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Computer\nVision and Pattern Recognition conference, NVIDIA won the Autonomous Grand Challenge in the End-to- End Driving at Scale category , highlighting the\nimportance of generative AI in building applications for physical AI deployments in autonomous vehicle development.\nFinancial Information by Business Segment and Geographic Data\nRefer to Note 14 of the Notes to the Condensed Consolidated Financial Statements for disclosure regarding segment information.\nCritical Accounting Policies and Estimates\nR efer to Part II, Item 7, \"Critical Accounting Policies and Estimates\" of our Annual Report on Form 10-K for the fiscal year ended January 28, 2024. There have\nbeen no material changes to our Critical Accounting Policies and Estimates.\n27Results of Operations\nThe following table sets forth, for the periods indicated, certain items in our Condensed Cons olidated Statements of Income expressed as a p ercentage of\nrevenue.\n Three Months Ended Six Months Ended\n Jul 28, 2024 Jul 30, 2023 Jul 28, 2024 Jul 30, 2023\nRevenue 100.0 % 100.0 % 100.0 % 100.0 %\n Cost of revenue 24.9 29.9 23.4 31.8 \nGross profit 75.1 70.1 76.6 68.2 \nOperating expenses \n Research and development 10.3 15.1 10.4 18.9 \n Sales, general and administrative 2.8 4.7 2.9 6.1 \nTotal operating expenses 13.1 19.8 13.3 25 .0 \nOperating income 62.0 50.3 63.3 43.2 \n Interest income 1.5 1.4 1.4 1.6 \n Interest expense (0.2) (0.5) (0.2) (0.6)\n Other , net 0.6 0.4 0.5 0.2 \nOther income (expense), net 1.9 1.3 1.7 1.2 \nIncome before income tax 63.9 51.6 65.0 44.4 \nIncome tax expense 8.7 5.9 8.9 4.6 \nNet income 55.2 % 45.7 % 56.1 % 39.8 %\nRevenue\nRevenue by Reportable Segments\nThree Months Ended Six Months Ended \n Jul 28, 2024 Jul 30, 2023$\nChange%\nChangeJul 28, 2024 Jul 30, 2023$\nChange%\nChange\n ($ in millions)\nCompute & Networking $ 26,446 $ 10,402 $ 16,044 154 %$ 49,121 $ 14,862 $ 34,259 231 %\nGraphics 3,5 94 3,105 489 16 % 6,963 5,837 1,126 19 %\nTotal $ 30,040 $ 13,507 $ 16,533 122 %$ 56,084 $ 20,699 $ 35,385 171 %\nOperating Income by Reportable Segments\nThree Months Ended Six Months Ended\n Jul 28, 202 4 Jul 30, 2023$\nChange%\nChangeJul 28, 2024 Jul 30, 2023$\nChange%\nChange\n ($ in millions)\nCompute & Networking $ 18,848 $ 6,728 $ 12,120 180 %$ 35,896 $ 8,887 $ 27,009 304

%\nGraphics 1,369 1,211 158 13 %$ 2,609 2,258 351 16 %\nAll Other (1,575) (1,139) (436) 38 %$ (2,954) (2,204) (750) 34 %\nTotal $ 18,642 $ 6,800 $ 11,842 174 %$ 35,551 $ 8,941 $ 26,610 298 %\nCompute & Networking revenue The increa se in the second quarter and first half of fiscal year 2025 compared to the second quarter and first half of fiscal year\n2024 was due to strengt h in Data Center computing and networking for accelerat ed computing and AI solutions. Revenue from GPU computing grew 166% year-\non-year and 257% compared to the first half of fiscal year 2024, was driven by demand for our Hopper GPU architecture computin g platform for training and\ninferencing of large language models, recomm endation engines, and generative AI applications. Networking was also up 114% year-on-year and 159%\ncompared to the first half of last year driven by both InfiniBand and Ethernet for AI revenue.\n28Graphics revenue The increase in the second quarter and first half of fiscal year 2025 compared to the second quarter and first half of fiscal year 2024 was led\nby higher sales of our GeForce R TX 40 Series GPUs.\nReportable segment operating income The increase in the second quarter and first half of fiscal year 2025 compa red to the second quarter and first half of\nfiscal year 2024 in Compute & Networking and Graphics operating income was driven by higher revenue.\nAll Other operating loss The incre ase in the second quarter and first half of fiscal year 2025 compared to the second quarter and first half of fiscal year 2024\nwas due to an increase in stock-based compensation expense reflecting employee growth and c ompensation increases.\nConcentration of Revenue\nRevenue by geographic region is designated based on the billing location even if the revenue may be attributable to end customers, such as enterprises and\ngamers in a different location. Revenue from sales to customers outside of the United States accounted for 57% and 53% of total revenue for the second quarter\nand first half of fiscal year 2025, r espectively , and 55% and 59% of total revenue for the second quarter and first half of fiscal year 2024, respectively .\nWe refer to customers who purchase products directly from NVIDIA as direct cus tomers, such as add-in board manufacturers, distributors, ODMs, OEMs, and\nsystem integ rators. We have certain customers that may purchase products directly from NVIDIA and may use either internal re sources or third-party system\nintegrators to complete their build. We also have indirect customers, who purchase products through our direct customers; indirect customers include cloud\nservice provide rs, consumer internet companies, enterprises, and public sector entities.\nSales to direct customers which represented 10% or more of total revenue, all of which were primarily attributable to the Comp ute & Networking segment, are\npresented in the following table:\n Three Months Ended Six Months Ended\n Jul 28, 2024 Jul 28, 2024\nCustomer A 14 % 14 %\nCustomer B 11 % *\nCustomer C 11 % *\nCustomer D 10 % 10 %\nCustomer E * 10 %\n* Less than 10% of total revenue\nFor the second quarter of fiscal year 2025, two indirect customers which primarily purchase our products through system integrators and distrib utors, including\nthrough Customer B and Customer E, are estimated to each represent 10% or more of total revenue attributable to the Compute & Networking segment.\nFor the first half of fiscal year 202 5, an indirect customer which primarily purchases our products from system integrators and distributors, including from\nCustomer E, is estimated to represent 10% or more of total revenue, attributable to the Compute & Networking segment.