sections 11, 12, 13, 14, 15 and 17 of this Exhibit A and Optionee continues to be bound by Section 18 of this Exhibit A and such disposition does not cause the Company to become subject to the reporting requirements of the Exchange Act. In connection with any transfer of Option Shares, the Company may require the transferor to provide at Optionee's expense an opinion of counsel to the transferor, satisfactory to the Company, that such transfer is in compliance with all foreign, federal and state securities laws (including, without limitation, the Securities Act). Any attempted disposition of Option Shares not in accordance with the terms and conditions of this Section 11 and Section 12 of this Exhibit A shall be null and void, and the Company shall not reflect on its records any change in record ownership of any Option Shares as a result of any such disposition, shall otherwise refuse to recognize any such disposition and shall not in any way give effect to any such disposition of any Option Shares. Subject to the foregoing general provisions, Option Shares may be transferred pursuant to the following specific terms and conditions:

11.1. Transfers to Permitted Transferees. Optionee may sell, assign, transfer or give away any or all of the Option Shares to Permitted Transferees; provided, however, that such Permitted Transferee(s) shall, as a condition to any such transfer, agree to be subject to the provisions of this Agreement to the same extent as Optionee (including, without limitation, the provisions of Sections 11, 12, 13, 14, 15 and 17 of this Exhibit A) and shall have delivered a written acknowledgment to that effect to the Company.

11.2. Transfers Upon Death. Upon the death of Optionee, any Option Shares then held by Optionee at the time of such death and any Option Shares acquired thereafter by Optionee's legal representative pursuant to this Agreement shall be subject to the provisions of Sections 11, 12, 13, 14, 15 and 17 of this Exhibit A, to the extent applicable, and Optionee's estate, executors, administrators, personal representatives, heirs, legatees and distributees shall be obligated to convey such Option Shares to the Company or its assigns under the terms contemplated hereby.

12. Right of First Refusal. All Option Shares are subject to a right of first refusal by the Company. If Optionee desires to and may, pursuant to the Agreement, dispose of Option Shares to a third party, Optionee shall promptly deliver to the Company written notice of the intended disposition (the "Disposition Notice") and the material terms and conditions thereof, including the identity of the proposed purchaser and the price per Option Share. The Company shall, for a period of sixty (60) days following receipt of the Disposition Notice, have the right to repurchase all or any portion of the Option Shares at the price and on the terms set forth in the Disposition Notice. Such right shall be exercisable by written notice delivered to Optionee prior to the expiration of the 60-day exercise period ("ROFR Notice"). If such right is exercised, the Company shall effect the repurchase of the Option Shares covered by the ROFR Notice, including payment of the purchase price, not more than five business days after delivery of the ROFR Notice. At such time, Optionee shall deliver to the Company any certificates representing

the Option Shares to be purchased, each certificate to be properly endorsed for transfer. If all of the Option Shares offered by Optionee are not purchased by the Company, Optionee shall have 30 days following lapse of the period of the right of first refusal provided to the Company to dispose of all, but not less than all, of the remaining Option Shares to the purchaser identified in the Disposition Notice on terms no more favorable to the purchaser than those specified in the Disposition Notice. After such 30-day period lapses, the Option Shares shall once again be subject to the right of first refusal in this Section 12 of this Exhibit A. The right of the Company to purchase any part of the Option Shares under this Section 12 of this Exhibit A may be assigned in whole or in part to any person or persons designated by the Board.

