

STOCK OPTION PLAN ADMINISTRATION GUIDELINES

Summit Digital Solutions, Inc.

Effective Date: January 1, 2024

1. PURPOSE AND SCOPE

1. These Stock Option Plan Administration Guidelines (the "Guidelines") govern the administration of Summit Digital Solutions, Inc.'s (the "Company") 2024 Equity Incentive Plan (the "Plan") and establish procedures for granting, exercising, and managing stock options issued thereunder.
2. These Guidelines shall be administered by the Compensation Committee (the "Committee") of the Board of Directors in accordance with the Plan document and applicable securities laws.

2. DEFINITIONS

1. "Fair Market Value" means the closing price of the Company's common stock on the date of grant as determined by the Committee based on the most recent third-party valuation.
2. "Option Agreement" means the written agreement between the Company and the Participant evidencing the grant of stock options.
3. "Participant" means any eligible employee, director, or consultant granted options under the Plan.

3. ELIGIBILITY AND ALLOCATION

1. Option grants shall be limited to full-time employees, non-employee directors, and key consultants who have completed at least six (6) months of service.
2. The standard option allocation matrix shall be:
 - Executive Officers: Up to 1.0% of fully diluted shares
 - Senior Vice Presidents: Up to 0.5% of fully diluted shares
 - Vice Presidents: Up to 0.25% of fully diluted shares
 - Directors/Senior Managers: Up to 0.1% of fully diluted shares
 - Key Individual Contributors: Up to 0.05% of fully diluted shares
3. All allocations require Committee approval and must align with the Company's equity budget.

4. GRANT PROCEDURES

1. Option grants shall occur quarterly on predetermined grant dates:

- March 15
- June 15
- September 15
- December 15

2. The following documentation is required for each grant:

- (a) Committee approval documentation
- (b) Completed Option Agreement
- (c) Board resolution (if required)
- (d) 409A valuation confirmation
- (e) Cap table impact analysis

3. All grants must be recorded in the Company's option management system within five (5) business days of approval.

5. VESTING AND EXERCISE

1. Standard vesting schedule shall be four (4) years with a one (1) year cliff, vesting quarterly thereafter.

2. Exercise price shall be set at Fair Market Value on the grant date.

3. Exercise methods permitted:

- Cash payment
- Cashless exercise
- Net exercise
- Stock swap

4. Early exercise may be permitted for certain grants subject to Committee approval.

6. TERMINATION PROVISIONS

1. Voluntary termination: 90 days to exercise vested options

2. Involuntary termination (not for cause): 90 days to exercise vested options
3. Termination for cause: Immediate forfeiture of all options
4. Death/disability: 12 months to exercise vested options
5. Retirement: Continued vesting per original schedule

7. DOCUMENTATION AND REPORTING

1. The following records must be maintained:

- (a) Option grant history
- (b) Vesting schedules and status
- (c) Exercise records
- (d) Termination data
- (e) 409A valuations
- (f) Committee approvals

2. Quarterly reports shall be provided to the Committee including:

- Grant activity
- Outstanding options
- Exercised options
- Forfeited options
- Equity budget status

8. COMPLIANCE

1. All option grants must comply with:

- Securities laws and regulations
- IRC Section 409A
- Plan documents
- Company policies
- Delaware corporate law

2. Annual compliance review shall be conducted by outside counsel.

9. AMENDMENTS

1. These Guidelines may be amended by the Committee at any time, subject to consistency with the Plan document.
2. Material changes require Board approval.

10. EFFECTIVE DATE AND APPROVAL

These Guidelines were approved by the Compensation Committee on December 15, 2023 and are effective as of January 1, 2024.

APPROVED:

Sarah Blackwell
Chair, Compensation Committee
Summit Digital Solutions, Inc.

James Henderson
Secretary
Summit Digital Solutions, Inc.

Date: December 15, 2023