\nIndirect customer revenue is an estimation based upon multiple factors including customer purchase order information, product specifications, internal sales data\n and other sources. Actual indirect customer revenue may dif fer from our estimates.\nWe have experienced periods where we receive a significant amount of our revenue from a limited number of customers, and this trend may continue.\nGross Profit and Gross Margin\nGross profit consists of total net revenue less cost of revenue.\nOur overall gross margi n increased to 75.1% and 76.6% for the second quart er and first half of fiscal year 2025, respectively , from 70.1% and 68.2% for the\nsecond quarter and first half of fiscal year 2024, respectively . The increases in the second quarter and first half of fiscal year 2025 compared to the second\nquarter and first half of fiscal year 2024 were primarily due to strong Data Center revenue growth of 154% and 234% for the second quarter and first half of\n 2025, respectively .\nProvisions for inventory and excess inventory purchase obligations totaled $908 million and $1.3 billion for the second quarter and first half of fiscal year 2025,\nrespectively , and were primarily due to low-yielding Blackwell material. Sales of previously reserved inventory and settlements of excess inventory purchase\nobligations resulted in a provision release of $85 millio n and $199 million for the second quarter and first half of fiscal year 2025, respectively . The net effect on\nour\n29gross margin was an unfavorable impact of 2.7% and 2.0% in the second quarter and first half of fiscal year 2025, respectively .\nProvisions for inventory and excess inventory purchase obligations totaled $576 million and $709 million for the second quarter and first half of fiscal year 2024,\nrespectively . Sales of previously reserved invent ory and settlements of excess inventory purchase obligations resulted in a provision release of $84 million and\n$134 million for the seco nd quarter and first half of fiscal year 2024, respectively . The net effect on our gross margin was an unfavorable impact of 3.6% and\n2.8% in the second quarter and first half of fiscal year 2024, re spectively .\nWe expect our Data Center mix to continue to shift to new products in the second half of fiscal year 2025. For fiscal year 2025, we expect gross margins to be in\nthe mid-70% range.\nOperat ing Expenses\n Three Months Ended Six Months Ended\n Jul 28, 2024 Jul 30, 2023$\nChange%\nChange Jul 28, 2024 Jul 30, 2023$\nChange%\nChange\n ($ in millions)\nResearch and development\nexpenses $ 3,090 $ 2,04 0 $1,050 51 %$ 5,810 $ 3,916 $1,894 48 %\n% of net revenue 10.3 % 15.1 % 10.4 % 18.9 %\nSales, general and administrative\nexpenses 842 622 220 35 % 1,618 1,253 365 29 %\n% of net revenue 2.8 % 4.7 % 2.9 % 6.1 %\nTotal operating expenses $ 3,932 $ 2,662 $1,270 48 %$ 7,428 $ 5,169 $2,259 44 %\n% of net revenue 13.1 % 19.8 % 13.3 % 25.0 %\nThe increases in research and development expenses for the second q uarter and first half of fiscal year 2025 were driven by 35% and 34% increase in\ncompensation and benefits, including stock-bas ed compensation, reflecting employee growth and compensation increases, and 118% and 117% increase in\ncompute and infrastructure investments, respectively .\nThe increases in sales, general and administrative expenses for the second quarter and first half of fiscal year 20 25 was primarily driven by compensation and\nbenefits, including stock-based compensation, reflecting employee growth and compensation increases.\nFor fiscal year 2025, we expect operating expenses to g row in the mid to upper 40% range as we work on developing our next generation of products.\nOther Income (Expense), Net\nThree Months Ended Six Months Ended\n Jul 28, 2024 Jul 30, 2023$\nChange Jul 28, 2 024 Jul 30, 2023$\nChange\n ($ in millions)\nInterest income $ 444 $ 187 $ 257 $ 803 $ 338 $ 465 \nInterest expense (61) (65) 4 (125) (131) 6 \nOther , net 189 59 130 264 42 222 \nOther income (expense), ne t $ 572 $ 181 $ 391 $ 942 $ 249 $ 693 \nThe increas es in interest income for the second quarter and first half of fiscal year 2025 was due to higher cash, cash equivalents, and publicly-held debt\nsecu rity balances.\nInterest expense is comprised of coupon interest and debt discount amortization related to our notes.\nOther , net consists of realized or unrealized gains and losses from investments in privately-held equity securities, publicly-held equity securities, and the impact\nof changes in foreign currency rates. The change in Other , net, compared to the second quarter and first half of fis cal year 2024 was primarily driven by an\nincrease in fair value of our privately-held and publicly-held equity securities. Refer to Note 6 and 7 of the Notes to Condensed Consolidated Financial\nStatem ents in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information regarding our investments in privately-held and publicly-held equity\nsecurities.\n30Income T axes\nWe recognized i ncome tax expense of $2.6 billion and $5.0 billion for the second quarter and first half of fiscal year 2025, respectively , and $793 million and\n$958 million for the second quarter and first half of fiscal year 2024, respectively . Income tax expense as a percentage of income before income tax was 13.6%\nand 13.7% for the second quarter and first half of fiscal year 2025, respectively , and 11.4% and 10.4% for the second quarter and first half of fiscal year 2024,\nrespectively .\nThe effective tax rate increased primarily due to a lower percentage of tax benefits from the foreign-derived intang ible income deduction relative to the increase\nin income before income tax.\nGiven our current and anticipated future earnings, we believe that we may release the valuation allowance associated with c ertain state deferred tax assets in\nthe near term, which would decrease our income tax expense for the period the release is recor ded. The timing and amount of the valuation allowance release\ncould vary based on our assessment of all available evidence.