

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2026

OR

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

Commission file number: 001-35636

Everforth, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

95-4023433

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

4400 Cox Road, Suite 110, Glen Allen, Virginia

(Address of Principal Executive Offices)

23060

(Zip Code)

(888) 482-8068

(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol	Name of exchange on which registered
Common Stock	EFOR	NYSE

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

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

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
☐ Yes ☒ No

At July 24, 2026, the total number of outstanding shares of the Common Stock of Everforth, Inc. (the "Company") (\$0.01 par value) was 41.0 million.

EVERFORTH, INC. AND SUBSIDIARIES

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PART I — FINANCIAL INFORMATION

Item 1 — Condensed Consolidated Financial Statements (Unaudited)

EVERFORTH, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)
(in millions, except share data)

	June 30, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 152.9	\$ 161.2
Accounts receivable, net	766.3	674.4
Other current assets	68.4	80.6
Total current assets	987.6	916.2
Property and equipment, net	79.0	84.5
Identifiable intangible assets, net	595.6	453.8
Goodwill	2,280.4	2,143.2
Other non-current assets	80.9	79.6
Total assets	<u>\$ 4,023.5</u>	<u>\$ 3,677.3</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 69.5	\$ 47.2
Accrued payroll	251.1	231.4
Other current liabilities	143.8	145.7
Total current liabilities	464.4	424.3
Long-term debt	1,438.1	1,169.4
Deferred income tax liabilities	275.1	237.3
Other long-term liabilities	40.8	42.3
Total liabilities	2,218.4	1,873.3
Commitments and contingencies (Note 6)		
Stockholders' equity:		
Preferred stock, \$0.01 par value; 1.0 million shares authorized; no shares issued	—	—
Common stock, \$0.01 par value; 75.0 million shares authorized; 40.9 million and 41.7 million shares outstanding at June 30, 2026 and December 31, 2025, respectively.	0.4	0.4
Paid-in capital	725.6	713.5
Retained earnings	1,082.2	1,091.7
Accumulated other comprehensive loss	(3.1)	(1.6)
Total stockholders' equity	<u>1,805.1</u>	<u>1,804.0</u>
Total liabilities and stockholders' equity	<u>\$ 4,023.5</u>	<u>\$ 3,677.3</u>

See notes to condensed consolidated financial statements.

EVERFORTH, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (Unaudited)
(in millions, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenues	\$ 1,007.0	\$ 1,020.6	\$ 1,975.3	\$ 1,988.9
Costs of services	722.4	727.3	1,424.1	1,420.2
Gross profit	284.6	293.3	551.2	568.7
Selling, general, and administrative expenses	226.2	216.8	450.6	431.3
Amortization of intangible assets	17.3	16.9	31.8	31.2
Operating income	41.1	59.6	68.8	106.2
Interest expense, net	(20.4)	(18.2)	(37.5)	(33.6)
Income before income taxes	20.7	41.4	31.3	72.6
Provision for income taxes	6.5	12.1	11.6	22.4
Net income	\$ 14.2	\$ 29.3	\$ 19.7	\$ 50.2
Earnings per share:				
Basic	\$ 0.35	\$ 0.67	\$ 0.48	\$ 1.15
Diluted	\$ 0.35	\$ 0.67	\$ 0.48	\$ 1.14
Shares and share equivalents used to calculate earnings per share:				
Basic	41.0	43.8	41.2	43.8
Diluted	41.0	44.0	41.2	44.0
Reconciliation of net income to comprehensive income:				
Net income	\$ 14.2	\$ 29.3	\$ 19.7	\$ 50.2
Foreign currency translation adjustment	(0.8)	2.6	(1.5)	3.4
Comprehensive income	\$ 13.4	\$ 31.9	\$ 18.2	\$ 53.6

See notes to condensed consolidated financial statements.

EVERFORTH, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (Unaudited)
(in millions)

	Common Stock		Paid-in Capital	Retained Earnings	Other	Total
	Shares	Par Value				
Three Months Ended June 30, 2026						
Balance at March 31, 2026	41.3	\$ 0.4	\$ 718.2	\$ 1,072.9	\$ (2.3)	\$ 1,789.2
Stock-based compensation expense	—	—	14.6	—	—	14.6
Tax withholding on restricted stock vesting	—	—	(0.4)	—	—	(0.4)
Stock repurchase and retirement of shares	(0.4)	—	(6.8)	(4.9)	—	(11.7)
Other	—	—	—	—	(0.8)	(0.8)
Net income	—	—	—	14.2	—	14.2
Balance at June 30, 2026	<u>40.9</u>	<u>\$ 0.4</u>	<u>\$ 725.6</u>	<u>\$ 1,082.2</u>	<u>\$ (3.1)</u>	<u>\$ 1,805.1</u>

Three Months Ended June 30, 2025						
Balance at March 31, 2025	43.9	\$ 0.4	\$ 719.0	\$ 1,078.1	\$ (4.2)	\$ 1,793.3
Stock-based compensation expense	—	—	11.9	—	—	11.9
Tax withholding on restricted stock vesting	—	—	(1.2)	—	—	(1.2)
Stock repurchase and retirement of shares	(0.1)	—	(2.6)	(6.5)	—	(9.1)
Other	—	—	—	—	2.6	2.6
Net income	—	—	—	29.3	—	29.3
Balance at June 30, 2025	<u>43.8</u>	<u>\$ 0.4</u>	<u>\$ 727.1</u>	<u>\$ 1,100.9</u>	<u>\$ (1.6)</u>	<u>\$ 1,826.8</u>

	Common Stock		Paid-in Capital	Retained Earnings	Other	Total
	Shares	Par Value				
Six Months Ended June 30, 2026						
Balance at December 31, 2025	41.7	\$ 0.4	\$ 713.5	\$ 1,091.7	\$ (1.6)	\$ 1,804.0
Stock-based compensation expense	—	—	29.7	—	—	29.7
Issuances under equity plans	0.4	—	6.9	—	—	6.9
Tax withholding on restricted stock vesting	—	—	(3.8)	—	—	(3.8)
Stock repurchase and retirement of shares	(1.2)	—	(20.7)	(29.2)	—	(49.9)
Other	—	—	—	—	(1.5)	(1.5)
Net income	—	—	—	19.7	—	19.7
Balance at June 30, 2026	<u>40.9</u>	<u>\$ 0.4</u>	<u>\$ 725.6</u>	<u>\$ 1,082.2</u>	<u>\$ (3.1)</u>	<u>\$ 1,805.1</u>

Six Months Ended June 30, 2025						
Balance at December 31, 2024	43.8	\$ 0.4	\$ 684.2	\$ 1,097.1	\$ (5.0)	\$ 1,776.7
Stock-based compensation expense	—	—	25.7	—	—	25.7
Issuances under equity plans	0.2	—	8.7	—	—	8.7
Tax withholding on restricted stock vesting	—	—	(7.0)	—	—	(7.0)
Stock repurchase and retirement of shares	(0.7)	—	(13.2)	(46.4)	—	(59.6)
Acquisition	0.5	—	28.7	—	—	28.7
Other	—	—	—	—	3.4	3.4
Net income	—	—	—	50.2	—	50.2
Balance at June 30, 2025	<u>43.8</u>	<u>\$ 0.4</u>	<u>\$ 727.1</u>	<u>\$ 1,100.9</u>	<u>\$ (1.6)</u>	<u>\$ 1,826.8</u>

See notes to condensed consolidated financial statements.

EVERFORTH, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(in millions)

	Six Months Ended June 30,	
	2026	2025
Cash Flows from Operating Activities		
Net income	\$ 19.7	\$ 50.2
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization and depreciation	59.2	54.3
Stock-based compensation	29.7	25.7
Other	3.8	7.3
Changes in operating assets and liabilities:		
Accounts receivable	(72.3)	(18.0)
Prepaid expenses and income taxes	(0.3)	(4.6)
Accounts payable	18.9	4.6
Accrued payroll	14.3	23.7
Income taxes payable	2.1	11.7
Other	(4.4)	(13.2)
Net cash provided by operating activities	70.7	141.7
Cash Flows from Investing Activities		
Cash paid for property and equipment	(15.3)	(19.3)
Cash paid for acquisitions, net of cash acquired	(283.6)	(306.1)
Net cash used in investing activities	(298.9)	(325.4)
Cash Flows from Financing Activities		
Proceeds from long-term debt	370.0	265.0
Principal payments of long-term debt	(100.8)	(87.5)
Proceeds from employee stock purchase plan	6.9	8.7
Repurchase of common stock	(50.5)	(59.9)
Payment of employment taxes related to release of restricted stock awards	(3.8)	(7.0)
Other	(1.5)	(3.0)
Net cash provided by financing activities	220.3	116.3
Effect of exchange rate changes on cash and cash equivalents	(0.4)	1.1
Net Decrease in Cash and Cash Equivalents	(8.3)	(66.3)
Cash and Cash Equivalents at Beginning of Year	161.2	205.2
Cash and Cash Equivalents at End of Period	<u>\$ 152.9</u>	<u>\$ 138.9</u>
Supplemental Disclosure of Cash Flow Information		
Cash paid for —		
Income taxes, net of refunds received	\$ —	\$ 5.0
Interest	\$ 36.4	\$ 33.5
Operating leases	\$ 12.7	\$ 12.4
Noncash transactions —		
Operating lease right-of-use assets obtained in exchange for operating lease liabilities	\$ 7.2	\$ 12.4

See notes to condensed consolidated financial statements.

EVERFORTH, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. General

Business Description — On April 24, 2026, the Company changed its name to Everforth, Inc. from ASGN Incorporated. Everforth, Inc. and its subsidiaries ("Everforth" or the "Company") is a technology and digital engineering company that helps organizations adapt, innovate, and thrive in a world of constant change. The Company's six solution areas - AI and data, cloud and infrastructure, application and digital engineering, experience, cybersecurity, and enterprise platforms – accelerate time to value for our commercial and federal clients. Everforth provides these solutions across two segments (see *Note 9. Segment Reporting*). The Commercial Segment, which is the largest segment, provides IT solutions to Fortune 1000 and large mid-market clients across five industries: (i) Consumer and Industrial, (ii) Technology, Media, and Telecom ("TMT"), (iii) Financial Services, (iv) Healthcare, and (v) Business Services. The Federal Government Segment provides advanced IT solutions to the following four customer types: (i) Defense and Intelligence, (ii) National Security, (iii) Federal Civilian, and (iv) Other clients.

Basis of Presentation — The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and the rules of the Securities and Exchange Commission. Certain information and note disclosures normally included in annual financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to those rules and regulations. The December 31, 2025 balance sheet was derived from audited financial statements. The financial statements include adjustments consisting of normal recurring items, which, in the opinion of management, are necessary for a fair presentation of the financial position of Everforth and its results of operations for the interim dates and periods set forth herein. The results for any of the interim periods are not necessarily indicative of the results to be expected for the full year or any other period. This Quarterly Report on Form 10-Q should be read in conjunction with the Company's Annual Report on Form 10-K for the year ended December 31, 2025 ("2025 10-K").

2. Balance Sheet Details

The table below presents selected balance sheet account balances (in millions):

	June 30, 2026	December 31, 2025
Other current assets:		
Prepaid expenses and income taxes	\$ 48.6	\$ 46.9
Deferred compensation plan assets	—	19.1
Other	19.8	14.6
	<u>\$ 68.4</u>	<u>\$ 80.6</u>
Other non-current assets:		
Operating lease right-of-use assets	\$ 54.6	\$ 58.0
Other	26.3	21.6
	<u>\$ 80.9</u>	<u>\$ 79.6</u>
Other current liabilities:		
Operating lease liabilities	\$ 20.9	\$ 21.0
Contract liabilities	41.6	26.2
Deferred compensation plan liabilities	2.9	19.1
Income taxes payable	4.3	2.1
Other	74.1	77.3
	<u>\$ 143.8</u>	<u>\$ 145.7</u>
Other long-term liabilities:		
Operating lease liabilities	\$ 37.6	\$ 41.5
Other	3.2	0.8
	<u>\$ 40.8</u>	<u>\$ 42.3</u>

In the second quarter of 2025, the Company terminated its deferred compensation plan ("DCP"). In the second quarter of 2026, the majority of the participant asset accounts were distributed to participants. The remaining \$2.9 million was distributed in July 2026.

3. Acquisition

In March 2026, the Company acquired Quinnox Inc. (“Quinnox”), an agile, results-driven digital solutions provider, for \$290.0 million in cash. Quinnox is part of the Commercial Segment and its results of operations are included in the consolidated results of the Company from the date of its acquisition. The purchase accounting for this acquisition remains incomplete with respect to the provisional fair value of assets acquired and liabilities assumed, as management continues to gather and evaluate information about circumstances that existed as of the acquisition date. Measurement period adjustments will be recognized prospectively within 12 months from the date of acquisition. The preliminary fair value of the identifiable intangible asset and goodwill related to this acquisition is as follows (in millions):

	Estimated Useful Life in Years	
Customer relationships	13	\$ 173.6
Goodwill	—	\$ 137.4

None of the Quinnox goodwill is tax-deductible.

