

NON-EMPLOYEE DIRECTOR COMPENSATION

As adopted by the Plug Power Inc. Board of Directors September 20, 2011

1. Initial Option Grant. Effective upon initial election or appointment to the Board of Directors of the Company, each non-employee director shall receive an option to purchase the following number of shares of common stock of the Company:

- Chairman of the Board 50,000 shares
- Other non-employee directors 65,000 shares

2. Annual Retainer Option Grant. Effective upon the date of the Company's Annual Meeting of Stockholders, each non-employee director who is continuing as a director of the Company following such meeting shall receive an option to purchase 10,000 shares of common stock of the Company, with the exception of the Chairman of the Board who shall receive an option to purchase 15,000 shares of common stock of the Company. In addition to these option grants, the Chairman of the Audit Committee shall receive an option to purchase 5,000 shares of common stock of the Company and the Chairman of each other committee of the Board of Directors shall receive an option to purchase 2,000 shares of common stock of the Company.

3. Option Terms. Each option granted in accordance with Sections 1 and 2 above shall not be exercisable upon grant, but shall become exercisable pursuant to a three-year vesting schedule wherein the first third of the options granted will vest one year from award date, the second third of the options granted will vest two years from award date, and the final third of the options granted will vest three years from award date provided that such non-employee director has remained as a director of the Company during such one year period. Additionally, each such option shall have an exercise price equal to the closing price of the common stock, as reported by the NASDAQ National Market or such other principal securities exchange or market system on which the common stock is then listed, on the grant date or, if the grant date is not a trading day, the most recent trading day prior to the grant date and shall expire ten years after the grant date, unless otherwise provided in the stock option agreement relating to such option. Each such option shall be granted under Plug Power Inc. 2011 Stock Option and Incentive Plan, or the Company's then current stock option plan, and shall have the other terms and conditions as are set forth in the form of stock option agreement for directors of the Company most recently approved by the Board of Directors or Compensation Committee of the Board of Directors of the Company.

4. Annual Cash/Stock Fee. Each non-employee director shall receive an annual fee, or a pro rata portion thereof based on the length of such director's service, of \$40,000 or, with respect to the Chairman of the Board of Directors, \$85,000. In addition to these amounts, the following non-employee directors shall receive the following annual fees, or a pro rata portion thereof:

- Chairman of the Audit Committee \$20,000

- Chairman of the Compensation Committee \$15,000
- Chairman of the Corporate Governance Committee \$10,000
- Member of the Audit Committee \$15,000
- Members of other Committee \$ 5,000

These annual fees shall be paid quarterly, in arrears, within five (5) days following the last day of each fiscal quarter of the Company. Non-employee directors shall receive the foregoing amounts in the form of fifty percent (50%) cash and fifty percent (50%) common stock of the Company; provided, however, that such directors may elect at any time to receive a greater portion of the foregoing amounts in common stock up to one hundred percent (100%) in common stock. The number of shares of common stock issued will be determined by dividing (A) the amount of the fees to be received in stock by (B) the closing price of the common stock, as reported by the NASDAQ National Market or such other principal securities exchange or market system on which the common stock is then listed, on the issuance date or, if the issuance date is not a trading day, the most recent trading day prior to the issuance date. At the Board's discretion, directors may receive a greater portion of the foregoing amounts in cash up to eighty percent (80%) in cash.

5. Expenses. The Company shall reimburse each non-employee director for reasonable expenses incurred by such director in connection with his or her attendance at meetings of the Board of Directors of the Company and meetings of committees of the Board of Directors of the Company, as the case may be.