13. Drag-Along Right. If the holders of a majority of the Company's equity securities then outstanding (the "Majority Stockholders") determine to sell or otherwise dispose of all or substantially all of the assets of the Company or all or fifty percent (50%) or more of the capital stock of the Company in each case in a transaction constituting a change in control of the Company, to any non-Affiliate(s) of the Company or any of the Majority Stockholders, or to cause the Company to merge with or into or consolidate with any non-Affiliate(s) of the Company or any of the Majority Stockholders (in each case, the "Buyer") in a *bona fide* negotiated transaction (a "Transaction"), Optionee, including any Permitted Transferees, shall be obligated to and shall upon the written request of the Majority Stockholders: (a) sell, transfer and deliver, or cause to be sold, transferred and delivered, to the Buyer, his or her Option Shares on substantially the same terms applicable to the Majority Stockholders (with appropriate adjustments to reflect the conversion of convertible securities, the redemption of redeemable securities and the exercise of exercisable securities as well as the relative preferences and priorities of preferred stock); and (b) execute and deliver such instruments of conveyance and transfer and take such other action, including voting such Option Shares in favor of any Transaction proposed by the Majority Stockholders and executing any purchase agreements, merger agreements, indemnity agreements, escrow agreements or related documents, as the Majority Stockholders or the Buyer may reasonably require in order to carry out the terms and provisions of this Section 13 of this Exhibit A.

13.1. Power of Attorney, Custodian. By entering into the Agreement and purchasing the Option Shares, Optionee hereby appoints the Company and its officers Optionee's true and lawful attorney-in-fact and custodian, with full power of substitution (the "Custodian"), and authorizes the Custodian to take such actions as the Custodian may deem necessary or appropriate to effect the sale and transfer of the Option Shares pursuant to this Section 13 of this Exhibit A upon receipt of the purchase price therefor, free and clear of all security interests, liens, claims, encumbrances, charges, options, restrictions on transfer, proxies and voting and other agreements of whatever nature, and to take such other action as may be necessary or appropriate in connection with such sale or transfer, including consenting to any amendments, waivers (including waivers of appraisal rights that Optionee may hold with respect to such sale or transfer), modifications or supplements to the terms of the sale (provided that the Majority Stockholders also so consent, and, to the extent applicable, sell and transfer their corresponding amounts of the Company's securities on the same terms as so amended, waived, modified or supplemented) and executing any purchase agreement, merger agreement or other agreement in connection with such sale, and instructs the Secretary of the Company (or other person holding any certificates for the Common Stock) to deliver to the Custodian certificates representing Optionee's Option Shares, together with all necessary duly-executed stock powers.

Promptly after the Drag-Along Closing, the Custodian shall give notice thereof to Optionee and shall remit to Optionee the net proceeds of such sale (reduced by any amount required to be held in escrow pursuant to the terms of the purchase and sale agreement and any other expenses). If the Company or any Investor enters into any transaction for which Rule 506 (or any similar rule then in effect) promulgated under the Securities Act may be available (including, without limitation, a merger, consolidation or other reorganization), Optionee shall, if requested by the Company, appoint a purchaser representative (as such term is defined in Rule 501 of the Securities Act) reasonably acceptable to the Company. If such purchaser representative was designated by the Company, the Company shall pay the fees and expenses of such purchaser representative, but if Optionee appoints another purchaser representative, Optionee shall be responsible for the fees and expenses of the purchaser representative so appointed.

13.2. Third-Party Beneficiary; Remedies. Optionee acknowledges and agrees that the Majority Stockholders are intended third-party beneficiaries of this Section 13 of this Exhibit A, as if the Majority Stockholders were parties to this Agreement directly. Following a breach or a threatened breach by Optionee of the provisions of this Section 13 of this Exhibit A, the Majority Stockholders may obtain an injunction granting specific performance of Optionee's obligations under this Section 13 of this Exhibit A. Whether or not the Majority Stockholders obtain such an injunction, and whether or not the Transaction is consummated, following such a breach or threatened breach by Optionee the Company shall have the option to purchase any or all of Optionee's Option Shares at a purchase price per share equal to the lesser of the Exercise Price or the per share consideration payable pursuant to the Transaction. The preceding two sentences shall not limit the Company's or the Majority Stockholders' rights to recover damages (or the amount thereof) from Optionee.