4 Goodwill and Identifiable Intangible Assets

Goodwill by reportable segment is as follows (in millions):

	Commercial	Federal Government	Total
Balance as of December 31, 2024	\$ 1,074.8	\$ 818.3	\$ 1,893.1
Acquisition of TopBloc	248.7	—	248.7
Translation adjustment	1.4	—	1.4
Balance as of December 31, 2025	1,324.9	818.3	2,143.2
Acquisition of Quinnox	137.4	—	137.4
Translation adjustment	(0.2)	—	(0.2)
Balance at June 30, 2026	\$ 1,462.1	\$ 818.3	\$ 2,280.4

Acquired identifiable intangible assets consisted of the following (in millions):

		June 30, 2026			December 31, 2025		
	Estimated Useful Life in Years	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Subject to amortization:							
Customer and contractual relationships	6 - 13	\$ 621.0	\$ 334.8	\$ 286.2	\$ 447.4	\$ 305.2	\$ 142.2
Non-compete agreements	3 - 7	21.4	19.6	1.8	21.4	18.2	3.2
Internally-developed software	3	4.4	2.0	2.4	4.4	1.2	3.2
		646.8	356.4	290.4	473.2	324.6	148.6
Not subject to amortization:							
Trademarks		305.2	—	305.2	305.2	—	305.2
		<u>\$ 952.0</u>	<u>\$ 356.4</u>	<u>\$ 595.6</u>	<u>\$ 778.4</u>	<u>\$ 324.6</u>	<u>\$ 453.8</u>

Estimated future amortization expense is as follows (in millions):

Remainder of 2026	\$ 34.6
2027	53.3
2028	36.1
2029	30.7
2030	25.0
Thereafter	110.7
	<u>\$ 290.4</u>

5. Long-Term Debt

Long-term debt consisted of the following (in millions):

	June 30, 2026	December 31, 2025
Senior Secured Credit Facility:		
\$500 million revolving credit facility, due 2028	\$ 318.0	\$ 45.0
Term loan A, due 2028	97.5	98.8
Term loan B, due 2030	486.3	488.8
Unsecured Senior Notes, due 2028	550.0	550.0
	1,451.8	1,182.6
Unamortized deferred loan costs	(3.7)	(4.4)
Principal payments due in the next 12 months	(10.0)	(8.8)
Long-term debt	<u>\$ 1,438.1</u>	<u>\$ 1,169.4</u>

The Company is required to make quarterly minimum principal payments on its term loans until maturity as follows: (i) for term loan A, payments totaling \$2.5 million for the first year and \$5.0 million annually thereafter, and (ii) for term loan B, payments totaling \$5.0 million annually. These payments are reflected in other current liabilities on the accompanying condensed consolidated balance sheets. Considering the annual required principal payments, the balances due at maturity will be \$90.0 million for term loan A and \$466.3 million for term loan B.

Senior Secured Credit Facility — The Company's senior secured credit facility (the "facility") is comprised of a term loan A, term loan B, and a \$500.0 million revolving credit facility (the "revolver"). At the Company's election, interest rates are as follows:

- i. Term loan A – secured overnight financing rate ("SOFR") plus 1.50 to 2.50 percent, or the bank's base rate plus 0.50 to 1.50 percent, depending on leverage levels.
- ii. Term loan B – SOFR plus 1.75 percent, or the bank's base rate plus 0.75 percent.
- iii. Borrowings under the revolver – SOFR plus a 10-basis points adjustment plus 2.00 to 3.00 percent, or the bank's base rate plus 1.00 to 2.00 percent, depending on leverage levels. A commitment fee of 0.30 to 0.45 percent is payable on the undrawn portion of the revolver.

The facility is subject to various restrictive covenants, including a maximum ratio of senior secured debt to trailing-twelve-months of lender-defined consolidated EBITDA ("leverage ratio") of 3.75 to 1, which was 2.17 to 1 at June 30, 2026. The facility is secured by substantially all of the Company's assets and at June 30, 2026, the Company was in compliance with its debt covenants.

Unsecured Senior Notes — The Company has \$550.0 million of unsecured senior notes, due in 2028, which bear interest at 4.625 percent payable semiannually in arrears on May 15 and November 15. These notes are unsecured obligations and are subordinate to the senior secured credit facility. These notes also contain certain customary limitations, including the Company's ability to incur additional indebtedness, engage in mergers and acquisitions, transfer or sell assets, and make certain distributions.

Subsequent Event — On July 7, 2026, the Company amended its revolving credit facility. The amendment increased the revolver from \$500.0 million to \$600.0 million and extended the maturity date from February 14, 2028 to July 7, 2031, subject to certain provisions. At the Company's election, borrowings bear interest at SOFR plus 1.75 to 2.75 percent, or the bank's base rate plus 0.75 to 1.75 percent. The amendment also reduced the leverage ratio restrictive covenant to a maximum of 3.50 to 1 and 3.25 to 1 beginning with the quarter ending June 30, 2027 and 2028, respectively. In connection with the amendment, the Company repaid and terminated the Term loan A.

6. Commitments and Contingencies

We are involved in various legal proceedings, investigations, claims, indemnification claims, and litigation, including purported collective class and Private Attorneys General Act ("PAGA") actions alleging violations of wage and hour laws, job posting laws, and other actions. However, based on the facts currently available, we do not believe that the disposition of matters that are pending or asserted will have a material effect on our financial position, results of operations, or cash flows.

7. Income Taxes

For interim reporting periods, the Company's provision for income taxes is calculated using its annualized estimated effective tax rate for the year. This rate is based on its estimated full-year income and the related income tax expense for each jurisdiction in which the Company operates. The effective tax rate can be affected by changes in the geographical mix, permanent differences, and the estimate of full year pre-tax accounting income. This rate is adjusted for the effects of discrete items occurring in the period.

8. Earnings per Share

The following is a reconciliation of the number of shares and share equivalents used to calculate basic and diluted earnings per share (in millions, except per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net income	\$ 14.2	\$ 29.3	\$ 19.7	\$ 50.2
Weighted-average number of common shares outstanding - basic	41.0	43.8	41.2	43.8
Dilutive effect of common share equivalents	—	0.2	—	0.2
Weighted-average number of common shares and share equivalents outstanding - diluted	41.0	44.0	41.2	44.0
Earnings per share:				
Basic	\$ 0.35	\$ 0.67	\$ 0.48	\$ 1.15
Diluted	\$ 0.35	\$ 0.67	\$ 0.48	\$ 1.14

9. Segment Reporting

Everforth is a technology and digital engineering company that provides IT solutions to clients across the commercial and government sectors through its two segments: Commercial Segment and Federal Government Segment (see *Note 1. General*). The Company's chief operating decision maker is its chief executive officer, and he reviews segment revenues, gross profit and operating income for each segment. He also considers forecast-to-actual variances on a monthly basis for these financial measures when making decisions about allocating resources to the segments and uses these segment financial measures in the annual budget process. Virtually all of the Company's revenues are generated in the United States. Segment information is as follows (in millions):

	Three Months Ended June 30, 2026			Six Months Ended June 30, 2026		
	Commercial	Federal Government	Total	Commercial	Federal Government	Total
Revenues	\$ 701.7	\$ 305.3	\$ 1,007.0	\$ 1,377.2	\$ 598.1	\$ 1,975.3
Costs of services	476.8	245.6	722.4	943.1	481.0	1,424.1
Gross profit	224.9	59.7	284.6	434.1	117.1	551.2
Segment depreciation and other amortization	11.2	2.0	13.2	22.2	3.9	26.1
Other segment expenses	154.8	27.7	182.5	305.6	54.3	359.9
Segment SG&A expenses	166.0	29.7	195.7	327.8	58.2	386.0
Amortization of intangible assets	11.6	5.7	17.3	20.4	11.4	31.8
Segment operating income	47.3	24.3	71.6	85.9	47.5	133.4
Corporate SG&A expenses			30.5			64.6
Operating income			41.1			68.8
Interest expense, net			20.4			37.5
Income before taxes			20.7			31.3
Provision for income taxes			6.5			11.6
Net income			\$ 14.2			\$ 19.7

	Three Months Ended June 30, 2025			Six Months Ended June 30, 2025		
	Commercial	Federal Government	Total	Commercial	Federal Government	Total
Revenues	\$ 708.1	\$ 312.5	\$ 1,020.6	\$ 1,380.3	\$ 608.6	\$ 1,988.9
Costs of services	474.7	252.6	727.3	929.2	491.0	1,420.2
Gross profit	233.4	59.9	293.3	451.1	117.6	568.7
Segment depreciation and other amortization	9.0	1.5	10.5	18.0	3.0	21.0
Other segment expenses	149.3	28.6	177.9	295.3	58.3	353.6
Segment SG&A expenses	158.3	30.1	188.4	313.3	61.3	374.6
Amortization of intangible assets	10.5	6.4	16.9	18.3	12.9	31.2
Segment operating income	64.6	23.4	88.0	119.5	43.4	162.9
Corporate SG&A expenses			28.4			56.7
Operating income			59.6			106.2
Interest expense, net			18.2			33.6
Income before taxes			41.4			72.6
Provision for income taxes			12.1			22.4
Net income			\$ 29.3			\$ 50.2

Costs of services include an immaterial amount of depreciation expense.

Other segment expenses include compensation-related expenses, rent, marketing, and other general and administrative expenses.

Corporate SG&A expenses include compensation-related expenses, stock-based compensation, depreciation, acquisition, integration and strategic planning expenses, and public company expenses.

Commercial segment revenues by industry are as follows (in millions):

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2026	2025	2026	2025
Consumer and Industrial	\$ 230.8	\$ 235.1	\$ 454.8	\$ 449.3
Technology, Media, and Telecom	144.7	137.0	282.9	270.2
Financial Services	132.5	135.8	259.3	270.2
Healthcare	116.9	118.0	233.0	225.4
Business Services	76.8	82.2	147.2	165.2
	\$ 701.7	\$ 708.1	\$ 1,377.2	\$ 1,380.3

The Company updated its revenue disaggregation for the Commercial Segment to reflect the evolution of the Company's go-to market strategy, which is industry-focused. Prior-period revenue disaggregation has been updated to conform to the current period presentation.

Federal Government Segment revenues by customer type are as follows (in millions):

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2026	2025	2026	2025
Department of Defense and Intelligence Agencies	\$ 127.2	\$ 136.2	\$ 248.3	\$ 265.1
National Security	94.2	87.3	178.8	161.4
Federal Civilian	51.3	57.8	105.9	119.8
Other	32.6	31.2	65.1	62.3
	\$ 305.3	\$ 312.5	\$ 598.1	\$ 608.6

Approximately 90% of Commercial Segment revenue was generated from time-and-materials ("T&M") contracts, with the remainder generated from firm-fixed-price contracts. Federal Government Segment revenues by contract type are as follows (in millions):

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2026	2025	2026	2025
Firm-fixed-price	\$ 83.3	\$ 86.0	\$ 173.5	\$ 176.0
T&M	115.6	128.1	221.6	254.2
Cost reimbursable	106.4	98.4	203.0	178.4
	<u>\$ 305.3</u>	<u>\$ 312.5</u>	<u>\$ 598.1</u>	<u>\$ 608.6</u>

10. Fair Value Measurements

Recurring Fair Value Measurements — The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable, and accrued payroll approximate their fair value based on their short-term nature.

Nonrecurring Fair Value Measurements — Certain assets, such as goodwill and trademarks, are not measured at fair value on an ongoing basis but are subject to fair value adjustments in certain circumstances, such as, when there is evidence of impairment. There were no fair value adjustments for non-financial assets or liabilities during the six months ended June 30, 2026.

The carrying amount of long-term debt recorded in the Company's accompanying condensed consolidated balance sheet at June 30, 2026 was approximately \$1.5 billion (see *Note 5. Long-Term Debt*) and its fair value was approximately \$1.4 billion. The fair value for the term loan B and senior notes was determined using quoted prices in active markets for identical liabilities (Level 1 inputs) and the fair value for the term loan A was determined using quotes prices in active markets for similar liabilities (Level 2 inputs). The carrying value of the revolving credit facility approximates its fair value.

Item 2 — Management’s Discussion and Analysis of Financial Condition and Results of Operations

The information in this discussion contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such statements are based upon current expectations, as well as management's beliefs and assumptions, and involve a high degree of risk and uncertainty. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. Statements that include the words "believes," "anticipates," "plans," "expects," "intends," and similar expressions that convey uncertainty of future events or outcomes are forward-looking statements. Our actual results could differ materially from those discussed or suggested in the forward-looking statements herein. Factors that could cause or contribute to such differences include those described in Item 1A. Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2025 ("2025 10-K"). In addition, as a result of these and other factors, our past financial performance should not be relied on as an indication of future performance. All forward-looking statements in this document are based on information available to us as of the filing date of this Quarterly Report on Form 10-Q and we assume no obligation to update any forward-looking statements or the reasons why our actual results may differ.

OVERVIEW

Everforth is a technology and digital engineering company that provides IT solutions to clients across the commercial and government sectors through its two segments: Commercial Segment and Federal Government Segment (see *Note 1. General* in Part I, Item 1 in this Quarterly Report on Form 10-Q).

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED JUNE 30, 2026 COMPARED WITH THE THREE MONTHS ENDED JUNE 30, 2025

Revenues

Consolidated revenues for the quarter were \$1.0 billion, down 1.3 percent year-over-year. The table below shows our revenues by segment for the three months ended June 30, 2026 and 2025 (in millions).

	2026	2025	Change	% of Total		
				2026	2025	Change
Commercial	\$ 701.7	\$ 708.1	(0.9%)	69.7%	69.4%	0.3%
Federal Government	305.3	312.5	(2.3%)	30.3%	30.6%	(0.3%)
Consolidated	<u>\$ 1,007.0</u>	<u>\$ 1,020.6</u>	<u>(1.3%)</u>	<u>100.0%</u>	<u>100.0%</u>	

Commercial Segment revenues were approximately 70 percent of total revenues and were down 0.9 percent year-over-year. From an industry perspective, the decrease was attributable to reduced revenue from clients across Business Services, Financial Services, Consumer and Industrial, and Healthcare, partially offset by year-over-year revenue growth in TMT. Federal Government Segment revenues were approximately 30 percent of total revenues and were down 2.3 percent year-over-year. The decrease was mainly attributable to reduced revenue from Defense and Intelligence and Federal Civilian agencies, partially offset by increases in revenues from National Security agencies and other customers.

Gross Profit and Gross Margin

The table below shows gross profit and gross margin by segment for the three months ended June 30, 2026 and 2025 (in millions).

	Gross Profit			Gross Margin		
	2026	2025	Change	2026	2025	Change
Commercial	\$ 224.9	\$ 233.4	(3.6%)	32.1%	33.0%	(0.9%)
Federal Government	59.7	59.9	(0.3%)	19.6%	19.2%	0.4%
Consolidated	<u>\$ 284.6</u>	<u>\$ 293.3</u>	<u>(3.0%)</u>	<u>28.3%</u>	<u>28.7%</u>	<u>(0.4%)</u>

Gross profit is comprised of revenues, less costs of services, which consist primarily of compensation for our contract professionals, other direct costs, and reimbursable out-of-pocket expenses.

Consolidated gross profit declined 3.0 percent year-over-year. Gross margin for the second quarter of 2026 was 28.3 percent, a compression of 40 basis points compared with the second quarter of 2025. Gross margin for the Commercial Segment was down 90 basis points year-over-year, primarily driven by business mix related to a smaller contribution from some of our higher-margin solutions including permanent placement revenues, as well as changes in foreign currency exchange rates primarily related to our delivery center in Mexico. Gross margin for the Federal Government Segment was up 40 basis points year-over-year, driven by focused efforts to improve profitability across the contract portfolio.