\nRefer to Note 5 of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for addition al information.\nLiquidity and Capital Resources\n Jul 28, 2024 Jan 28, 2024\n (In millions)\nCash and cash equivalents $ 8,563 $ 7,280 \nMarketable securities 26,237 18,704 \nCash, cash equivalents and mar ketable securities $ 34,800 $ 25,984 \n Six Months Ended\nJul 28, 2024 Jul 30, 2023\n (In millions)\nNet cash provided by operating activities $ 29,833 $ 9,259 \nNet cash used in investing activities $ (8, 877) $ (1,287)\nNet cash used in financing activities $ (19,665) $ (5,479)\nOur investm ent policy requires the purchase of high-rated fixed income securities, the diversi fication of investment types a nd credit exposures, and certain\nmaturity limits on our portfolio.\nCash provided by operating activities increased in the first half of fiscal year 2025 compared to the first half of fiscal year 2024 due to growth in revenue, partially\noffset by higher tax paym ents. Our accounts receivable balance at the end of the first half of fiscal year 2025 reflects the strong revenue growth, partially offse t\nby $2.8 billion from customer payments received prior to the invoice due date.\nCash used in investing activities increased in the first half of fiscal year 2025 compared to the first half of fiscal year 2024, primarily driven by net purchases of\nmarketable securities, and acquisition of land and buildings.\nCash used in financing activities increased in the first half of fiscal year 2025 compared to the first half of fiscal year 2024, mainly due to higher share\nrepurchases and higher tax payments related to RSUs.\nLiquidity\nOur primary sources of liquidity include cash, cash equivalents, and m arketable securities, and the cash generated by our operations. As of July 28, 2024, we\nhad $34.8 billion in cash, cash equivalents, and marketable securities. We believe that we have sufficient liqui dity to meet our operating requirements for at least\nthe next twelve months, and for the foreseeable future, including our future supply obligations and share repurchases. We continuously evaluate our liquidity and\ncapital resources, including our access to external capital, to ensure we can finance future capital requirements.\nOur marketable securities consist of publicly-he ld equity securities, debt securities issued by the U.S. government and its agencies, highly rated corporations\nand financial institutions, and foreign government entities, as well as certificates of deposit issued by hig hly rated financial institutions. Our corporate debt\nsecurities are publicly traded. These marketable securities are primarily denominated in U.S. dollars. Refer to Note 6 of the Notes to Condensed Co nsolidated\nFinancial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information.\n31Except for approximately $1.4 billion of cash, cash equivalents, and marketable se curities held outside the U.S. for which we have not accrued any related\nforeign or state taxes if we repatriate these amounts to the U.S., substantially all of our cash, cash equivalents and marketab le securities held outside the U.S.\nas of July 28, 2024 are available for use in the U.S. without incurring additional U.S. federal income taxes.\nPayment from customers, per our standard paym ent term s, is generally due shortly after delivery of products, availability of software licenses or commencement\nof services.\nCapital Return to Shareholders\nDuring the second quarter and first half of fisca l year 2025, we paid $246 million and $344 million, respectively , in quarterly cash dividends.\nOur cash dividend program and the payment of future cash dividends under that program are subject to our Board of Directors' continuing determination that the\ndividend program and the declaration of dividends thereunder are in the best interests of our shareholders.\nOn June 7, 2024, we increased our qua rterly cash dividend to $0.01 per share on a post-Stock Split basis to all shareholders of record on June 11, 2024. Our\nquarterly cash dividend was paid on June 28, 2024.\nDuring the second quarter and first half of fiscal year 2025, we repurchased 62.8 million and 162.1 million shares of our common stock for $7.0 billion and\n$15.1 billion, respectively . As of July 28, 2024, we were authorized, su bject to certain specifications, to repurchase up to $7.5 billion of our common stock. On\nAugust 26, 2024, our Board of Directors approve d an additional $50.0 billion to our share repurchase authoriz ation, without expiration. As of August 26, 2024, a\ntotal of $53.9 billion was available for repurchase. Our share repurchase program aims to offset dilution from shares issued to employees while main taining\nadequate liquidity to meet our operating requirements. We may pursue additional share repurchases as we weigh market factors and other investment\nopportunities. W e plan to continue share repu rchases this fiscal year .\nFrom April 29, 2024 through August 26, 2024, we repurchased 31.5 million shares for $3.6 billion pursuant to a Rule 10b5-1 trading plan.\nThe U.S. Inflation Reduc tion Act of 2022 requires a 1% excise tax on certain share repurchases in excess of shares issued for employee compensation made\nafter December 31, 2022. The excise tax is included in our share repurchase cost a nd was not material for the second quarter and first half of fiscal year 2025.\nOutstanding Indebtedness and Commercial Paper Program\nOur aggregate debt maturities as of July 28, 2024, by year payable, are as follows:\n Jul 28, 2024\n (In millions)\nDue in one year $ \nDue in one to five years 2,250 \nDue in five to ten years 2,750 \nDue in greater than ten years 3,500 \nUnamortized debt discount and is suance costs (39)\nNet carrying amount 8,461 \nLess short-term portion \nTotal long-term portion $ 8,461 \nWe have a $575 million commercial paper program to support general corporate purposes. As of Ju ly 28, 2024, no commercial paper was outstanding.\nRefer to Note 1 1 of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for further disc ussion.