#### 14. Company's Right of Repurchase.

14.1. Repurchase Right. Upon the occurrence of a Repurchase Event, the Company shall have the right (the "Repurchase Right") to repurchase from Optionee (or any Permitted Transferee holding Option Shares) some or all (as determined by the Company in its discretion) of the Option Shares acquired upon exercise of the Option by Optionee (or any Permitted Transferee) at the Repurchase Price per share specified in Section 14.2 and free and clear of any liens or encumbrances. The Repurchase Right may be exercised by the Company no earlier than six (6) months after the date of exercise of the Option and within the period that ends on the later of (i) six (6) months following the date of the occurrence of the Repurchase Event or (ii) seven (7) months after the exercise of the Option (the "Repurchase Period"). The Company may exercise the Repurchase Right by giving Optionee and any Permitted Transferee written notice on or before the last day of the Repurchase Period of its exercise of the Repurchase Right. Upon such notification, Optionee and any Permitted Transferees shall promptly surrender to the Company any certificates representing the Option Shares being purchased, together with a duly executed stock power for the transfer of such Option Shares to the Company or the Company's assignee or assignees. The Company may pay all or any portion of the Repurchase Price for such shares by offsetting and canceling any indebtedness then owed by Optionee to the Company. The Company shall pay any remaining amount of the Repurchase Price, net of amounts offset as provided in the preceding sentence, to Optionee or to such Permitted Transferee, pro rata in accordance with the number of Option Shares owned, in four (4) equal semi-annual installments

with the first such installment due six (6) months from the effective date of exercise of the Repurchase Right. The Company may assign the Repurchase Right to one or more Persons.

14.2. Repurchase Price. Upon its exercise of the Repurchase Right, the Company shall pay the following per share amounts for the Option Shares as to which the Repurchase Right is exercised (the "Repurchase Price"):

(i) If the Repurchase Event (x) is a Separation From Service resulting from the termination of Optionee by the Company for Cause or (y) results from the breach or violation by Optionee of the Agreement, the Exercise Price paid by Optionee to the Company upon exercise of the Option for such Option Shares; and

(ii) If the Repurchase Event is other than as described in Section 14.2(i) above, the greater of (x) the Exercise Price paid by Optionee to the Company upon exercise of the Option for such Option Shares and (y) the Fair Market Value as of the date of exercise of the Repurchase Right.

15. Escrow Arrangement.

15.1. Escrow. In order to carry out the provisions of Sections 11, 12, 13, 14, 15 and 17 more effectively, the Company shall hold any Option Shares in escrow together with separate stock powers executed by Optionee in blank for transfer, and any Permitted Transferee shall, as an additional condition to any transfer of Option Shares, execute a like stock power as to such Option Shares. The Company shall not dispose of the Option Shares except as otherwise provided in this Agreement. In the event of any repurchase by the Company (or any of its assigns), the Company is hereby authorized by Optionee and any Permitted Transferee, as Optionee's and each such Permitted Transferee's attorney-in-fact, to date and complete the stock powers necessary for the transfer of the Option Shares being purchased and to transfer such Option Shares in accordance with the terms hereof. At such time as any Option Shares are no longer subject to the Company's repurchase, first refusal and drag along rights, the Company shall, at the written request of Optionee, deliver to Optionee (or the relevant Permitted Transferee) a certificate representing such Option Shares with the balance of the Option Shares to be held in escrow pursuant to this Section 15 of this Exhibit A.

15.2. Remedy. Without limitation of any other provision of the Agreement or other rights, if Optionee, any Permitted Transferee or any other person or entity is required to sell Optionee's Option Shares pursuant to the provisions of Sections 12, 13 or 14 of this Exhibit A and if he or she refuses or for any reason fails to deliver to the Company or its designated purchaser of such Option Shares the certificate or certificates evidencing such Option Shares together with a related stock power, the Company or such designated purchaser may deposit the applicable purchase price for such Option Shares with a bank designated by the Company, as agent or trustee, or in escrow, for Optionee, any Permitted Transferee or other person or entity, to be held by such bank for the benefit of and for delivery to him, her, them or it, and/or, in its discretion, pay such purchase price by offsetting any indebtedness then owed by Optionee as provided above. Upon any such deposit and/or offset by the Company or its designated purchaser of such amount and upon notice to the person or entity who was required to sell the Option Shares to be sold pursuant to the provisions of Sections 12, 13 or 14 of this Exhibit A, such