Selling, General, and Administrative Expenses

Selling, general, and administrative ("SG&A") expenses consist primarily of compensation expense for our field operations and corporate staff, information systems, rent, public company expenses, and other general and administrative expenses. SG&A expenses were \$226.2 million, compared with \$216.8 million in the second quarter of 2025. SG&A expenses in the second quarter of 2026 included \$9.8 million in acquisition, integration, and strategic planning expenses, compared with \$8.3 million in the second quarter of 2025.

Amortization of Intangible Assets

Amortization of intangible assets was \$17.3 million, compared with \$16.9 million in the second quarter of 2025. The increase relates to the effects of the Quinnox acquisition, partially offset by older intangibles reaching the end of their useful lives.

Interest Expense, Net

Interest expense, net, which consists primarily of cash-based interest expense, amortization and adjustments to deferred loan costs, and interest income, was \$20.4 million, up from \$18.2 million in the second quarter of 2025. The increase was due to higher outstanding borrowings. The weighted-average outstanding borrowings and cash-based interest rates in the second quarter of 2026 and 2025 were \$1.49 billion and 5.3 percent, and \$1.28 billion and 5.6 percent, respectively.

Provision for Income Taxes

The provision for income taxes was \$6.5 million, down from \$12.1 million in the second quarter of 2025 due to lower income before income taxes. The effective tax rate was 31.4 percent, up from 29.2 percent in the second quarter of 2025. The increase in the effective tax rate reflects higher foreign income taxes, the non-renewal of the Work Opportunity Tax Credit ("WOTC"), and lower income before income taxes.

Net Income

Net income was \$14.2 million, down from \$29.3 million in the second quarter of 2025.

RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JUNE 30, 2026 COMPARED WITH THE SIX MONTHS ENDED JUNE 30, 2025

Revenues

Revenues for the first six months of the year were \$2.0 billion, down 0.7 percent year-over-year. The table below shows our revenues by segment for the six months ended June 30, 2026 and 2025 (in millions).

	2026	2025	Change	% of Total		Change
				2026	2025	
Commercial	\$ 1,377.2	\$ 1,380.3	(0.2%)	69.7%	69.4%	0.3%
Federal Government	598.1	608.6	(1.7%)	30.3%	30.6%	(0.3%)
Consolidated	<u>\$ 1,975.3</u>	<u>\$ 1,988.9</u>	<u>(0.7%)</u>	<u>100.0%</u>	<u>100.0%</u>	

Commercial Segment revenues were approximately 70 percent of total revenues and were down 0.2 percent year-over-year. From an industry perspective, the decrease was mainly attributable to revenue decline from clients across Business Services and Financial Services, partially offset by year-over-year growth across TMT, Healthcare, and Consumer and Industrial. Federal Government Segment revenues were approximately 30 percent of total revenues and were down 1.7 percent year-over-year. The decrease was mainly attributable to revenue declines from Defense and Intelligence and Federal Civilian agencies, partially offset by increases in revenues from National Security agencies and other customers.

Gross Profit and Gross Margin

The table below shows gross profit and gross margin by segment for the six months ended June 30, 2026 and 2025 (in millions).

	Gross Profit			Gross Margin		
	2026	2025	Change	2026	2025	Change
Commercial	\$ 434.1	\$ 451.1	(3.8%)	31.5%	32.7%	(1.2%)
Federal Government	117.1	117.6	(0.4%)	19.6%	19.3%	0.3%
Consolidated	<u>\$ 551.2</u>	<u>\$ 568.7</u>	<u>(3.1%)</u>	<u>27.9%</u>	<u>28.6%</u>	<u>(0.7%)</u>

Consolidated gross profit declined 3.1 percent year-over-year. Gross margin for the first six months of 2026 was 27.9 percent, a compression of 70 basis points from the first six months of 2025. Gross margin for the Commercial Segment was down 120 basis points year-over-year, primarily driven by business mix related to a smaller contribution from some of our higher-margin solutions including permanent placement revenues, as well as changes in foreign currency exchange rates primarily related to our delivery center in Mexico. Gross margin for the Federal Government Segment was up 30 basis points year-over-year, driven by focused efforts to improve profitability across the contract portfolio.

Selling, General, and Administrative Expenses

SG&A expenses were \$450.6 million, compared with \$431.3 million in the first six months of 2025. SG&A expenses in the first six months of 2026 included \$22.6 million in acquisition, integration, and strategic planning expenses, compared with \$11.6 million in the first six months of 2025.

Amortization of Intangible Assets

Amortization of intangible assets was \$31.8 million, compared with \$31.2 million in the first six months of 2025. The increase relates to the effects of the Quinnox acquisition, partially offset by older intangibles that have reached the end of their useful lives.

Interest Expense, Net

Interest expense, net was \$37.5 million, up from \$33.6 million in the first six months of 2025. The weighted-average outstanding borrowings and cash-based interest rates in the first six months of 2026 and 2025 were \$1.38 billion and 5.3 percent, and \$1.20 billion and 5.6 percent, respectively.

Provision for Income Taxes

The provision for income taxes was \$11.6 million, down from \$22.4 million in the first six months of 2025 due to lower income before income taxes. The effective tax rate was 37.1 percent, up from 30.9 percent in the first six months of 2025. The increase in the effective tax rate reflects higher foreign income taxes, the non-renewal of the WOTC, and lower income before income taxes.

Net Income

Net income was \$19.7 million, down from \$50.2 million in the first six months of 2025.

Commercial Segment - IT Consulting Metrics

The book-to-bill ratio represents the ratio of consulting bookings to related revenues for a specified period. Commercial IT consulting accounts for approximately 50 percent of the segment's revenues and has increased as a proportion of the segment's revenues over time. Bookings represent the value of new contracts entered into during the period, including adjustments for changes in contract scope and contract terminations. Measuring bookings involves the use of estimates and judgments and there are no independent standards or requirements governing the calculation of bookings. There is no assurance these bookings will result in future revenues.

	Three Months Ended		Trailing-Twelve-Months Ended	
	June 30,		June 30,	
(Dollars in millions)	2026	2025	2026	2025
Book-to-Bill Ratio	1.4 to 1	1.3 to 1	1.2 to 1	1.2 to 1

Federal Government Segment Metrics

Contract backlog for our Federal Government Segment represents the estimated amount of future revenues to be recognized under awarded contracts, including task orders and options, at a point in time ("Contract Backlog"). These estimates are subject to change and may be affected by the execution of new contracts, the extension or early termination of existing contracts, the non-renewal or completion of current contracts, and adjustments to estimates for previously included contracts. There is no assurance our contract backlog will result in future revenues. The timing of the execution of new contracts and other changes are affected by the funding cycles of the government and can vary from quarter to quarter. New contract awards are the estimated amount of future revenues to be recognized under contracts awarded during a specified period, including adjustments to estimates for contracts awarded in previous periods ("New Contract Awards"). Information regarding New Contract Awards is not comparable to, nor should it be substituted for, an analysis of reported revenues. Due to variability, New Contract Awards are presented on a trailing-twelve-months ("TTM") basis. The book-to-bill ratio for our Federal Government Segment is the ratio of New Contract Awards to revenues for a specified period. Contract backlog coverage ratio is calculated as total Contract Backlog divided by TTM revenues.

	TTM Ended June 30,	
	2026	2025
(Dollars in millions)		
New Contract Awards	\$ 926.2	\$ 1,363.6
Book-to-Bill Ratio	0.8 to 1	1.1 to 1

(Dollars in millions)	June 30, 2026	December 31, 2025	June 30, 2025
Funded Contract Backlog	\$ 403.9	\$ 492.9	\$ 408.5
Negotiated Unfunded Contract Backlog	2,266.8	2,455.6	2,516.2
Contract Backlog	<u>\$ 2,670.7</u>	<u>\$ 2,948.5</u>	<u>\$ 2,924.7</u>
Contract Backlog Coverage Ratio	2.3 to 1	2.5 to 1	2.4 to 1

Liquidity and Capital Resources

Our working capital, which is current assets less current liabilities, at June 30, 2026, was \$523.2 million, and our cash and cash equivalents were \$152.9 million. Our cash flows from operating activities have been our primary source of liquidity and have been sufficient to meet our working capital and capital expenditure needs. At June 30, 2026, we had approximately \$180.0 million available under the \$500.0 million revolving credit facility. We believe that our cash and cash equivalents on hand, expected operating cash flows, and availability under our revolving credit facility will be sufficient to fulfill our obligations, working capital requirements, and capital expenditures for the next 12 months and beyond.

Net cash provided by operating activities was \$70.7 million for the first six months of 2026, compared with \$141.7 million in the same period of 2025. Net cash provided by operating activities before changes in operating assets and liabilities was \$112.4 million, compared with \$137.5 million in the same period of 2025. Changes in operating assets and liabilities resulted in net cash usage of \$41.7 million for the first six months of 2026, compared with net cash provided of \$4.2 million in the same period of 2025. This year-over-year change primarily related to an increase in accounts receivable days sales outstanding in the first six months of 2026.

Net cash used in investing activities for the first six months of 2026 was \$298.9 million, comprised of \$283.6 million used to acquire Quinnox and \$15.3 million used for capital expenditures. Net cash used in investing activities for the first six months of 2025 was \$325.4 million, comprised of \$306.1 million used to acquire TopBloc and \$19.3 million used for capital expenditures.

Net cash provided by financing activities was \$220.3 million for the first six months of 2026 and included net borrowings under the senior secured credit facility totaling \$269.2 million, offset by \$50.5 million used to repurchase the Company's common stock. Net cash provided by financing activities in the first six months of the prior year was \$116.3 million and included net borrowings under the senior secured credit facility totaling \$177.5 million, offset by \$59.9 million used to repurchase the Company's common stock.

For details on the (i) senior secured credit facility, comprised of a revolving credit facility, term loan A, and term loan B, and (ii) unsecured senior notes, see *Note 5. Long-Term Debt* in Part I, Item 1 in this Quarterly Report on Form 10-Q.

Commitments and Contingencies — There have been no material changes to our contractual cash obligations from those described in our 2025 10-K.

Recent Accounting Pronouncements

There have been no recent accounting pronouncements that significantly impact the Company.

Critical Accounting Policies

There were no material changes to our critical accounting policies and estimates during the second quarter of 2026 compared with those disclosed in *Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations* of our 2025 10-K.

Item 3 — Quantitative and Qualitative Disclosures about Market Risk

Interest Rates — With respect to our quantitative and qualitative disclosures about interest rates risks, there have been no material changes to the information included in our 2025 10-K. Our exposure to interest rate risk is associated with our debt instruments. See *Note 5. Long-Term Debt* in Part I, Item 1 in this Quarterly Report on Form 10-Q for a further description of our debt instruments. A hypothetical 100-basis-point change in interest rates on variable-rate debt would have resulted in an interest expense fluctuation of approximately \$9.0 million based on \$901.8 million of debt outstanding for any 12-month period. We have not entered into any market risk sensitive instruments for trading purposes.

Foreign Currencies — Our exposure to fluctuations in foreign currency exchange rates relates primarily to our foreign subsidiaries. Exchange rates impact the U.S. dollar value of our reported revenues and earnings. During the six months ended June 30, 2026, our foreign subsidiaries' revenues and costs of services were approximately two and six percent of the respective consolidated totals.

Item 4 — Controls and Procedures

As of the end of the period covered by this report, our management carried out an evaluation, under the supervision and with the participation of our Principal Executive Officer and Principal Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) of the Exchange Act). Based on this evaluation, our Principal Executive Officer and Principal Financial Officer have concluded that our disclosure controls and procedures are effective as of the end of the period covered by this report. The term "disclosure controls and procedures" means controls and other procedures of the Company that are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms. "Disclosure controls and procedures" include, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its Principal Executive Officer and Principal Financial Officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

There were no changes in our internal controls over financial reporting that occurred during the three months ended June 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1 — Legal Proceedings

We are involved in various legal proceedings, investigations, claims, indemnification claims, and litigation, including purported collective class and PAGA actions alleging violations of wage and hour laws, job posting laws, and other actions. However, based on the facts currently available, we do not believe that the disposition of matters that are pending or asserted will have a material effect on our financial position, results of operations, or cash flows.

Item 1A — Risk Factors

There have been no material changes to the risk factors previously described in our 2025 10-K.

Item 2 — Unregistered Sales of Equity Securities and Use of Proceeds

On November 20, 2025, the Company announced that the Company's Board approved a new stock repurchase program under which the Company may repurchase \$1.0 billion of its common stock and prior authorization amounts were cancelled. Under terms of the program, purchases can be made in the open market or under a Rule 10b5-1 trading plan. The stock repurchase program does not obligate the Company to acquire any particular amount of the Company's stock and may be suspended at any time at the Company's discretion.

The Company's repurchases of its common stock during the three months ended June 30, 2026 are shown in the table below, and the approximate dollar value of shares that may be purchased under the program as of June 30, 2026, are shown in the table below.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plan	Approximate Dollar Value of Shares That May Yet be Purchased Under the Plan (in millions)
April 1 - 30, 2026	382,424	\$ 30.07	382,424	\$ 922.5
May 1 - 31, 2026	—	\$ —	—	\$ 922.5
June 1 - 30, 2026	—	\$ —	—	\$ 922.5
Total	382,424	\$ 30.07	382,424	\$ 922.5

During the three months ended June 30, 2026 and in connection with our stock-based compensation plans, 14,262 shares of our common stock with an aggregate value of \$0.4 million were tendered by employees for payment of applicable statutory tax withholding. These shares are excluded from the table above.

Item 3 — Defaults Upon Senior Securities

None.

Item 4 — Mine Safety Disclosures

None.