\nMaterial Cash Requirements and Other Obligations\nUnrecognized tax benefits were $1.7 billion, which includes related interest and penalties of $186 million recorded in non-current income tax p ayable as of\nJuly 28, 2024. We are unable to estimate the timing of any potential tax liability , interest payme nts, or penalties in individual years due to uncertainties in the\nunderlying income tax positions and the timing of\n32the ef fective settlement of such tax positions. Refer to Note 5 of the Notes to Condensed Consolidated Financial Statements for further information.\nOther than the cont ractual obligations described above, there were no material changes outside the ordinary course of business in our contractual obligations\nfrom those disclosed in our Annual Report on Form 10-K for th e fiscal year ended January 28, 2024. Refer to Item 7, Management s Discussion and Analysis of\nFinancial Condition and Results of Operations - Liquidity and Capital Resources in our Annual Report o n Form 10-K for the fiscal year ended January 28, 2024\nfor a description of our contractual obligations. For a description of our operating lease obligations, long-term debt, and purchase obligations, refer to Notes 2,\n11, and 12 of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q, respectively .\nClimate Change\nTo date, there has been no material impact to our results of operations associated with global sustainability regulations, compliance, costs from sourcing\nrenewable energy or climate-related business trends.\nAdoption of New and Recently Issued Accounting

Pronouncements\nThere has been no adoption of any new and recently issued accounting pronouncements.\nItem 3. Quantitative and Qualitative Disclosures about Market Risk\nI nvestment and Interest Rate Risk\nFinancial market risks related to investment and interest rate risk are described in Part II, Item 7A, Quantitative and Qualitative Disclosures About Market Risk\nin our Annual Report on Form 10-K for the fiscal year ended January 28, 2024. As of July 28, 2024, there have been no material changes to the financial market\nrisks described as of January 28, 2024.\nFore ign Exchange Rate Risk\nThe impact of foreign currency transactions related to foreign exchange rate risk is described in Part II, Item 7A, Quantitative and Qualitative Disclosures About\nMarket Risk in our Annual Report on Form 10-K for the fiscal year ended January 28, 2024. As of July 28, 2024, there have been no material changes to the\nforeign exchange rate risks described as of January 28, 20 24.\nItem 4. Controls and Procedures\nControls and Procedures\nDisclosure Controls and Procedures\nBased on their evaluation as of July 28, 2024, our management, including our Chief Executive Officer and Chief Financial Officer, has concluded that our\ndisclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15d-15 (e)) were effective to provide reasonable assurance that the\ni nformation we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time\nperiods specified in the SEC rules and f orms, and that such information is accumulated and communicated to our management, including our Chief Executive\nOfficer and our Chief Financial Of ficer, as appropriate, to allow timely decisions reg arding required disclosures.\nChanges in Internal Control Over Financial Reporting\nThere were no changes that occurred during the second quarter of fiscal year 2025 that have materially affected, or ar e reasonably likely to materially affect, our\ninternal control over financial reporting. In fiscal year 2022, we began an upgrade of our enterprise resource planning, or ERP, system, which will update much of\nour existing core financia l systems. The ERP system is designed to accurately maintain our financial records used to report operating results. The upgrade will\noccur in phases. W e will cont inue to evaluate each quarter whether there are changes that materially af fect our internal control over financial reporting.\nInherent Limitations on Effectiveness of Controls\nOur manage ment, includ ing our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal\ncontrols, will prevent all error and all fraud. A control sys tem, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance\nthat the objectives of the control system are met. Further , the design of a control system must re flect the fact that there are resource constraints, and the benefits\nof controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation o f controls can provide absolute\nassurance that all control issues and instances of fraud, if any , within NVIDIA have been detected.\n33Part II. Other Information\nItem 1. Legal Proceedings\nRefer to Pa rt I, Item 1, Note 12 of the Notes to Condensed Consolidated Financial Statements for a discussion of significant developments in our legal\nproceedings since January 28, 2024. Also refer to Item 3, L egal Proceedings in our Annual Report on Form 10-K for the fiscal year ended January 28, 2024 for\na prior discussion of our legal proceedings.\nItem 1A. Risk Factors\nOther than the risk facto rs liste d below , there have been no material changes from the risk factors previously described under Item 1A of our Annual Report on\nForm 10-K for the fiscal year ended January28, 2024 and Item 1A of our Quarterly Report on Form 10-Q for the fiscal quarter ended April 28, 2024.\nPurchasing or owning NVIDIA common stock involves investment risks including, but not limited to, the risks described in Ite m 1A of our Annual Report on Form\n10-K for the fiscal year ended January28, 2024, and Item 1A of our Quarterly Report on Form 10-Q for the fiscal quarter ended April 28, 2024, and below . Any\none of those risks could harm our business, financial condition and results of operations or reputation, which could cause our stock price to decline. Additional\nrisks, trends and uncertainties not present ly known to us or that we currently believe are immat erial may also harm our business, financial condition, results of\noperations or reputation.