Option Shares shall at such time be deemed to have been sold, assigned, transferred and conveyed to such purchaser, the holder thereof shall have no further rights thereto (other than the right to withdraw the payment thereof held in escrow, if applicable), and the Company shall record such transfer in its stock transfer book or in any appropriate manner.

16. Conditions on Obligations. The Company shall not be obligated to issue shares of Common Stock upon exercise of the Option if the Company is advised by its legal counsel that such issuance would violate applicable state or federal laws, including securities laws. The Company will use its best efforts to take steps required by state or federal law or applicable regulations in connection with issuance of shares upon exercise of the Option.

17. Lockup Provision. Optionee agrees, if requested by the Company and any underwriter engaged by the Company, not to sell or otherwise transfer or dispose of any Option Shares (including, without limitation pursuant to Rule 144 under the Securities Act) held by him or her for such period following the effective date of the Initial Public Offering as the Company or such underwriter shall specify reasonably and in good faith, not to exceed 180 days.

18. Restrictive Covenants. Optionee understands and agrees that in his capacity as Chief Executive Officer, President and Secretary of the Company he has substantial involvement in and/or responsibility over significant components of the Company's business, as well as access to Proprietary Information; that the Company has a legitimate business interest in protecting its Proprietary Information and prohibiting unfair competition by Optionee within the Restricted Area; and that this Section 18 is intended to protect the Company's legitimate business interests to the fullest extent allowed by law. Accordingly, and in consideration for the award of the Option pursuant to the Plan and the Agreement, Optionee acknowledges and agrees that:

18.1. Confidentiality of Proprietary Information. In the course of his employment with the Company, Optionee will be afforded access to Proprietary Information. Optionee shall not disclose any Proprietary Information to any Person or use any Proprietary Information for Optionee's own benefit or for the benefit of any other Person, except that Optionee may disclose Proprietary Information (i) to the extent required in the course of Optionee's service to the Company, to authorized personnel of the Company who in the reasonable judgment of Optionee need to know such Proprietary Information, or such Persons to whom Optionee has been specifically instructed to make disclosure by an officer of the Company having supervisory or management authority with respect to Optionee, and (ii) to the extent required by law.

18.2. Surrender of Materials. Upon cessation of Optionee's employment with the Company or earlier request of the Company, Optionee shall promptly surrender to the Company any Company property and any document, electronic or digital media, or information in any other form relating to or in any way connected with the operations, customers, suppliers or business affairs of the Company, or constituting or containing Proprietary Information, in each case in Optionee's possession or under Optionee's control.

18.3. Non-Competition Covenant. During the Restricted Period and in the Restricted Area, Optionee will not engage in Competition. Notwithstanding the foregoing



provision of this Section 18.3 of this Exhibit A, Optionee may directly or indirectly own, solely as a passive investment, securities of a Person which are publicly traded on a national or regional securities exchange if Optionee (i) is not a controlling individual or a member of a group which controls such Person and (ii) does not, directly or indirectly, own one percent (1%) or more of any class of securities of such Person. Optionee acknowledges and agrees that if he or she violates any of the provisions of this Section 18.3 of this Exhibit A, the running of the Restricted Period will be extended by the time during which he or she engages in such violation(s).