Item 5 — Other Information

(c) During the three months ended June 30, 2026, no director or officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

Item 6 — Exhibits

INDEX TO EXHIBITS

Number	Description
3.1	<u>Amended and Restated Certificate of Incorporation of On Assignment, Inc., effective June 23, 2014 (incorporated by reference from Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on June 25, 2014)</u>
3.2	<u>Certificate of Amendment of Amended and Restated Certificate of Incorporation of On Assignment, Inc. effective April 2, 2018 (incorporated by reference from Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on March 16, 2018)</u>
3.3	<u>Certificate of Amendment of Amended and Restated Certificate of Incorporation of ASGN Incorporated, effective April 24, 2026 (incorporated by reference from Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on April 24, 2026)</u>
3.4	<u>Sixth Amended and Restated Bylaws of ASGN Incorporated, effective September 18, 2025 (incorporated by reference from Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on September 22, 2025)</u>
3.5	<u>Amendment No. 1 to the Sixth Amended and Restated Bylaws of Everforth, Inc., effective as of April 24, 2026 (incorporated by reference from Exhibit 3.2 to the Company's Current Report on Form 8-K filed with the SEC on April 24, 2026)</u>
4.1	Specimen Common Stock Certificate (incorporated by reference from an exhibit to the Company's Registration Statement on Form S-1 (File No. 33-50646) declared effective on September 21, 1992) (P)
10.1	<u>Third Amendment to Third Amended and Restated Credit Agreement, dated as of July 7, 2026, by and among Everforth, Inc., as the borrower, Wells Fargo Bank, National Association, as administrative agent, and the lenders named therein (incorporated by reference from Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on July 9, 2026)</u>
10.2*	<u>Third Amended and Restated Everforth, Inc. 2012 Employee Incentive Inducement Award Plan effective May 13, 2026</u>
31.1*	<u>Certification of Theodore S. Hanson, Chief Executive Officer, pursuant to Rule 13a-14(a) or 15d-14(a)</u>
31.2*	<u>Certification of Marie L. Perry, Chief Financial Officer, pursuant to Rule 13a-14(a) or 15d-14(a)</u>
32.1*	<u>Certification of Theodore S. Hanson, Chief Executive Officer, pursuant to 18 U.S.C. Section 1350</u>
32.2*	<u>Certification of Marie L. Perry, Chief Financial Officer, pursuant to 18 U.S.C. Section 1350</u>
101	The following material from this Quarterly Report on Form 10-Q of Everforth, Inc., Part I, Item 1 of this Form 10-Q formatted in Inline XBRL (Extensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets; (ii) Condensed Consolidated Statements of Operations and Comprehensive Income; (iii) Condensed Consolidated Statement of Stockholders' Equity; (iv) Condensed Consolidated Statements of Cash Flows; and (v) related notes to these financial statements.
104	Cover page interactive data file (formatted in Inline XBRL and contained in Exhibit 101)
*	Filed herewith.
(P)	This exhibit was originally filed in paper format. Accordingly, a hyperlink has not been provided.

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Everforth, Inc.

July 30, 2026

By: /s/ Marie L. Perry
Marie L. Perry
Executive Vice President and Chief Financial Officer
(Principal Financial Officer and Duly Authorized Officer)

July 30, 2026

By: /s/ Rose L. Cunningham
Rose L. Cunningham
Vice President, Chief Accounting Officer and Controller

**CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934 AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Theodore S. Hanson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Everforth, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's fourth fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

July 30, 2026

/s/ Theodore S. Hanson
Theodore S. Hanson
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934 AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Marie L. Perry, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Everforth, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's fourth fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

July 30, 2026

/s/ Marie L. Perry

Marie L. Perry

Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

**Certification Pursuant to Section 906
of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)**

The undersigned, the Chief Executive Officer of Everforth, Inc. (the "Company"), hereby certifies that, to his knowledge on the date hereof:

- (a) the Quarterly Report on Form 10-Q of the Company for the period ended June 30, 2026 filed on the date hereof with the Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (b) information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

July 30, 2026

/s/ Theodore S. Hanson

Theodore S. Hanson

Chief Executive Officer

(Principal Executive Officer)

**Certification Pursuant to Section 906
of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)**

The undersigned, the Chief Financial Officer of Everforth, Inc. (the "Company"), hereby certifies that, to her knowledge on the date hereof:

- (a) the Quarterly Report on Form 10-Q of the Company for the period ended June 30, 2026 filed on the date hereof with the Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (b) information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

July 30, 2026

/s/ Marie L. Perry

Marie L. Perry

Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

**THIRD AMENDED AND RESTATED EVERFORTH, INC.
2012 EMPLOYMENT INDUCEMENT INCENTIVE AWARD PLAN**

ARTICLE 1.

PURPOSE

The purpose of this Third Amended and Restated Everforth, Inc. 2012 Employment Inducement Incentive Award Plan (the “Plan”) is to promote the success and enhance the value of Everforth, Inc. (the “Company”) by linking the individual interests of Eligible Individuals to those of the Company’s stockholders and by providing such individuals with an incentive for outstanding performance to generate superior returns to the Company’s stockholders. The Plan is further intended to provide flexibility to the Company in its ability to attract, and retain the services of Eligible Individuals upon whose judgment, interest, and special effort the successful conduct of the Company’s operation is largely dependent. Only Eligible Individuals may receive Awards under the Plan. The Plan amends and restates in its entirety, as of May 13, 2026, the Company’s 2012 Employment Inducement Incentive Award Plan, as previously amended from time to time (the “Original Plan”).

ARTICLE 2.

DEFINITIONS AND CONSTRUCTION

Wherever the following terms are used in the Plan they shall have the meanings specified below, unless the context clearly indicates otherwise. The singular pronoun shall include the plural where the context so indicates.

2.1 “Administrator” shall mean the entity that conducts the general administration of the Plan as provided in Article 11 hereof.

2.2 “Affiliate” shall mean any Parent or Subsidiary.

2.3 “Applicable Accounting Standards” shall mean Generally Accepted Accounting Principles in the United States, International Financial Reporting Standards or such other accounting principles or standards as may apply to the Company’s financial statements under United States federal securities laws from time to time.

2.4 “Award” shall mean an Option, a Restricted Stock Award, a Restricted Stock Unit Award, a Performance Award, a Dividend Equivalent Award, a Deferred Stock Award, a Stock Payment Award, a Stock Appreciation Right, an Other Incentive Award or a Performance Share Award, which may be awarded or granted under the Plan.

2.5 “Award Agreement” shall mean any written notice, agreement, contract or other instrument or document evidencing an Award, including through electronic medium, which shall contain such terms and conditions with respect to an Award as the Administrator shall determine, consistent with the Plan.

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

2.7 “Change in Control” shall mean the occurrence of any of the following events:

(a) A transaction or series of transactions (other than an offering of Shares to the general public through a registration statement filed with the Securities and Exchange Commission) whereby any “person” or related “group” of “persons” (as such terms are used in Sections 13(d) and 14(d)(2) of the Exchange Act) (other than the Company, any of its Parents or Subsidiaries, an employee benefit plan maintained by the Company or any of its Parents or Subsidiaries or a “person” that, prior to such transaction, directly or indirectly controls, is controlled by, or is under common control with, the Company) directly or indirectly acquires beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of securities of the Company possessing more than fifty percent (50%) of the total combined voting power of the Company’s securities outstanding immediately after such acquisition; or

(b) The consummation by the Company (whether directly involving the Company or indirectly involving the Company through one or more intermediaries) of (x) a merger, consolidation, reorganization, or business combination or (y) a sale or other disposition of all or substantially all of the Company’s assets or (z) the acquisition of assets or stock of another entity, in each case, other than a transaction:

(i) Which results in the Company’s voting securities outstanding immediately before the transaction continuing to represent (either by remaining outstanding or by being converted into voting securities of the Company or the person that, as a result of the transaction, controls, directly or indirectly, the Company or owns, directly or indirectly, all or substantially all of the Company’s assets or otherwise succeeds to the business of the Company (the Company or such person, the “Successor Entity”)) directly or indirectly, at least a majority of the combined voting power of the Successor Entity’s outstanding voting securities immediately after the transaction, and

(ii) After which no person or group beneficially owns voting securities representing 50% or more of the combined voting power of the Successor Entity; provided, however, that no person or group shall be treated for purposes of this Section 2.7(b)(ii) as beneficially owning 50% or more of combined voting power of the Successor Entity solely as a result of the voting power held in the Company prior to the consummation of the transaction.

Notwithstanding the foregoing, if a Change in Control constitutes a payment event with respect to any Award which provides for the deferral of compensation that is subject to Section 409A of the Code, to the extent required to avoid the imposition of additional taxes under Section 409A of the Code, the transaction or event described in subsection (a) or (b), with respect to such Award shall only constitute a Change in Control for purposes of the payment timing of such Award if such transaction also constitutes a “change in control event,” as defined in Treasury Regulation §1.409A-3(i)(5).

Consistent with the terms of this Section 2.7, the Administrator shall have full and final authority to determine conclusively whether a Change in Control of the Company has occurred pursuant to the above definition, the date of the occurrence of such Change in Control and any incidental matters relating thereto.

2.8 “Code” shall mean the Internal Revenue Code of 1986, as amended from time to time, together with the regulations and official guidance promulgated thereunder, whether issued prior or subsequent to the grant of any Award.

2.9 “Committee” shall mean the Compensation Committee of the Board, or another committee or subcommittee of the Board described in Article 11 hereof.

2.10 “Common Stock” shall mean the common stock of the Company, par value \$.01 per share.

2.11 “Company” shall mean Everforth, Inc., a Delaware corporation.

2.12 “Consultant” shall mean any consultant or adviser engaged to provide services to the Company or any Affiliate that qualifies as a consultant under the applicable rules of the Securities and Exchange Commission for registration of shares on a Form S-8 Registration Statement or any successor Form thereto.

2.13 “Deferred Stock” shall mean a right to receive Shares awarded under Section 8.4 hereof.

2.14 “Director” shall mean a member of the Board, as constituted from time to time.

2.15 “Dividend Equivalent” shall mean a right to receive the equivalent value (in cash or Shares) of dividends paid on Shares, awarded under Section 8.2 hereof.

2.16 “DRO” shall mean a “domestic relations order” as defined by the Code or Title I of the Employee Retirement Income Security Act of 1974, as amended from time to time, or the rules thereunder.

2.17 “Effective Date” shall mean the date the Original Plan was first approved by the Board.

2.18 “Eligible Individual” shall mean any prospective Employee who is commencing employment with the Company or a Subsidiary, or is being rehired following a bona fide period interruption of employment by the Company or a Subsidiary, if he or she is granted an Award in connection with his or her commencement of employment with the Company or a Subsidiary and such grant is an inducement material to his or her entering into employment with the Company or a Subsidiary (within the meaning of New York Stock Exchange Rule 303A.08 or any successor rule, if the Company’s securities are traded on the New York Stock Exchange, and/or the applicable requirements of any other established stock exchange on which the Company’s securities are traded, as applicable, as such rules and requirements may be amended from time to time). Notwithstanding the foregoing, if the Company’s securities are traded on the Nasdaq Stock Market, an “Eligible Individual” shall not include any prospective Employee who has previously been an Employee or Director of the Company unless following a bona fide period of non-employment by the Company or a Subsidiary. The Administrator may in its discretion adopt procedures from time to time to ensure that a prospective Employee is eligible to participate in the Plan prior to the granting of any Awards to such individual under the Plan (including without limitation a requirement that each such prospective Employee certify to the Company prior to the receipt of an Award under the Plan that he or she has had a bona fide period of interruption of employment, and that the grant of Awards under the Plan is an inducement material to his or her agreement to enter into employment with the Company or a Subsidiary).

2.19 “Employee” shall mean any officer or other employee (as determined in accordance with Section 3401(c) of the Code) of the Company or of any Affiliate.

2.20 “Equity Restructuring” shall mean a nonreciprocal transaction between the Company and its stockholders, such as a stock dividend, stock split, spin-off, rights offering or recapitalization through a large, nonrecurring cash dividend, that affects the number or kind of shares of Common Stock (or other securities of the Company) or the share price of Common Stock (or other securities) and causes a change in the per share value of the Common Stock underlying outstanding Awards.

2.21 “Exchange Act” shall mean the Securities Exchange Act of 1934, as amended from time to time.

2.22 “Fair Market Value” shall mean, as of any given date, the value of a Share determined as follows:

(a) If the Common Stock is (i) listed on any established securities exchange (such as the New York Stock Exchange, the NASDAQ Global Market and the NASDAQ Global Select Market), (ii) listed on any national market system or (iii) listed, quoted or traded on any automated quotation system, its Fair Market Value shall be the closing sales price for a share of Common Stock as quoted on such exchange or system for such date or, if there is no closing sales price for a share of Common Stock on the date in question, the closing sales price for a share of Common Stock on the last preceding date for which such quotation exists, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable;

(b) If the Common Stock is not listed on an established securities exchange, national market system or automated quotation system, but the Common Stock is regularly quoted by a recognized securities dealer, its Fair Market Value shall be the mean of the high bid and low asked prices for such date or, if there are no high bid and low asked prices for a share of Common Stock on such date, the high bid and low asked prices for a share of Common Stock on the last preceding date for which such information exists, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable; or

(c) If the Common Stock is neither listed on an established securities exchange, national market system or automated quotation system nor regularly quoted by a recognized securities dealer, its Fair Market Value shall be established by the Administrator in good faith.

2.23 “Incentive Stock Option” shall mean an Option that is intended to qualify as an incentive stock option and conforms to the applicable provisions of Section 422 of the Code.

2.24 “Independent Director” shall mean a Director of the Company who is not an Employee of the Company and who qualifies as “independent” within the meaning of New York Stock Exchange Rule 303A.02, or any successor rule, if the Company’s securities are traded on the New York Stock Exchange, and/or the applicable requirements of any other established stock exchange on which the Company’s securities are traded, as applicable, as such rules and requirements may be amended from time to time.

2.25 “Non-Employee Director” shall mean a Director of the Company who is not an Employee.

2.26 “Non-Qualified Stock Option” shall mean an Option that is not an Incentive Stock Option.

2.27 “Option” shall mean a right to purchase Shares at a specified exercise price, granted under Article 5 hereof. Any Option granted under the Plan shall be a Non-Qualified Stock Option.

2.28 “Original Plan” shall mean the Company’s 2012 Employment Inducement Incentive Award Plan, as previously amended from time to time.

2.29 “Other Incentive Award” shall mean an Award denominated in, linked to or derived from Shares or value metrics related to Shares, granted pursuant to Section 8.7 hereof.

2.30 “Parent” shall mean any entity (other than the Company), whether domestic or foreign, in an unbroken chain of entities ending with the Company if each of the entities other than the Company beneficially owns, at the time of the determination, securities or interests representing more than fifty percent (50%) of the total combined voting power of all classes of securities or interests in one of the other entities in such chain.