\nLong manu facturing lead times and uncertain supply an d component availability , combined with a failure to estimate customer demand accurately ,\nhas led and could lead to mismatches between supply and demand.\nWe use third parties to manufacture and asse mb le our products, and we have long manufacturing lead times. We are not provided guaranteed wafer , component\nor capacity supply , and our supply deliveries and production may be non-linear within a quarter or year. If our estimates of customer demand are inaccurate, as\nwe have experienced in the past, there could be a significant mismatch between supply and demand. This mismatch has resulted in both product shortages and\nexcess inventory , has varied across our market platforms, and has significantly harmed our financial results.\nWe build finished produc ts and maintain invento ry in advanc e of anticipated demand. While we have in the past entered and may in the future enter into long-\nterm supply agreements and capacity commitments, we may not be able to secure sufficient commitments f or capacity to address our business needs, or our\nlong-term demand expectations may change. Additionally , our ability to sell certain products has been and could be impeded if components necessary fo r the\nfinished products are not available from third parties. This risk may increase as a result of our platform strategy . In periods of shortages impacting the\nsemiconductor industry and/or limited supply or capacity in our supply chain, the lead times on orders for certain supply may be extended. We have previously\nexperienced and may continue to experience extended lead times of more than 12 m onths. We have paid premiums and provided deposits to secure future\nsupply and capacity , which have increased our product costs and may continue to do so. If our existing suppliers are unable to scal e their capabilities to meet\nour supply needs, we may require additional sources of capacity , which may require additional deposits. We may not have the ability to reduce our supply\ncommitments at th e same rate or at all if our revenue declines.\nMany additio nal factors have caused and/or could in the future cause us to either underestimate or overestimate our customers future demand for our pr oducts,\nor otherwise cause a mismatch between supply and demand for our products and impact the timing and volume of our revenue, including:\nchanges in product development cycles and time to market;\n competing technologies and competitor product releases, announcements or other actions;\nchanges in business and economic conditions;\nsudden or sustained government lockdowns or public health issues ;\nrapidly changing technology or customer requirements;\nthe availability of suf ficient data center capacity or energy for customers to procure;\nnew product introductions and transitions resulting in less demand for existing products;\nnew or unexpected end-use cases;\nincrease in demand for competitive products;\nbusiness decisions made by third parties;\nthe demand for accelerated computing, AI-related cloud services, or large language models;\n34changes that impact the ecosystem for the architectures underlying our products and technologies;\nthe demand for our products; or\ngovernment a ctions or changes in governmental policies, such as export controls or increased restrictions on gaming usage.\nWe continue to increase our supply and capacit y purchases with existing and new supplier s to support our demand projections. With these additions, we have\nalso entered and may continue to enter into prepaid manufacturing and capacity agreements to supply both current and future products. The increased purchase\nvolumes and integration of new suppliers and contract manufacturers into our supply chain may create more complexity in managing multiple suppliers with\nvariations in productio n planning, execution and logistics. Our expanding product portfolio and varying component compatibility and quality may lead to\nincreased inventory levels. We have incurred and may in the future incu r inventory provisions or impairments if our inventory or supply or capacity commitments\nexceed demand for our products or demand declines. Our customer orders and longer-term demand estimates may cha nge or may not be correct, as we have\nexperienced in the past.\nProduct transitions are complex and we often ship both new and prior architecture products simultaneously as our channel partners prepare to ship and support\nnew products. We may be in various stages of transitioning the architectures of our Data Center , Gaming, Professional Visualization and Automotive products.\nThe computing industr y is experiencing a broader and faster launch cadence of accelerated computing platforms to meet a growing and diverse set of AI\nopportunities. We have introduced a new caden ce of our Data Center arc hitectures where we seek to complete a new GPU computing architecture each year\nand we are providing a greater variety of Data Center offerings. The increased frequency of these transitions and the la rger number of products and product\nconfigurations may magnify the challenges associated with managing our supply and demand. Qualification time for new products, customers anticipating\nproduct transi tions and channel partners reducing channel inventory of prior architectures ahea d of new product introductions can reduce or create volatility in\nour revenue . We have experienced and may in the fut ure experience reduced demand for current generation architectures when customers anticipate\ntransitions, and we may be unable to sell multiple product architectures at the same time for current and f uture architecture transitions. If we are unable to\nexecute our architectural transitions as planned for any reason, our financial results may be negatively impacted. The increased frequency and comp lexity of\nnewly introd uced products could result in unanticipated quality or production issues that could increase the magnitude of inventory provisions, warranty , or other\ncosts or result in produc t delays. For example, we executed a change to the Blackwell GPU mask to improve production yield. Our gross margins in the second\nquarter of fiscal year 2025 were negatively impacted by inventory pro visions for low-yielding Blackwell material and they may continue to be impacted in the\nfuture.