18.4. Non-Piracy Covenant. During the Restricted Period and within the Restricted Area, Optionee shall not, directly or indirectly, solicit or otherwise attempt to cause any customer or supplier of the Company as to which Optionee, during the most recent twelve (12) months of his or her employment, (i) had direct contact or involvement in his or her capacity as an employee of the Company; (ii) had responsibility for or control over in his or her capacity as an employee of the Company; or (iii) had access to pertinent Proprietary Information about, to terminate, reduce or diminish its relationship or level of business with the Company, provided, however, that the restrictions of this Section 18.4 of this Exhibit A shall not apply to activities on behalf of or for the benefit of the Company or to general solicitations that are not specifically directed to customers or suppliers of the Company. Optionee acknowledges and agrees that if he violates any of the provisions of this Section 18.4 of this Exhibit A, the Restricted Period will be extended by the time during which he or she engages in such violation(s).

18.5. Non-Raiding Covenant. During the Restricted Period and within the Restricted Area, Optionee will not solicit, entice or attempt to persuade any individual employed by or engaged as a consultant for the Company during the most recent twelve (12) months, (i) with whom Optionee had direct contact while Optionee was an employee of the Company or (ii) over whom Optionee had supervisory responsibility, in each case during the most recent twelve (12) months of Optionee's employment with the Company, to terminate such individual's employment with or engagement by the Company for purposes of accepting employment with or engagement by a competitor of the Company in the Restricted Area and in the same or a substantially similar capacity in which such individual was employed or engaged by the Company during the Restricted Period, provided, however, that the restrictions of this Section 18.5 shall not apply to activities on behalf of or for the benefit of the Company or general solicitations that are not specifically directed to employees of the Company. Optionee acknowledges and agrees that if he violates any of the provisions of this Section 18.5 of this Exhibit A, the Restricted Period will be extended by the time during which he or she engages in such violation(s).

18.6. Remedies. If Optionee violates or fails to satisfy any requirement of this Section 18, in addition to any other remedy available at law or pursuant to this Agreement, Optionee shall forfeit any portion of the Option that has not been exercised, whether such portion has vested or not. Additionally, Optionee acknowledges and agrees that any breach of this Section 18 shall constitute a Repurchase Event. Optionee acknowledges and agrees that the remedy provided under this Section 18.6 of this Exhibit A does not constitute an adequate remedy at law for breach of this Section 18 of this Exhibit A and specifically shall not be construed to preclude the availability of other relief, including equitable relief.

19. Intellectual Property, Inventions and Patents. Optionee acknowledge that all discoveries, concepts, ideas, inventions, innovations, improvements, developments, methods, designs, analyses, drawings, reports, patent applications, copyrightable work and mask work (whether or not including any confidential information) and all registrations or applications related thereto, all other proprietary information and all similar or related information (whether or not patentable) which relate specifically to the business of the Company and which are conceived, developed or made by him (whether alone or jointly with others) while employed by the Company and its Affiliates, whether before or after the date of this Agreement ("Work Product"), belong to the Company or such Affiliate. Optionee shall promptly disclose such Work Product to the Company and, at the Company's expense, perform all actions reasonably requested by the Company (whether during or after your employment with the Company and its Affiliates) to establish and confirm such ownership (including, without limitation, assignments, consents, powers of attorney and other instruments).

20. Termination. Sections 8, 9, 11, 12, 13, 14 and 15 shall terminate upon the closing of the Company's Initial Public Offering or upon consummation of any Sale Event, in either case as a result of which shares of the Company (or successor entity) of the same class as the Option Shares are registered under Section 12 of the Exchange Act, and publicly traded on the NASDAQ Global Market or any national security exchange.

21. Miscellaneous.

21.1. No Right to Employment or Service. Nothing in the Plan or this Agreement shall (i) confer upon Optionee any right to be continued in the employment of an Employer or interfere in any way with the Employer's right to terminate Optionee's employment at will at any time, for any reason, with or without cause, or to decrease Optionee's compensation or benefits, or (ii) confer upon Optionee any right to be retained or employed by the Employer or to the continuation, extension, renewal or modification of any compensation, contract or arrangement with or by the Employer.