2.31 “Participant” shall mean a person who has been granted an Award.

2.32 “Performance Award” shall mean an Award that is granted under Section 8.1 hereof.

2.33 “Performance Share Award” shall mean a contractual right awarded under Section 8.6 hereof to receive a number of Shares or the cash value of such number of Shares based on the attainment of specified Performance Goals or other criteria determined by the Administrator.

2.34 “Permitted Transferee” shall mean, with respect to a Participant, any “family member” of the Participant, as defined under the instructions to use of the Form S-8 Registration Statement under the Securities Act, after taking into account any state, federal, local or foreign tax and securities laws applicable to transferable Awards.

2.35 “Plan” shall mean this Third Amended and Restated Everforth, Inc. 2012 Employment Inducement Incentive Award Plan, as it may be amended from time to time.

2.36 “Program” shall mean any program adopted by the Administrator pursuant to the Plan containing the terms and conditions intended to govern a specified type of Award granted under the Plan and pursuant to which such type of Award may be granted under the Plan.

2.37 “Restricted Stock” shall mean Common Stock awarded under Article 7 hereof that is subject to certain restrictions and may be subject to risk of forfeiture.

2.38 “Restricted Stock Unit” shall mean a contractual right awarded under Section 8.5 hereof to receive in the future a Share or the cash value of a Share.

2.39 “Securities Act” shall mean the Securities Act of 1933, as amended.

2.40 “Share Limit” shall have the meaning provided in Section 3.1(a) hereof.

2.41 “Shares” shall mean shares of Common Stock.

2.42 “Stock Appreciation Right” shall mean a stock appreciation right granted under Article 9 hereof.

2.43 “Stock Payment” shall mean a payment in the form of Shares awarded under Section 8.3 hereof.

2.44 “Subsidiary” shall mean any entity (other than the Company), whether domestic or foreign, in an unbroken chain of entities beginning with the Company if each of the entities other than the last entity in the unbroken chain beneficially owns, at the time of the determination, securities or interests representing more than fifty percent (50%) of the total combined voting power of all classes of securities or interests in one of the other entities in such chain.

2.45 “Substitute Award” shall mean an Award granted under the Plan in connection with a corporate transaction, such as a merger, combination, consolidation or acquisition of property or stock, in any case, upon the assumption of, or in substitution for, an outstanding equity award previously granted by a company or other entity that is a party to such transaction; provided, however, that in no event shall the term “Substitute Award” be construed to refer to an award made in connection with the cancellation and repricing of an Option or Stock Appreciation Right.

2.46 “Termination of Service” means:

(a) As to a Consultant, the time when the engagement of a Participant as a Consultant to the Company and its Affiliates is terminated for any reason, with or without cause, including, without limitation, by resignation, discharge, death or retirement, but excluding terminations where the Consultant simultaneously commences or remains in employment or service with the Company or any Affiliate.

(b) As to a Non-Employee Director, the time when a Participant who is a Non-Employee Director ceases to be a Director for any reason, including, without limitation, a termination by resignation, failure to be elected, death or retirement, but excluding terminations where the Participant simultaneously commences or remains in employment or service with the Company or any Affiliate.

(c) As to an Employee, the time when the employee-employer relationship between a Participant and the Company and its Affiliates is terminated for any reason, including, without limitation, a termination by resignation, discharge, death, disability or retirement; but excluding terminations where the Participant simultaneously commences or remains in employment or service with the Company or any Affiliate.

The Administrator, in its sole discretion, shall determine the effect of all matters and questions relating to Terminations of Service, including, without limitation, the question of whether a Termination of Service has occurred, whether any Termination of Service resulted from a discharge for cause and all questions of whether particular leaves of absence constitute a Termination of Service. For purposes of the Plan, a Participant’s employee-employer relationship or consultancy relationship shall be deemed to be terminated in the event that the Affiliate employing or contracting with such Participant ceases to remain an Affiliate following any merger, sale of stock or other corporate transaction or event (including, without limitation, a spin-off).

ARTICLE 3.

SHARES SUBJECT TO THE PLAN

3.1 Number of Shares.

(a) Subject to Section 3.1(b) and Section 12.2 hereof, the aggregate number of Shares which may be issued or transferred pursuant to Awards under the Plan shall be 1,910,861 (the “Share Limit”). Notwithstanding the foregoing, to the extent permitted under applicable law and applicable stock exchange rules, Awards that provide for the delivery of Shares subsequent to the applicable grant date may be granted in excess of the Share Limit if such Awards provide for the forfeiture or cash settlement of such Awards to the extent that insufficient Shares remain under the Share Limit at the time that Shares would otherwise be issued in respect of such Award.

(b) If any Shares subject to an Award are forfeited or expire or such Award is settled for cash (in whole or in part), the Shares subject to such Award shall, to the extent of such forfeiture, expiration or cash settlement, again be available for future grants of Awards under the Plan and shall be added back to the Share Limit in the same number of Shares as were debited from the Share Limit in respect of the grant of such Award (as may be adjusted in accordance with Section 13.2 hereof). Notwithstanding anything to the contrary contained herein, the following Shares shall not be added back to the Share Limit and will not be available for future grants of Awards: (i) Shares tendered by a Participant or withheld by the Company in payment of the exercise price of an Option; (ii) Shares tendered by the Participant or withheld by the Company to satisfy any tax withholding obligation with respect to an Award; (iii) Shares subject to a Stock Appreciation Right that are not issued in connection with the stock settlement of the Stock Appreciation Right on exercise thereof; and (iv) Shares purchased on the open market with the cash proceeds from the exercise of Options. Any Shares repurchased by the Company under Section 7.4 hereof at the same price paid by the Participant so that such shares are returned to the Company will again be available for Awards. The payment of Dividend Equivalents in cash in conjunction with any outstanding Awards shall not be counted against the shares available for issuance under the Plan.

(c) Substitute Awards shall not reduce the Shares authorized for grant under the Plan. Additionally, in the event that a company acquired by the Company or any Affiliate or with which the Company or any Affiliate combines has shares available under a pre-existing plan approved by stockholders and not adopted in contemplation of such acquisition or combination, the shares available for grant pursuant to the terms of such pre-existing plan (as adjusted, to the extent appropriate, using the exchange ratio or other adjustment or valuation ratio or formula used in such acquisition or combination to determine the consideration payable to the holders of common stock of the entities party to such acquisition or combination) may be used for Awards under the Plan and shall not reduce the Shares authorized for grant under the Plan; provided, that Awards using such available shares shall not be made after the date awards or grants could have been made under the terms of the pre-existing plan, absent the acquisition or combination, and shall only be made to individuals who were not employed by or providing services to the Company or its Affiliates immediately prior to such acquisition or combination.

3.2 Stock Distributed. Any Shares distributed pursuant to an Award may consist, in whole or in part, of authorized and unissued Common Stock or treasury Common Stock.

ARTICLE 4.

GRANTING OF AWARDS

4.1 Participation. The Administrator may, from time to time, select from among all Eligible Individuals, those to whom one or more Awards shall be granted and shall determine the nature and amount of each Award, which shall not be inconsistent with the requirements of the Plan. No Eligible Individual shall have any right to be granted an Award pursuant to the Plan.

4.2 Award Agreement. Each Award shall be evidenced by an Award Agreement stating the terms and conditions applicable to such Award, consistent with the requirements of the Plan and any applicable Program.

4.3 Limitations Applicable to Section 16 Persons. Notwithstanding anything contained herein to the contrary, with respect to any Award granted or awarded to any individual who is then subject to Section 16 of the Exchange Act, the Plan, any applicable Program and the applicable Award Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including Rule 16b-3 of the Exchange Act and any amendments thereto) that are requirements for the application of such exemptive rule, and such additional limitations shall be deemed to be incorporated by reference into such Award to the extent permitted by applicable law.

4.4 At-Will Service. Nothing in the Plan or in any Program or Award Agreement hereunder shall confer upon any Participant any right to continue as an Employee, Director or Consultant of the Company or any Affiliate, or shall interfere with or restrict in any way the rights of the Company and any Affiliate, which rights are hereby expressly reserved, to discharge any Participant at any time for any reason whatsoever, with or without cause, and with or without notice, or to terminate or change all other terms and conditions of employment or engagement, except to the extent expressly provided otherwise in a written agreement between the Participant and the Company or any Affiliate.

4.5 Foreign Participants. Notwithstanding any provision of the Plan to the contrary, in order to comply with the laws in other countries in which the Company and its Affiliates operate, or in order to comply with the requirements of any foreign securities exchange, the Administrator, in its sole discretion, shall have the power and authority to: (a) determine which Affiliates shall be covered by the Plan; (b) determine which Eligible Individuals outside the United States are eligible to participate in the Plan; (c) modify the terms and conditions of any Award granted to Eligible Individuals outside the United States to comply with applicable foreign laws or listing requirements of any such foreign securities exchange; (d) establish subplans and modify exercise procedures and other terms and procedures, to the extent such actions may be necessary or advisable (any such subplans and/or modifications shall be attached to the Plan as appendices); provided, however, that no such subplans and/or modifications shall increase the Share Limit contained in Section 3.1 hereof; and (e) take any action, before or after an Award is made, that it deems advisable to obtain approval or comply with any necessary local governmental regulatory exemptions or approvals or listing requirements of any such foreign securities exchange. Notwithstanding the foregoing, the Administrator may not take any actions hereunder, and no Awards shall be granted, that would violate the Code, the Exchange Act, the Securities Act, any other securities law or governing statute, the rules of the securities exchange or automated quotation system on which the Shares are listed, quoted or traded or any other applicable law.

4.6 Stand-Alone and Tandem Awards. Awards granted pursuant to the Plan may, in the sole discretion of the Administrator, be granted either alone, in addition to, or in tandem with, any other Award granted pursuant to the Plan. Awards granted in addition to or in tandem with other Awards may be granted either at the same time as or at a different time from the grant of such other Awards.

ARTICLE 5.

GRANTING OF OPTIONS

5.1 Granting of Options to Eligible Individuals. The Administrator is authorized to grant Options to Eligible Individuals from time to time, in its sole discretion, on such terms and conditions as it may determine which shall not be inconsistent with the Plan.

5.2 Option Exercise Price. The exercise price per Share subject to each Option shall be set by the Administrator, but shall not be less than 100% of the Fair Market Value of a Share on the date the Option is granted.

5.3 Option Term. The term of each Option shall be set by the Administrator in its sole discretion; provided, however, that the term shall not be more than ten (10) years from the date the Option is granted. The Administrator shall determine the time period, including the time period following a Termination of Service, during which the Participant has the right to exercise the vested Options, which time period may not extend beyond the term of the Option term. Except as limited by the requirements of Section 409A of the Code, the Administrator may extend the term of any outstanding Option, and may extend the time period during which vested Options may be exercised, in connection with any Termination of Service of the Participant, and may amend any other term or condition of such Option relating to such a Termination of Service.

5.4 Option Vesting.

(a) The terms and conditions pursuant to which an Option vests in the Participant and becomes exercisable shall be determined by the Administrator and set forth in the applicable Award Agreement. Such vesting may be based on service with the Company or any Affiliate, the attainment of one or more performance criteria established by the Administrator, and/or any other criteria selected by the Administrator. At any time after grant of an Option, the Administrator may, in its sole discretion and subject to whatever terms and conditions it selects, accelerate the period during which an Option vests.

(b) No portion of an Option which is unexercisable at a Participant's Termination of Service shall thereafter become exercisable, except as may be otherwise provided by the Administrator either in a Program, the applicable Award Agreement or by action of the Administrator following the grant of the Option.

5.5 Substitute Awards. Notwithstanding the foregoing provisions of this Article 5 to the contrary, in the case of an Option that is a Substitute Award, the price per share of the shares subject to such Option may be less than the Fair Market Value per share on the date of grant, provided, however, that the excess of: (a) the aggregate Fair Market Value (as of the date such Substitute Award is granted) of the shares subject to the Substitute Award, over (b) the aggregate exercise price thereof does not exceed the excess of (x) the aggregate fair market value (as of the time immediately preceding the transaction giving rise to the Substitute Award, such fair market value to be determined by the Administrator) of the shares of the predecessor entity that were subject to the grant assumed or substituted for by the Company, over (y) the aggregate exercise price of such shares.

5.6 Substitution of Stock Appreciation Rights. The Administrator may provide in an applicable Program or the applicable Award Agreement evidencing the grant of an Option that the Administrator, in its sole discretion, shall have the right to substitute a Stock Appreciation Right for such Option at any time prior to or upon exercise of such Option; provided, however, that such Stock Appreciation Right shall be exercisable with respect to the same number of Shares for which such substituted Option would have been exercisable, and shall also have the same exercise price and remaining term as the substituted Option.

ARTICLE 6.

EXERCISE OF OPTIONS

6.1 Partial Exercise. An exercisable Option may be exercised in whole or in part. However, an Option shall not be exercisable with respect to fractional shares and the Administrator may require that, by the terms of the Option, a partial exercise must be with respect to a minimum number of shares.

6.2 Manner of Exercise. All or a portion of an exercisable Option shall be deemed exercised upon delivery of all of the following to the Secretary of the Company, or such other person or entity designated by the Administrator, or his, her or its office, as applicable:

(a) A written or electronic notice complying with the applicable rules established by the Administrator stating that the Option, or a portion thereof, is exercised. The notice shall be signed by the Participant or other person then entitled to exercise the Option or such portion of the Option;

(b) Such representations and documents as the Administrator, in its sole discretion, deems necessary or advisable to effect compliance with all applicable provisions of the Securities Act and any other federal, state or foreign securities laws or regulations, the rules of any securities exchange or automated quotation system on which the Shares are listed, quoted or traded or any other applicable law. The Administrator may, in its sole discretion, also take whatever additional actions it deems appropriate to effect such compliance including, without limitation, placing legends on share certificates and issuing stop-transfer notices to agents and registrars;

(c) In the event that the Option shall be exercised pursuant to Section 10.3 hereof by any person or persons other than the Participant, appropriate proof of the right of such person or persons to exercise the Option, as determined in the sole discretion of the Administrator; and

(d) Full payment of the exercise price and applicable withholding taxes to the stock administrator of the Company for the shares with respect to which the Option, or portion thereof, is exercised, in a manner permitted by Sections 10.1 and 10.2 hereof.