\nWe incur significant engineering development resources for new products, and changes to our product road map may impact our ability to develop other products\nor adequate ly manage our supply chain cost. Customers may delay purchasing existing product s as we increase the frequency of new products or may not be\nable to adop t our new products as fast as forecasted, both impacting the timing of our revenue and supply chain cost. While we have managed prior product\ntransitions and have sold multiple pro duct archit ectures at the same time, these transitions are difficult, may impair our ability to predict demand and impact our\nsupply mix, and may cause us to incur additional costs. Many end customer s often do not purchase directly from us but instead purchase indirectly through\nmultiple OEMs, ODMs, system integrators, distributors, and other channel partners. As a result, the decisions made by o ur multiple OEMs, ODMs, system\nintegrators, distributors, and other channel partners, and in response to changing market conditions and changes in end-user demand for our products, have\nimpacted and c ould in the future continue to impact our ability to accurately forecast demand, particularly as they are based on estimates provided by various\ndownstream parties.\nIf we underestimate our customers' future demand for our products, our foundry partners may not have adequate lead-time or capacity to increase production\nand we may not be able to obtain sufficient inventory to fill orders on a timely basis. If our contra ct manufacturers experience supply constraints, we may not be\nable to increase supply to meet customer dema nd in a timely manner , or at all. If we cannot procure sufficient sup ply to meet demand or otherwise fail to fulfill\nour custome rs orders on a timely basis, or at all, our customer relationships could be damage d, we could lose revenue and market share and our reputa tion\ncould be harmed. Additionally , since some of our products are part of a complex data center buildout, supply constraints or availability issues with respect to any\none component have had and may have a broader revenue impact.\nIf we overestimate our customers future demand for our products, or if customers cancel or defer orders or choose to purchase from our competitors, we may\nnot be able to reduce our inventory or other contractual purchase commitments. In the past, we have experienced a reduction in average selling prices, including\ndue to channel pricing programs that we have imple mented and may continue to implement, as a result of our overestimation of future demand, and we may\nneed to continue these reductions. We have had to increase prices for certain of our products as a result of our suppliers increase in prices, and we may need to\ncontinue to do so for other products in the future . We have also written down our inventory , incurred cancellation penalties, and rec orded impairments and may\nhave to do so in the future. These impacts would be amplified by our placement of any non-cancellable and non-returnable purchase orders placed in advance of\nour historical lead times and could be exacerbated if we need to make changes to the design of future products. The risk of\n35these impac ts has increased and may continue to increase as our purchase obligations an d prepaids have grown and are expected to continue to grow and\nbecome a greater portion of our total supply . All of these factors may negatively impact our gross margins and financial results.\nDemand estimates for our new products, applications, and services can be incorrect and create volatility in our revenue or supply levels. We may not be able to\ngenerate significant revenue from them.

Recent technologies, such as generative AI models, have emerged, and while they have driven increased demand for\nData Center , the long-term trajectory is unknown. Because our products may be used in multi ple use cases and applications, it is difficult for us to estimate with\nany reasonable degree of precision the impact of generative AI models on our reported revenue or forecasted demand.\nChallenges in estimating demand could become more pronounced or volatile in the future on both a global and regional basis. Extended lead times may occur if\nwe experience other supply constraints caused by natur al disasters, pandemics or other events. In addition, geopolitical tensions, such as those involving Taiwan\nand China, which comprise a significant portion of our revenue and where we have suppliers, contract manufacturers, and assembly partners who are critical to\nour supply continuity , could have a material adverse impact on us.\nThe use of our GPUs other than that for which they were designed a nd marketed, including new and unexpected use cases, has impacted and can in the future\nimpact demand for our products, including by leading to inconsistent spikes and drops in demand. For example, se veral years ago, our Gaming GPUs began to\nbe used for mining digital currencies, such as Ethereum. It is difficult for us to estimate with any reasonable degree of precision the past or current impact of\ncryptocurrency mining, or forecast the future impact of cryptocurrency mining, on demand for our products. Volatility in the cryptocurrency market, including new\ncompute technologies, price change s in cryptocurrencies, government cryptocurrency policies and regulations, new cryptocurrency standards and changes in\nthe method of verifying blockchain transactions, has impacted and can in the futu re impact cryptocurrency mining and demand for our products and can further\nimpact our ability to estimate demand for our products. Changes to cryptocurrency standards and processes including, but not limited to, the Ethereum 2.0\nmerge in 2022, have reduced and may in the future decrease the usage of GPUs for Ethereum mining. This has created and may in the future create increased\naftermarket sale s of our GPUs, which could negatively impact retail prices for our GPUs and reduce demand for our new GPUs. In general, our new products or\npreviously sold products may be resold online or on the unau thorized gray market, which also makes demand forecasting difficult. Gray market products and\nreseller marketplaces compete with our new products and distribution channels.