

# **DEEPSHIELD SYSTEMS, INC.**

## **2024 EQUITY INCENTIVE PLAN**

(Adopted by the Board of Directors: January 15, 2024)

(Approved by the Stockholders: February 1, 2024)

### **1. PURPOSE**

The purpose of this 2024 Equity Incentive Plan (the "Plan") is to advance the interests of DeepShield Systems, Inc. (the "Company") by providing a means to attract, retain, and motivate employees, directors, and consultants through equity ownership in the Company. The Plan provides for the grant of Incentive Stock Options, Non-Qualified Stock Options, Restricted Stock Units, and other equity-based awards.

### **2. DEFINITIONS**

1. "Administrator" means the Board or any Committee appointed by the Board to administer the Plan.
2. "Board" means the Board of Directors of the Company.
3. "Common Stock" means the common stock of the Company, par value \$0.001 per share.
4. "Fair Market Value" means, as of any date, the value of Common Stock determined by the Administrator in compliance with Section 409A of the Code.
5. "Option" means a stock option granted pursuant to the Plan.

### **3. STOCK SUBJECT TO THE PLAN**

1. Reserve Pool. The stock subject to the Plan shall be authorized but unissued shares of Common Stock. The maximum aggregate number of shares which may be issued under the Plan is 5,000,000 shares.
2. Reversion of Shares. If any Option expires or is terminated without being exercised, the shares shall return to the Plan pool.

### **4. ELIGIBILITY**

1. General Rule. Options may be granted to employees, directors, and consultants of the Company or any Parent or Subsidiary.

2. Ten Percent Stockholders. An Incentive Stock Option granted to a person who owns more than 10% of the total combined voting power of all classes of stock shall have an exercise price of no less than 110% of Fair Market Value.

## **5. OPTION PROVISIONS**

1. Term. No Option shall have a term in excess of 10 years from grant date.

2. Exercise Price

(a) Incentive Stock Options: Not less than 100% of Fair Market Value

(b) Non-Qualified Stock Options: As determined by Administrator

3. Vesting Schedule. Unless otherwise determined by the Administrator:

(a) 25% of shares vest on first anniversary of grant date

(b) Remaining shares vest in equal monthly installments over following 36 months

## **6. RESTRICTED STOCK UNITS**

1. Grant. The Administrator may grant Restricted Stock Units ("RSUs") representing the right to receive shares of Common Stock.

2. Terms. RSUs shall be subject to such restrictions and conditions as the Administrator determines, including performance-based conditions.

## **7. ADJUSTMENTS UPON CHANGES IN CAPITALIZATION**

In the event of any stock split, reverse stock split, stock dividend, recapitalization, combination, reclassification, or other change in corporate structure, the Administrator shall proportionately adjust the number of shares and exercise prices.

## **8. CORPORATE TRANSACTIONS**

1. Merger or Change in Control. In the event of a merger or Change in Control:

(a) Outstanding awards shall be assumed or substituted

(b) If not assumed, awards shall fully vest

(c) Administrator may provide for cash-out of awards

## **9. AMENDMENT AND TERMINATION**

1. Amendment. The Board may amend the Plan at any time, provided that stockholder approval shall be required for any amendment requiring such approval under applicable law.

2. Termination. The Plan shall terminate on January 15, 2034, unless earlier terminated by the Board.

## **10. GENERAL PROVISIONS**

1. Governing Law. The Plan shall be governed by Delaware law.

2. Tax Withholding. The Company may require payment of withholding taxes as a condition of exercise.

3. Section 409A. Awards shall comply with or be exempt from Section 409A of the Code.

IN WITNESS WHEREOF, the Company has caused this Plan to be executed by its duly authorized officer as of the date first above written.

DEEPSHIELD SYSTEMS, INC.

**By: \_**

Dr. Marcus Chen

Chief Executive Officer

ATTEST:

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Robert Kessler

Chief Financial Officer