21.2. Successors of Company. This Agreement shall be binding upon and shall inure to the benefit of any successor of the Company but, except as provided herein, the Option may not be assigned or otherwise transferred by Optionee.

21.3. Notices. Any notices under this Agreement must be in writing and will be effective when actually delivered or, if mailed, three days after deposit into the United States mail by registered or certified mail, postage prepaid. Mail shall be directed to the addresses stated on the face page of this Agreement or to such address as a party may certify by notice to the other party.

21.4. Rights as a Shareholder. Optionee shall have no rights as a shareholder with respect to any shares of Common Stock until the date Optionee becomes the holder or record of those shares. No adjustment shall be made for dividends or other rights for which the record date occurs before the date Optionee becomes the holder of record.

21.5. Amendments. The Company may at any time amend this Agreement if the amendment does not adversely affect Optionee. Otherwise, this Agreement may not be amended without the written consent of Optionee and the Company.

21.6. Governing Law. This Agreement shall be governed by the laws of the state of Delaware.

21.7. Headings. The headings in the Agreement and this Exhibit A are intended only for convenience in finding the subject matter and do not constitute part of the text of the Agreement or this Exhibit A and shall not be considered in the interpretation of this Agreement.

21.8. Savings Clause. If any provision(s) of the Agreement (including this Exhibit A) shall be determined to be illegal or unenforceable, such determination shall in no manner affect the legality or enforceability of any other provision of the Agreement (including this Exhibit A).

21.9. Complete Agreement. The Agreement (including this Exhibit A) constitutes the entire agreement between Optionee and the Company, both oral and written concerning the matters addressed herein, and all prior agreements or representations concerning the matters addressed herein, whether written or oral, express or implied, are terminated and of no further effect.

APPENDIX 1

STOCK OPTION EXERCISE NOTICE

Vivint Solar, Inc.  
c/o Vivint, Inc.  
4931 North 300 West  
Provo, UT 84604  
Attention: Chief Financial Officer

Pursuant to the terms of my stock option agreement dated [\_\_\_\_], 20[\_\_\_\_]  
(the "Agreement") under the Vivint Solar, Inc., 2011 Stock Incentive Plan, I,  
[\_\_\_\_], hereby partially/fully [Circle One] exercise such option by  
including herein payment in the amount of \$ \_\_\_\_\_ representing the  
Exercise Price for [Fill in number of Option Shares] \_\_\_\_\_ Option Shares. I  
have chosen the following form(s) of payment:

- Cash
- Certified or bank check payable to Vivint Solar, Inc.
- Other (as described in the Agreement (please describe)):

\_\_\_\_\_

In connection with my exercise of the option as set forth above, I hereby represent and warrant to Vivint Solar, Inc. as follows:

1. I am purchasing the Option Shares for my own account for investment only, and not for resale or with a view to the distribution thereof.
2. I have had such an opportunity as I have deemed adequate to obtain from Vivint Solar, Inc. such information as is necessary to permit me to evaluate the merits and risks of my investment in Vivint Solar, Inc. and have consulted with my own advisers with respect to my investment in Vivint Solar, Inc.
3. I have sufficient experience in business, financial and investment matters to be able to evaluate the risks involved in the purchase of the Option Shares and to make an informed investment decision with respect to such purchase.
4. I can afford a complete loss of the value of the Option Shares and am able to bear the economic risk of holding such option shares for an indefinite period of time.
5. I understand that the Option Shares may not be registered under the Securities Act of 1933 (it being understood that the Option Shares are being issued and sold in reliance on the exemption provided in Rule 701 thereunder) or any applicable state securities or "blue sky" laws and may not be sold or otherwise transferred or disposed of in the absence of an effective registration statement under the

Securities Act of 1933 and under any applicable state securities or "blue sky" laws (or exemptions from the registration requirement thereof). I further acknowledge that certificates representing Option Shares will bear restrictive legends reflecting the foregoing.

Sincerely yours,

.....  
Print Name:

Address:  
.....  
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