ARTICLE 7.

RESTRICTED STOCK

7.1 Award of Restricted Stock.

(a) The Administrator is authorized to grant Restricted Stock to Eligible Individuals, and shall determine the terms and conditions, including the restrictions applicable to each award of

Restricted Stock, which terms and conditions shall not be inconsistent with the Plan, and may impose such conditions on the issuance of such Restricted Stock as it deems appropriate.

(b) The Administrator shall establish the purchase price, if any, and form of payment for Restricted Stock; provided, however, that if a purchase price is charged, such purchase price shall be no less than the par value of the Shares to be purchased, unless otherwise permitted by applicable law. In all cases, legal consideration shall be required for each issuance of Restricted Stock to the extent required by applicable law.

7.2 Rights as Stockholders. Subject to Section 7.4 hereof, upon issuance of Restricted Stock, the Participant shall have, unless otherwise provided by the Administrator, all the rights of a stockholder with respect to said shares, subject to the restrictions in an applicable Program or in the applicable Award Agreement; provided, however, that, in the sole discretion of the Administrator, any extraordinary distributions with respect to the Shares shall be subject to the restrictions set forth in Section 7.3 hereof; provided, further, that with respect to a share of Restricted Stock with vesting conditions, dividends which are paid by the Company with respect to Shares prior to vesting shall only be paid out to the extent that, and at such time or times as, the vesting conditions are subsequently satisfied and the underlying shares of Restricted Stock vest.

7.3 Restrictions. All shares of Restricted Stock (including any shares received by Participants thereof with respect to shares of Restricted Stock as a result of stock dividends, stock splits or any other form of recapitalization) shall, in the terms of an applicable Program or in the applicable Award Agreement, be subject to such restrictions and vesting requirements as the Administrator shall provide. Such restrictions may include, without limitation, restrictions concerning voting rights and transferability and such restrictions may lapse separately or in combination at such times and pursuant to such circumstances or based on such criteria as selected by the Administrator, including, without limitation, criteria based on the Participant's duration of employment, Company or Affiliate performance, individual performance or other criteria selected by the Administrator. By action taken after the Restricted Stock is issued, the Administrator may, on such terms and conditions as it may determine to be appropriate, accelerate the vesting of such Restricted Stock by removing any or all of the restrictions imposed by the terms of any Program or by the applicable Award Agreement. Restricted Stock may not be sold or encumbered until all restrictions are terminated or expire.

7.4 Repurchase or Forfeiture of Restricted Stock. If no price was paid by the Participant for the Restricted Stock, upon a Termination of Service, the Participant's rights in unvested Restricted Stock then subject to restrictions shall lapse, and such Restricted Stock shall be surrendered to the Company and cancelled without consideration. If a price was paid by the Participant for the Restricted Stock, upon a Termination of Service the Company shall have the right to repurchase from the Participant the unvested Restricted Stock then-subject to restrictions at a cash price per share equal to the price paid by the Participant for such Restricted Stock or such other amount as may be specified in an applicable Program or the applicable Award Agreement. The Administrator in its sole discretion may provide that, upon certain events, including without limitation a Change in Control, the Participant's death, retirement or disability, any other specified Termination of Service or any other event, the Participant's rights in unvested Restricted Stock shall not lapse, such Restricted Stock shall vest and cease to be forfeitable and, if applicable, the Company cease to have a right of repurchase.

7.5 Certificates for Restricted Stock. Restricted Stock granted pursuant to the Plan may be evidenced in such manner as the Administrator shall determine. Certificates or book entries evidencing

shares of Restricted Stock must include an appropriate legend referring to the terms, conditions, and restrictions applicable to such Restricted Stock, and the Company may, in its sole discretion, retain physical possession of any stock certificate until such time as all applicable restrictions lapse.

7.6 Section 83(b) Election. If a Participant makes an election under Section 83(b) of the Code to be taxed with respect to the Restricted Stock as of the date of transfer of the Restricted Stock rather than as of the date or dates upon which the Participant would otherwise be taxable under Section 83(a) of the Code, the Participant shall be required to deliver a copy of such election to the Company promptly after filing such election with the Internal Revenue Service.

ARTICLE 8.

PERFORMANCE AWARDS, DIVIDEND EQUIVALENTS, DEFERRED STOCK, STOCK PAYMENTS, RESTRICTED STOCK UNITS; OTHER INCENTIVE AWARDS

8.1 Performance Awards. The Administrator is authorized to grant Performance Awards to any Eligible Individual. The value of Performance Awards may be linked to any specific criteria determined by the Administrator, in each case on a specified date or dates or over any period or periods determined by the Administrator.

8.2 Dividend Equivalents.

(a) Subject to Section 8.2(b) hereof, Dividend Equivalents may be granted by the Administrator, either alone or in tandem with another Award, based on dividends declared on the Common Stock, to be credited as of dividend payment dates during the period between the date the Dividend Equivalents are granted to a Participant and the date such Dividend Equivalents terminate or expire, as determined by the Administrator. Such Dividend Equivalents shall be converted to cash or additional shares of Common Stock by such formula and at such time and subject to such limitations as may be determined by the Administrator.

(b) Notwithstanding the foregoing, no Dividend Equivalents shall be payable with respect to Options or Stock Appreciation Rights.

8.3 Stock Payments. The Administrator is authorized to make one or more Stock Payments to any Eligible Individual. The number or value of shares of any Stock Payment shall be determined by the Administrator and may be based upon any specific criteria, including service to the Company or any Affiliate and/or the attainment of any performance goals, determined by the Administrator. Stock Payments may, but are not required to be made in lieu of base salary, bonus, fees or other cash compensation otherwise payable to such Eligible Individual.

8.4 Deferred Stock. The Administrator is authorized to grant Deferred Stock to any Eligible Individual. The number of shares of Deferred Stock shall be determined by the Administrator and may be based on any specific criteria, including service to the Company or any Affiliate and/or the attainment of any performance goals, as the Administrator determines, in each case on a specified date or dates or over any period or periods determined by the Administrator. Shares underlying a Deferred Stock award which is subject to a vesting schedule or other conditions or criteria set by the Administrator will not be issued until those conditions have been satisfied. Unless otherwise provided by the Administrator, a holder of Deferred Stock shall have no rights as a Company stockholder with respect to such Deferred Stock until

such time as the Award has vested and the Shares underlying the Award have been issued to the Participant.

8.5 Restricted Stock Units. The Administrator is authorized to grant Restricted Stock Units to any Eligible Individual. The number and terms and conditions of Restricted Stock Units shall be determined by the Administrator. The Administrator shall specify the date or dates on which the Restricted Stock Units shall become fully vested and nonforfeitable, and may specify such conditions to vesting as it deems appropriate, including conditions based on service to the Company or any Affiliate and/or the attainment of performance goals, in each case on a specified date or dates or over any period or periods, as determined by the Administrator. The Administrator shall specify, or may permit the Participant to elect, the conditions and dates upon which the Shares underlying the Restricted Stock Units which shall be issued, which dates shall not be earlier than the date as of which the Restricted Stock Units vest and become nonforfeitable and which conditions and dates shall be subject to compliance with Section 409A of the Code or an exemption therefrom. On the distribution dates, the Company shall issue to the Participant one unrestricted, fully transferable Share (or the Fair Market Value of one such Share in cash) for each vested and nonforfeitable Restricted Stock Unit.

8.6 Performance Share Awards. Any Eligible Individual selected by the Administrator may be granted one or more Performance Share Awards which shall be denominated in a number of Shares and the vesting of which may be linked to any specific performance criteria (in each case on a specified date or dates or over any period or periods determined by the Administrator) and/or time-vesting or other criteria, as determined by the Administrator.

8.7 Other Incentive Awards. The Administrator is authorized to grant Other Incentive Awards to any Eligible Individual, which Awards may cover Shares or the right to purchase Shares or have a value derived from the value of, or an exercise or conversion privilege at a price related to, or that are otherwise payable in or based on, Shares, shareholder value or shareholder return, in each case on a specified date or dates or over any period or periods determined by the Administrator. Other Incentive Awards may be linked to any specific performance criteria and/or time-vesting or other criteria, as determined appropriate by the Administrator.

8.8 Cash Settlement. Without limiting the generality of any other provision of the Plan, the Administrator may provide, in an Award Agreement or subsequent to the grant of an Award, in its discretion, that any Award may be settled in cash, Shares or a combination thereof.

8.9 Other Terms and Conditions. All applicable terms and conditions of each Award described in this Article 8, including without limitation, as applicable, the term, vesting and exercise/purchase price applicable to the Award, shall be set by the Administrator in its sole discretion, provided, however, that the value of the consideration shall not be less than the par value of a Share, unless otherwise permitted by applicable law.

8.10 Exercise upon Termination of Service. Awards described in this Article 8 are exercisable or distributable, as applicable, only while the Participant is an Employee, Director or Consultant, as applicable. The Administrator, however, in its sole discretion may provide that such Award may be exercised or distributed subsequent to a Termination of Service as provided under an applicable Program, Award Agreement, payment deferral election and/or in certain events, including a Change in Control, the Participant's death, retirement or disability or any other specified Termination of Service.

ARTICLE 9.

STOCK APPRECIATION RIGHTS

9.1 Grant of Stock Appreciation Rights.

(a) The Administrator is authorized to grant Stock Appreciation Rights to Eligible Individuals from time to time, in its sole discretion, on such terms and conditions as it may determine consistent with the Plan.

(b) A Stock Appreciation Right shall entitle the Participant (or other person entitled to exercise the Stock Appreciation Right pursuant to the Plan) to exercise all or a specified portion of the Stock Appreciation Right (to the extent then-exercisable pursuant to its terms) and to receive from the Company an amount determined by multiplying the difference obtained by subtracting the exercise price per share of the Stock Appreciation Right from the Fair Market Value on the date of exercise of the Stock Appreciation Right by the number of Shares with respect to which the Stock Appreciation Right shall have been exercised, subject to any limitations the Administrator may impose. Except as described in Section 9.1(c) hereof, the exercise price per Share subject to each Stock Appreciation Right shall be set by the Administrator, but shall not be less than 100% of the Fair Market Value on the date the Stock Appreciation Right is granted.

(c) Notwithstanding the foregoing provisions of Section 9.1(b) hereof to the contrary, in the case of a Stock Appreciation Right that is a Substitute Award, the price per share of the shares subject to such Stock Appreciation Right may be less than 100% of the Fair Market Value per share on the date of grant; provided, however, that the excess of: (a) the aggregate Fair Market Value (as of the date such Substitute Award is granted) of the shares subject to the Substitute Award, over (b) the aggregate exercise price thereof does not exceed the excess of (x) the aggregate fair market value (as of the time immediately preceding the transaction giving rise to the Substitute Award, such fair market value to be determined by the Administrator) of the shares of the predecessor entity that were subject to the grant assumed or substituted for by the Company, over (y) the aggregate exercise price of such shares.

9.2 Stock Appreciation Right Vesting.

(a) The period during which the right to exercise, in whole or in part, a Stock Appreciation Right vests in the Participant shall be set by the Administrator and the Administrator may determine that a Stock Appreciation Right may not be exercised in whole or in part for a specified period after it is granted. Such vesting may be based on service with the Company or any Affiliate, the attainment of performance goals or any other criteria selected by the Administrator. At any time after grant of a Stock Appreciation Right, the Administrator may, in its sole discretion and subject to whatever terms and conditions it selects, accelerate the period during which a Stock Appreciation Right vests.

(b) No portion of a Stock Appreciation Right which is unexercisable at Termination of Service shall thereafter become exercisable, except as may be otherwise provided by the Administrator either in an applicable Program or Award Agreement or by action of the Administrator following the grant of the Stock Appreciation Right.

9.3 Manner of Exercise. All or a portion of an exercisable Stock Appreciation Right shall be deemed exercised upon delivery of all of the following to the stock administrator of the Company, or such other person or entity designated by the Administrator, or his, her or its office, as applicable:

(a) A written or electronic notice complying with the applicable rules established by the Administrator stating that the Stock Appreciation Right, or a portion thereof, is exercised. The notice shall be signed by the Participant or other person then-entitled to exercise the Stock Appreciation Right or such portion of the Stock Appreciation Right;

(b) Such representations and documents as the Administrator, in its sole discretion, deems necessary or advisable to effect compliance with all applicable provisions of the Securities Act and any other federal, state or foreign securities laws or regulations. The Administrator may, in its sole discretion, also take whatever additional actions it deems appropriate to effect such compliance; and

(c) In the event that the Stock Appreciation Right shall be exercised pursuant to this Section 9.3 by any person or persons other than the Participant, appropriate proof of the right of such person or persons to exercise the Stock Appreciation Right.

9.4 Stock Appreciation Right Term. The term of each Stock Appreciation Right shall be set by the Administrator in its sole discretion; provided, however, that the term shall not be more than ten (10) years from the date the Stock Appreciation Right is granted. The Administrator shall determine the time period, including the time period following a Termination of Service, during which the Participant has the right to exercise the vested Stock Appreciation Rights, which time period may not extend beyond the expiration date of the Stock Appreciation Right term. Except as limited by the requirements of Section 409A of the Code, the Administrator may extend the term of any outstanding Stock Appreciation Right, and may extend the time period during which vested Stock Appreciation Rights may be exercised, in connection with any Termination of Service of the Participant, and may amend any other term or condition of such Stock Appreciation Right relating to such a Termination of Service.

9.5 Payment. Payment of the amounts payable with respect to Stock Appreciation Rights pursuant to this Article 9 shall be in cash, Shares (based on its Fair Market Value as of the date the Stock Appreciation Right is exercised), or a combination of both, as determined by the Administrator.

ARTICLE 10.

ADDITIONAL TERMS OF AWARDS

10.1 Payment. The Administrator shall determine the methods by which payments by any Participant with respect to any Awards granted under the Plan shall be made, including, without limitation: (a) cash or check, (b) Shares (including, in the case of payment of the exercise price of an Award, Shares issuable pursuant to the exercise of the Award) held for such period of time as may be required by the Administrator in order to avoid adverse accounting consequences, in each case, having a Fair Market Value on the date of delivery equal to the aggregate payments required, (c) delivery of a written or electronic notice that the Participant has placed a market sell order with a broker with respect to Shares then-issuable upon exercise or vesting of an Award, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of the aggregate payments required; provided, however, that payment of such proceeds is then made to the Company upon settlement of such sale, or (d) other form of legal consideration acceptable to the Administrator. The Administrator shall also determine the methods by which Shares shall be delivered or deemed to be delivered to

Participants. Notwithstanding any other provision of the Plan to the contrary, no Participant who is a Director or an “executive officer” of the Company within the meaning of Section 13(k) of the Exchange Act shall be permitted to make payment with respect to any Awards granted under the Plan, or continue any extension of credit with respect to such payment with a loan from the Company or a loan arranged by the Company in violation of Section 13(k) of the Exchange Act.