\nAdditionally , we depend on developers, customers and other third parties to build, enhance, and maintain accelerated computing applications that leverage our\nplatforms. We also rely on third-party content providers and publi shers to make their content available on our platforms, such as GeForce NOW . Failure by\ndevelopers, customers, and other third parties to build, enhance, and maintain applications that leverage our p latforms, or failure by third-party content providers\nor publisher s to make their content available on reasonable terms or at all for use by our customers or end users on our platforms, could adverse ly affect\ncustomer demand.\nWe receive a significa nt amount of our revenue from a limited number of partners and distributors and we have a concentration of sales to\ncustomers who purchase directly or indirectl y from us, and our revenue could be adversely affected if we lose or are prevented from selling to any of\nthese customers.\nWe receive a significant amount of our revenue from a limited numb er of customers within our distribution and partner network. Sales to direct Customers, A, B,\nC and D represented 14%,11%, 11% and 10% of total revenue, respectively , for the second quarter of fiscal year 2025, all of which were primarily attributable to\nthe Compute & Networ king segment. With several of these channel partners, we are selling multiple products and systems in our portfolio throug h their\nchannels. Our operating results depend on sales within our partner network, as well as the ability of these partners to sell products that incorporate our\nprocessors. We have a small number of partner s that are involved in system integration with our key customers. As our system design becomes increasingly\ncomplex, system integrators may be unable to meet specifications of our key custome rs. Changes in our partners' or customers' business models or their\nownership can reduce the number of partners available to us and harm our ability to sell our advanced data center systems to custome rs. In the future, these\npartners may decide to purchase fewer products , not to incorporate our products into their ecosystem, or to alter their purchasing patterns in some other way.\nBecause most of our sales are made on a purch ase order basis, our customers can generally cancel, change or delay product purchase commitments with little\nnotice to us and without penalty . Our partners or custome rs may develop their own solutions; our customers may purchase products from our competitors; and\nour partners may discontinue sales or lose market share in the markets for which they purchase our pr oducts, all of which may alter partners or customers\npurchasing patterns. Many of our customers often do not purchase directly from us but purchase through multiple OEMs, ODMs, system integrators, distributors\nand other channel partne rs. For the second quarter of fiscal year 2025, two indirect customers which primarily purchase our products through system integrators\nand distributors, includin g through Customer B and Customer E, are estimated to each represe nt 10% or more of total revenue, attributable to the Compute &\nNetworking segment. If end demand increases or our finished goods supp ly availability is concentrated near a quarter end, the system integrators, distributors\nand channel partners may have limited ability to increase their credit, which could impact the timing and amoun t of our revenue. The loss of any of our large\ncustomers, a significant reduction in purchases by them,\n36our inability to sell to a customer due to U.S. or other countries trade restrictions or any difficulties in collecting accounts receivable would likely harm our\nfinancial condition and results of operations.\nOur operations could be affected by the complex laws, rules and regulations to whic h our business is subject, and political and other actions may\nadversely impact our business.\nWe are subject to laws and regulations domestically and worldwide, affecting our operations in areas inclu ding, but not limited to, IP ownership and infringement;\ntaxes; impor t and export requirements and tariffs; anti-corruption, including the Foreign Corrupt Practices Act; business acquisitions; foreig n exchange controls\nand cash repatriation restrictions; data priva cy requirements; competition and antitrust; advertising; employment; product regulations; cybersecurity;\nenvironmental, health, and s afety requirements; the responsible use of AI; sustainability; cryptocurrency; and consumer laws. Compliance with such\nrequirements can be onerous and expensive, could impact our competitive position, and may negatively impact our business operations and ability to\nmanufacture and ship our products. There can be no assurance that our employees, contractors , suppliers, customers or agents will not violate applicable laws\nor the policies, controls, and procedures that we have designed to help ensure compliance with such laws, and violations could result in fines, criminal sanctions\nagainst us, our officers, or our employees, prohib itions on the conduct of our business, and damage to our reputation. Changes to the laws, rules and regulations\nto which we are subject, or changes to their inte rpretation and enforcement, could lead to materially greater compliance and other costs and/or further\nrestrictions on our ability to manufacture and supply our products and operate our business. For example, we may face increased compliance costs as a result\nof changes or increases in antitrust legislation, regulation, administrative rule making, increased focus from regulators on cybersecurity v ulnerabilities and risks.