10.2 Tax Withholding. The Company and its Affiliates shall have the authority and the right to deduct or withhold, or require a Participant to remit to the Company or an Affiliate, an amount sufficient to satisfy federal, state, local and foreign taxes (including the Participant’s social security, Medicare and any other employment tax obligation) required by law to be withheld with respect to any taxable event concerning a Participant arising as a result of the Plan. The Administrator may in its sole discretion and in satisfaction of the foregoing requirement allow a Participant to elect to have the Company or an Affiliate withhold Shares otherwise issuable under an Award (or allow the surrender of Shares). The Administrator shall determine the fair market value of the Shares, consistent with applicable provisions of the Code, for tax withholding obligations due in connection with a broker-assisted cashless Option or Stock Appreciation Right exercise involving the sale of shares to pay the Option or Stock Appreciation Right exercise price or any tax withholding obligation.

10.3 Transferability of Awards.

(a) Except as otherwise provided in Section 10.3(b) or (c) hereof:

(i) No Award under the Plan may be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution or, subject to the consent of the Administrator, pursuant to a DRO, unless and until such Award has been exercised, or the shares underlying such Award have been issued, and all restrictions applicable to such shares have lapsed;

(ii) No Award or interest or right therein shall be liable for the debts, contracts or engagements of the Participant or his successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, hypothecation, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy) unless and until such Award has been exercised, or the Shares underlying such Award have been issued, and all restrictions applicable to such Shares have lapsed, and any attempted disposition of an Award prior to the satisfaction of these conditions shall be null and void and of no effect, except to the extent that such disposition is permitted by clause (i) of this provision; and

(iii) During the lifetime of the Participant, only the Participant may exercise an Award (or any portion thereof) granted to him under the Plan, unless it has been disposed of pursuant to a DRO; after the death of the Participant, any exercisable portion of an Award may, prior to the time when such portion becomes unexercisable under the Plan or the applicable Program or Award Agreement, be exercised by his personal representative or by any person empowered to do so under the deceased Participant’s will or under the then applicable laws of descent and distribution.

(b) Notwithstanding Section 10.3(a) hereof, the Administrator, in its sole discretion, may determine to permit a Participant to transfer an Award to any one or more Permitted Transferees, subject to the following terms and conditions: (i) an Award transferred to a Permitted Transferee shall not be assignable or transferable by the Permitted Transferee other than by will or the laws of descent and

distribution; (ii) an Award transferred to a Permitted Transferee shall continue to be subject to all the terms and conditions of the Award as applicable to the original Participant (other than the ability to further transfer the Award); and (iii) the Participant and the Permitted Transferee shall execute any and all documents requested by the Administrator, including without limitation, documents to (A) confirm the status of the transferee as a Permitted Transferee, (B) satisfy any requirements for an exemption for the transfer under applicable federal, state and foreign securities laws and (C) evidence the transfer.

(c) Notwithstanding Section 10.3(a) hereof, a Participant may, in the manner determined by the Administrator, designate a beneficiary to exercise the rights of the Participant and to receive any distribution with respect to any Award upon the Participant's death. A beneficiary, legal guardian, legal representative, or other person claiming any rights pursuant to the Plan is subject to all terms and conditions of the Plan and any Program or Award Agreement applicable to the Participant, except to the extent the Plan, the Program and the Award Agreement otherwise provide, and to any additional restrictions deemed necessary or appropriate by the Administrator. If the Participant is married and resides in a "community property" state, a designation of a person other than the Participant's spouse as his or her beneficiary with respect to more than 50% of the Participant's interest in the Award shall not be effective without the prior written or electronic consent of the Participant's spouse. If no beneficiary has been designated or survives the Participant, payment shall be made to the person entitled thereto pursuant to the Participant's will or the laws of descent and distribution. Subject to the foregoing, a beneficiary designation may be changed or revoked by a Participant at any time provided the change or revocation is filed with the Administrator prior to the Participant's death.

10.4 Conditions to Issuance of Shares.

(a) Notwithstanding anything herein to the contrary, neither the Company nor its Affiliates shall be required to issue or deliver any certificates or make any book entries evidencing Shares pursuant to the exercise of any Award, unless and until the Administrator has determined, with advice of counsel, that the issuance of such Shares is in compliance with all applicable laws, regulations of governmental authorities and, if applicable, the requirements of any exchange on which the Shares are listed or traded, and the Shares are covered by an effective registration statement or applicable exemption from registration. In addition to the terms and conditions provided herein, the Administrator may require that a Participant make such reasonable covenants, agreements, and representations as the Administrator, in its discretion, deems advisable in order to comply with any such laws, regulations, or requirements.

(b) All Share certificates delivered pursuant to the Plan and all shares issued pursuant to book entry procedures are subject to any stop-transfer orders and other restrictions as the Administrator deems necessary or advisable to comply with federal, state, or foreign securities or other laws, rules and regulations and the rules of any securities exchange or automated quotation system on which the Shares are listed, quoted, or traded. The Administrator may place legends on any Share certificate or book entry to reference restrictions applicable to the Shares.

(c) The Administrator shall have the right to require any Participant to comply with any timing or other restrictions with respect to the settlement, distribution or exercise of any Award, including a window-period limitation, as may be imposed in the sole discretion of the Administrator.

(d) No fractional Shares shall be issued and the Administrator shall determine, in its sole discretion, whether cash shall be given in lieu of fractional shares or whether such fractional shares shall be eliminated by rounding down.

(e) Notwithstanding any other provision of the Plan, unless otherwise determined by the Administrator or required by any applicable law, rule or regulation, the Company and/or its Affiliates may, in lieu of delivering to any Participant certificates evidencing Shares issued in connection with any Award, record the issuance of Shares in the books of the Company (or, as applicable, its transfer agent or stock plan administrator).

10.5 Forfeiture Provisions. Pursuant to its general authority to determine the terms and conditions applicable to Awards under the Plan, the Administrator shall have the right to provide, in the terms of Awards made under the Plan, or to require a Participant to agree by separate written or electronic instrument, that: (a) any proceeds, gains or other economic benefit actually or constructively received by the Participant upon any receipt or exercise of the Award, or upon the receipt or resale of any Shares underlying the Award, must be paid to the Company, and (b) the Award shall terminate and any unexercised portion of the Award (whether or not vested) shall be forfeited, if (i) a Termination of Service occurs prior to a specified date, or within a specified time period following receipt or exercise of the Award, or (ii) the Participant at any time, or during a specified time period, engages in any activity in competition with the Company, or which is inimical, contrary or harmful to the interests of the Company, as further defined by the Administrator or (iii) the Participant incurs a Termination of Service for “cause” (as such term is defined in the sole discretion of the Administrator).

10.6 Prohibition on Repricing. Subject to Section 12.2 hereof, the Administrator shall not, without the approval of the stockholders of the Company, (i) authorize the amendment of any outstanding Option or Stock Appreciation Right to reduce its price per share, or (ii) cancel any Option or Stock Appreciation Right in exchange for cash or another Award when the Option or Stock Appreciation Right price per share exceeds the Fair Market Value of the underlying Shares. Subject to Section 12.2 hereof, the Administrator shall have the authority, without the approval of the stockholders of the Company, to amend any outstanding award to increase the price per share or to cancel and replace an Award with the grant of an Award having a price per share that is greater than or equal to the price per share of the original Award.

ARTICLE 11.

ADMINISTRATION

11.1 Administrator. The Committee (or another committee or a subcommittee of the Board assuming the functions of the Committee under the Plan) shall administer the Plan (except as otherwise permitted herein) and, unless otherwise determined by the Board, shall consist solely of two or more Independent Directors appointed by and holding office at the pleasure of the Board, each of whom is intended to qualify as a “non-employee director” as defined by Rule 16b-3 of the Exchange Act and an “independent director” under the rules of any securities exchange or automated quotation system on which the Shares are listed, quoted or traded, in each case, to the extent required under such provision; provided, however, that any action taken by the Committee shall be valid and effective, whether or not members of the Committee at the time of such action are later determined not to have satisfied the requirements for membership set forth in this Section 11.1 or otherwise provided in any charter of the Committee. Except as may otherwise be provided in any charter of the Committee, appointment of Committee members shall be effective upon acceptance of appointment. Committee members may resign at any time by delivering written or electronic notice to the Board. Vacancies in the Committee may only be filled by the Board.

11.2 Duties and Powers of Administrator. It shall be the duty of the Administrator to conduct the general administration of the Plan in accordance with its provisions. The Administrator shall have the power to interpret the Plan and all Programs and Award Agreements, and to adopt such rules for the administration, interpretation and application of the Plan and any Program as are not inconsistent with the Plan, to interpret, amend or revoke any such rules and to amend any Program or Award Agreement provided that the rights or obligations of the holder of the Award that is the subject of any such Program or Award Agreement are not affected adversely by such amendment, unless the consent of the Participant is obtained or such amendment is otherwise permitted under Section 12.10 hereof. Any such grant or award under the Plan need not be the same with respect to each Participant. In its sole discretion, the Board may at any time and from time to time exercise any and all rights and duties of the Committee under the Plan except with respect to matters which under Rule 16b-3 under the Exchange Act, or the rules of any securities exchange or automated quotation system on which the Shares are listed, quoted or traded are required to be determined in the sole discretion of the Committee.

11.3 Action by the Committee. Unless otherwise established by the Board or in any charter of the Committee, a majority of the Committee shall constitute a quorum and the acts of a majority of the members present at any meeting at which a quorum is present, and acts approved in writing by all members of the Committee in lieu of a meeting, shall be deemed the acts of the Committee. Each member of the Committee is entitled to, in good faith, rely or act upon any report or other information furnished to that member by any officer or other employee of the Company or any Affiliate, the Company's independent certified public accountants, or any executive compensation consultant or other professional retained by the Company to assist in the administration of the Plan.

11.4 Authority of Administrator. Subject to any specific designation in the Plan, the Administrator has the exclusive power, authority and sole discretion to:

(a) Adopt procedures from time to time intended to ensure that an individual is an Eligible Individual prior to the granting of any Awards to such individual under the Plan (including without limitation a requirement, if any, that each such individual certify to the Company prior to the receipt of an Award under the Plan that he or she has not been previously employed by the Company or a Subsidiary, or if previously employed, has had a bona fide period of non-employment, and that the grant of Awards under the Plan is an inducement material to his or her agreement to enter into employment with the Company or a Subsidiary);

(b) Designate Eligible Individuals to receive Awards;

(c) Determine the type or types of Awards to be granted to each Eligible Individual;

(d) Determine the number of Awards to be granted and the number of Shares to which an Award will relate;

(e) Determine the terms and conditions of any Award granted pursuant to the Plan, including, but not limited to, the exercise price, grant price, or purchase price, any performance criteria, any restrictions or limitations on the Award, any schedule for vesting, lapse of forfeiture restrictions or restrictions on the exercisability of an Award, and accelerations or waivers thereof, and any provisions related to non-competition and recapture of gain on an Award, based in each case on such considerations as the Administrator in its sole discretion determines;

(f) Determine whether, to what extent, and pursuant to what circumstances an Award may be settled in, or the exercise price of an Award may be paid in cash, Shares, other Awards, or other property, or an Award may be canceled, forfeited, or surrendered;

(g) Prescribe the form of each Award Agreement, which need not be identical for each Participant;

(h) Decide all other matters that must be determined in connection with an Award;

(i) Establish, adopt, or revise any rules and regulations as it may deem necessary or advisable to administer the Plan;

(j) Interpret the terms of, and any matter arising pursuant to, the Plan, any Program or any Award Agreement; and

(k) Make all other decisions and determinations that may be required pursuant to the Plan or as the Administrator deems necessary or advisable to administer the Plan.

11.5 Actions Required Upon Grant of Award. Following the issuance of any Award under the Plan, the Company shall, in accordance with the listing requirements of the applicable securities exchange, (a) promptly issue a press release disclosing the material terms of the grant, including the recipient(s) of the grant and the number of shares involved and (b) notify the applicable securities exchange of such grant no later than the earlier to occur of (i) five (5) calendar days after entering into the agreement to issue the Award or (ii) the date of the public announcement of the Award.

11.6 Decisions Binding. The Administrator's interpretation of the Plan, any Awards granted pursuant to the Plan, any Program, any Award Agreement and all decisions and determinations by the Administrator with respect to the Plan are final, binding, and conclusive on all parties.

11.7 Delegation of Authority. To the extent permitted by applicable law or the rules of any securities exchange or automated quotation system on which the Shares are listed, quoted or traded, the Board or Committee may from time to time delegate to a committee of one or more members of the Board or one or more officers of the Company the authority to amend Awards or to take other administrative actions pursuant to this Article 11; provided, however, that in no event shall an officer of the Company be delegated the authority to (a) grant awards or (b) amend awards held by the following individuals: (i) individuals who are subject to Section 16 of the Exchange Act or (ii) officers of the Company (or Directors) to whom authority to amend Awards has been delegated hereunder; provided further, that any delegation of administrative authority shall only be permitted to the extent it is permissible under applicable securities laws or the rules of any securities exchange or automated quotation system on which the Shares are listed, quoted or traded. Any delegation hereunder shall be subject to the restrictions and limits that the Board or Committee specifies at the time of such delegation, and the Board may at any time rescind the authority so delegated or appoint a new delegatee. At all times, the delegatee appointed under this Section 11.7 shall serve in such capacity at the pleasure of the Board and the Committee. Notwithstanding anything to the contrary provided herein (x) Awards shall be approved by (i) the Company's Compensation Committee comprised of a majority of the Company's Independent Directors or (ii) a majority of the Company's Independent Directors and (y) the authority to grant Awards shall not be delegated under any circumstances.

ARTICLE 12.

MISCELLANEOUS PROVISIONS

12.1 Amendment, Suspension or Termination of the Plan. Except as otherwise provided in this Section 12.1, the Plan may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Board. However, without approval of the Company's stockholders given within twelve (12) months before or after the action by the Administrator, no action of the Administrator may, except as provided in Section 12.2 hereof, (i) reduce the price per share of any outstanding Option or Stock Appreciation Right granted under the Plan or (ii) cancel any Option or Stock Appreciation Right in exchange for cash or another Award in violation of Section 10.6 hereof. Except as provided in Section 12.10 hereof, no amendment, suspension or termination of the Plan shall, without the consent of the Participant, impair any rights or obligations under any Award theretofore granted or awarded, unless the Award itself otherwise expressly so provides. No Awards may be granted or awarded during any period of suspension or after termination of the Plan.

12.2 Changes in Common Stock or Assets of the Company, Acquisition or Liquidation of the Company and Other Corporate Events.

(a) In the event of any stock dividend, stock split, combination or exchange of shares, merger, consolidation or other distribution (other than normal cash dividends) of Company assets to stockholders, or any other change affecting the shares of the Company's stock or the share price of the Company's stock other than an Equity Restructuring, the Administrator shall make equitable adjustments, if any, to reflect such change with respect to (i) the aggregate number and kind of shares that may be issued under the Plan (including, but not limited to, adjustments of the Share Limit); (ii) the number and kind of shares of Common Stock (or other securities or property) subject to outstanding Awards; (iii) the terms and conditions of any outstanding Awards (including, without limitation, any applicable performance targets or criteria with respect thereto); and/or (iv) the grant or exercise price per share for any outstanding Awards under the Plan.

(b) In the event of any transaction or event described in Section 12.2(a) hereof or any unusual or nonrecurring transactions or events affecting the Company, any Affiliate of the Company, or the financial statements of the Company or any Affiliate, or of changes in applicable laws, regulations or accounting principles, the Administrator, in its sole discretion, and on such terms and conditions as it deems appropriate, either by the terms of the Award or by action taken prior to the occurrence of such transaction or event and either automatically or upon the Participant's request, is hereby authorized to take any one or more of the following actions whenever the Administrator determines that such action is appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan or with respect to any Award under the Plan, to facilitate such transactions or events or to give effect to such changes in laws, regulations or principles:

(i) To provide for either (A) termination of any such Award in exchange for an amount of cash, if any, equal to the amount that would have been attained upon the exercise of such Award or realization of the Participant's rights (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction or event described in this Section 12.2, the Administrator determines in good faith that no amount would have been attained upon the exercise of such Award or realization of the Participant's rights, then such Award may be terminated by the Company without payment) or (B) the replacement of such Award with other rights or property selected by the Administrator in its sole

discretion having an aggregate value not exceeding the amount that could have been attained upon the exercise of such Award or realization of the Participant's rights had such Award been currently exercisable or payable or fully vested;

(ii) To provide that such Award be assumed by the successor or survivor corporation, or a parent or subsidiary thereof, or shall be substituted for by similar options, rights or awards covering the stock of the successor or survivor corporation, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and prices;

(iii) To make adjustments in the number and type of securities subject to outstanding Awards and Awards which may be granted in the future and/or in the terms, conditions and criteria included in such Awards (including the grant or exercise price, as applicable);

(iv) To provide that such Award shall be exercisable or payable or fully vested with respect to all securities covered thereby, notwithstanding anything to the contrary in the Plan or an applicable Program or Award Agreement; and

(v) To provide that the Award cannot vest, be exercised or become payable after such event.

(c) In connection with the occurrence of any Equity Restructuring, and notwithstanding anything to the contrary in Sections 12.2(a) and 12.2(b) hereof:

(i) The number and type of securities subject to each outstanding Award and the exercise price or grant price thereof, if applicable, shall be equitably adjusted; and/or

(ii) The Administrator shall make such equitable adjustments, if any, as the Administrator in its discretion may deem appropriate to reflect such Equity Restructuring with respect to the aggregate number and kind of shares that may be issued under the Plan (including, but not limited to, adjustments to the Share Limit and the Individual Award Limits). The adjustments provided under this Section 12.2(c) shall be nondiscretionary and shall be final and binding on the affected Participant and the Company.

(d) Notwithstanding any other provision of the Plan, in the event of a Change in Control, each outstanding Award shall be assumed or an equivalent Award substituted by the successor corporation or a parent or subsidiary of the successor corporation. For the purposes of this Section 12.2(d), an Award shall be considered assumed or substituted if, following the Change in Control, the assumed or substituted Award confers the right to purchase or receive, for each share of Common Stock subject to the Award immediately prior to the Change in Control, the consideration (whether stock, cash, or other securities or property) received in the Change in Control by holders of Common Stock for each Share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding shares); provided, however, that if such consideration received in the Change in Control was not solely common stock of the successor corporation or its parent, the Administrator may, with the consent of the successor corporation, provide for the consideration to be received upon the exercise of the assumed or substituted Award, for each share of Common Stock subject to such Award, to be solely common stock of the successor corporation or its parent equal in fair market value to the per share consideration received by holders of Common Stock in the Change in Control.

(e) In the event that the successor corporation in a Change in Control and its parents and subsidiaries refuse to assume or substitute for any Award in accordance with Section 12.2(d) hereof, each such non-assumed/substituted Award shall become fully vested and, as applicable, exercisable and shall be deemed exercised, immediately prior to the consummation of such transaction, and all forfeiture restrictions on any or all such Awards shall lapse at such time. If an Award vests and, as applicable, is exercised in lieu of assumption or substitution in connection with a Change in Control, the Administrator shall notify the Participant of such vesting and any applicable exercise, and the Award shall terminate upon the Change in Control. For the avoidance of doubt, if the value of an Award that is terminated in connection with this Section 12.2(e) is zero or negative at the time of such Change in Control, such Award shall be terminated upon the Change in Control without payment of consideration therefor.

(f) The Administrator may, in its sole discretion, include such further provisions and limitations in any Award, agreement or certificate, as it may deem equitable and in the best interests of the Company that are not inconsistent with the provisions of the Plan.

(g) No adjustment or action described in this Section 12.2 or in any other provision of the Plan shall be authorized with respect to any Award to the extent such adjustment or action would result in short-swing profits liability under Section 16 or violate the exemptive conditions of Rule 16b-3 unless the Administrator determines that the Award is not to comply with such exemptive conditions.

(h) The existence of the Plan, the Program, the Award Agreement and the Awards granted hereunder shall not affect or restrict in any way the right or power of the Company or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of stock or of options, warrants or rights to purchase stock or of bonds, debentures, preferred or prior preference stocks whose rights are superior to or affect the Common Stock or the rights thereof or which are convertible into or exchangeable for Common Stock, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

(i) No action shall be taken under this Section 12.2 which shall cause an Award to fail to comply with Section 409A of the Code to the extent applicable to such Award, unless the Administrator determines any such adjustments to be appropriate.

(j) In the event of any pending stock dividend, stock split, combination or exchange of shares, merger, consolidation or other distribution (other than normal cash dividends) of Company assets to stockholders, or any other change affecting the shares of Common Stock or the share price of the Common Stock including any Equity Restructuring, for reasons of administrative convenience, the Company in its sole discretion may refuse to permit the exercise of any Award during a period of thirty (30) days prior to the consummation of any such transaction.

12.3 No Stockholders Rights. Except as otherwise provided herein or in an Award Agreement, a Participant shall have none of the rights of a stockholder with respect to shares of Common Stock covered by any Award until the Participant becomes the record owner of such shares of Common Stock.

12.4 Paperless Administration. In the event that the Company establishes, for itself or using the services of a third party, an automated system for the documentation, granting or exercise of Awards, such as a system using an internet website or interactive voice response, then the paperless documentation, granting or exercise of Awards by a Participant may be permitted through the use of such an automated system.

12.5 Effect of Plan upon Other Compensation Plans. The adoption of the Plan shall not affect any other compensation or incentive plans in effect for the Company or any Affiliate. Nothing in the Plan shall be construed to limit the right of the Company or any Affiliate: (a) to establish any other forms of incentives or compensation for Employees of the Company or any Affiliate, or (b) to grant or assume options or other rights or awards otherwise than under the Plan in connection with any proper corporate purpose including without limitation, the grant or assumption of options in connection with the acquisition by purchase, lease, merger, consolidation or otherwise, of the business, stock or assets of any corporation, partnership, limited liability company, firm or association.

12.6 Compliance with Laws. The Plan, the granting and vesting of Awards under the Plan and the issuance and delivery of Shares and the payment of money under the Plan or under Awards granted or awarded hereunder are subject to compliance with all applicable federal, state, local and foreign laws, rules and regulations (including but not limited to state, federal and foreign securities law and margin requirements), the rules of any securities exchange or automated quotation system on which the Shares are listed, quoted or traded, and to such approvals by any listing, regulatory or governmental authority as may, in the opinion of counsel for the Company, be necessary or advisable in connection therewith. Any securities delivered under the Plan shall be subject to such restrictions, and the person acquiring such securities shall, if requested by the Company, provide such assurances and representations to the Company as the Company may deem necessary or desirable to assure compliance with all applicable legal requirements. To the extent permitted by applicable law, the Plan and Awards granted or awarded hereunder shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

12.7 Titles and Headings, References to Sections of the Code or Exchange Act. The titles and headings of the sections in the Plan are for convenience of reference only and, in the event of any conflict, the text of the Plan, rather than such titles or headings, shall control. References to sections of the Code or the Exchange Act shall include any amendment or successor thereto.

12.8 Governing Law. The Plan and any agreements hereunder shall be administered, interpreted and enforced under the internal laws of the State of California without regard to conflicts of laws thereof.

12.9 Section 409A. To the extent that the Administrator determines that any Award granted under the Plan is subject to Section 409A of the Code, the Plan, any applicable Program and the Award Agreement covering such Award shall be interpreted in accordance with Section 409A of the Code. Notwithstanding any provision of the Plan to the contrary, in the event that, following the Effective Date, the Administrator determines that any Award may be subject to Section 409A of the Code, the Administrator may adopt such amendments to the Plan, any applicable Program and the Award Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Administrator determines are necessary or appropriate to avoid the imposition of taxes on the Award under Section 409A of the Code, either through compliance with the requirements of Section 409A of the Code or with an available exemption therefrom.

Notwithstanding the foregoing, nothing herein shall create any obligation on the part of the Administrator or the Company or its Affiliates to take any action described in this Section 12.9 or give rise to any liability on the part of the Administrator or the Company or its Affiliates for failing to take any such action.

12.10 No Rights to Awards. No Eligible Individual or other person shall have any claim to be granted any Award pursuant to the Plan, and neither the Company nor the Administrator is obligated to treat Eligible Individuals or any other persons uniformly.

12.11 Unfunded Status of Awards. The Plan is intended to be an “unfunded” plan for incentive compensation. With respect to any payments not yet made to a Participant pursuant to an Award, nothing contained in the Plan or any Program or Award Agreement shall give the Participant any rights that are greater than those of a general creditor of the Company or any Affiliate.

12.12 Indemnification. To the extent allowable pursuant to applicable law, each member of the Board and any officer or other employee to whom authority to administer any component of the Plan is delegated shall be indemnified and held harmless by the Company from any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by such member in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action or failure to act pursuant to the Plan and against and from any and all amounts paid by him or her in satisfaction of judgment in such action, suit, or proceeding against him or her; provided, however, that he or she gives the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled pursuant to the Company’s Certificate of Incorporation or Bylaws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

12.13 Relationship to other Benefits. No payment pursuant to the Plan shall be taken into account in determining any benefits under any pension, retirement, savings, profit sharing, group insurance, welfare or other benefit plan of the Company or any Affiliate except to the extent otherwise expressly provided in writing in such other plan or an agreement thereunder.

12.14 Expenses. The expenses of administering the Plan shall be borne by the Company and its Affiliates.

ARTICLE 13.

STOCKHOLDER APPROVAL

13.1 Stockholder Approval Not Required. It is expressly intended that approval of the Company’s stockholders not be required as a condition of the effectiveness of the Plan or the Original Plan, and the Plan’s provisions shall be interpreted in a manner consistent with such intent for all purposes. Specifically, (a) New York Stock Exchange Rule 303A.08 generally requires stockholder approval for equity-compensation plans adopted by companies whose securities are listed on the New York Stock Exchange, and (b) Nasdaq Stock Market Rule 5635(c) generally requires stockholder approval for stock option plans or other equity compensation arrangements adopted by companies whose securities are listed on the Nasdaq Stock Market pursuant to which stock awards or stock may be acquired by

officers, directors, employees or consultants of such companies. New York Stock Exchange Rule 303A.08 and Nasdaq Stock Market Rule 5635(c)(4) each provides an exemption in certain circumstances for “employment inducement” awards (within the meaning of New York Stock Exchange Rule 303A.08 and Nasdaq Stock Market Rule 5635(c)(4)). Notwithstanding anything to the contrary herein, (w) if the Company’s securities are traded on the New York Stock Exchange, then Awards under the Plan may only be made to Employees who are being hired by the Company or a Subsidiary, or being rehired following a bona fide period of interruption of employment by the Company or a Subsidiary and (x) if the Company’s securities are traded on the Nasdaq Stock Market, then Awards under the Plan may only be made to Employees who have not previously been an Employee or director of the Company or a Subsidiary, or following a bona fide period of non-employment by the Company or a Subsidiary, in each case as an inducement material to the Employee’s entering into employment with the Company or a Subsidiary. Awards under the Plan will be approved by (y) the Company’s Compensation Committee comprised of a majority of the Company’s Independent Directors or (z) a majority of the Company’s Independent Directors. Accordingly, pursuant to New York Stock Exchange Rule 303A.08 and Nasdaq Stock Market Rule 5635(c)(4), the issuance of Awards and the shares of Stock issuable upon exercise or vesting of such Awards pursuant to the Plan are not subject to the approval of the Company’s stockholders.

[signature page follows]

* * * * *

I hereby certify that the Original Plan was duly adopted initially by the Board of Directors of the Company on May 14, 2012.

* * * * *

I hereby certify that the amendment and restatement to the foregoing Plan was duly approved by the Board of Directors of the Company on April 22, 2026, and made effective on May 13, 2026.

/s/ Jennifer H. Painter

Name: Jennifer Hanks Painter

Title: SVP, Chief Legal Officer and Secretary