\nOur position in markets relating to AI has led to increased interest in our business from regulators worldwide, including the European Union, the United States,\nthe United Ki ngdom, South Korea and China. For example, the French Competition Author ity collected information from us regarding our business and\ncompetition in the graph ics card and cloud service provider marke t as part of an ongoing inquiry into competition in those markets. We have also received\nrequests for information from regulators in the European Union, the United States, the United Kingdom, China, a nd South Korea regarding our sales of GPUs,\nour efforts to allocate supply, foundation models and our investments, partnerships and other agreements with companies developing foundation models, and we \nexpect to receive additional requests for information in the future. Governments and regulators are considering, and in certain cases, have imposed restrictions\non the hardw are, software, and system s used to develop frontier foundation models and generative AI. For example, the EU AI Act was formally adopted in June\n2024 and will be implemented in phases betwee n now and 2030. The State of Calif ornia, among other jurisdictions, is considering similar legislation. Restrictions\nunder this and any other regulations, if implemented, could increase the costs and burdens to us and our customers, d elay or halt deployment of new systems\nusing our products, and reduce the number of new entrants and customers, negatively impacting our business and financial results. Revisions to laws or\nregulation s or their interpretation and enforceme nt could also result in increased taxation, trade sanctions, the imposition of or increase to import duties or tariffs,\nrestrictions and controls on imports or exports, or other retaliatory actions, which could have an adverse effect on our business plans or impact the timing of our\nshipments. Additionally , changes in the public perception of governments in the regions where we operate or plan to operate could negatively impact our\nbusiness and results of operations.\nGovernment actions, including trade protection and national and economic security polic ies of U.S. and foreign government bodies, such as tariffs, import or\nexport regulations, including deemed export restrictions and restrictions on the activities of U.S. persons, trade and economic sa nctions, decrees, quotas or\nother trade barriers and restrictions could affect our ability to ship products, provide services to our customers and employees, do business without an export\nlicense with entities on the U.S. Department of Commerce s U.S. Entity List or other USG restricted parties lists (which is expected to change from time to time),\nand generally fulfill our contractual obligation s and have a material adverse effect on our business. If we were ever found to have violated export control laws or\nsanctions of the U.S. or similar applicable non-U .S. laws, even if the violation oc curred without our knowledge, we may be subject to various penalties available\nunder the laws, any of which could have a material and adverse impact on our business, operating results and financial co ndition.\nFor example , in response to the war in Ukrain e, the United States and other jurisdictions imposed economic sanctions and export control measures which\nblocked the passage of our products, s ervices and support into Russia, Belarus, and certain regions of Ukraine. In fiscal year 2023, we stopped direct sales to\nRussia and closed business operations in Russia. Concurrently , the war in Ukr aine has impacted sales in EMEA and may continue to do so in the future.\nThe increasi ng focus on the risks and strategic importance of AI technologies has resulted in regulatory restrictions that ta rget products and services capable of\nenabling or facilitating AI and may in the future result in additional restrictions impacting some or all of our product and service of ferings.\nConcerns regardin g third-party use of AI for purposes contrary to local governmental interests , including concerns relating to the misuse of AI applications,\nmodels, and solutions, has resulted in and could in the f uture result in unilateral or multilateral restrictions on products that can be used for training, modifying,\ntuning, and deploying LLMs and other AI applications. Such restrictions have limited and c ould in the future limit the ability of downstream customers and users\nworldwide to acquire, deploy and use systems that include our products, software, and services, and negatively impact our busines s and financial results.\n37Such restrictions could include additional unilateral or multilateral export controls on certain products or technology , including but not limited to AI technologies.\nAs ge opolitic al tensions have increased, semic onductors associated with AI, including GPUs and associated products, are increasingly the focus of export\ncontrol restrictions proposed by stakeholders in t he U.S. and its allies. The United States has imposed unilateral controls restricting GPUs and associated\nproducts, and it is likely that additional unilateral or multilateral controls will be adopted . Such controls have been and may again be very broad in scope and\napplication, prohibit us from exporting our products to any or all customers in one or more markets, including but not limited to Chi na, and could negatively\nimpact our manufacturin g, testing and warehousing locations and options, or could impose other conditions that limit our ability to serve demand abroad and\ncould negatively a nd materially impact our business, revenue and financial results. Export controls targeting GPUs and semiconductors associated with AI,\nwhich have been imposed and are increasingly likely to be furthe r tightened, would further restric t our ability to export our technology , products, or services even\nthough comp etitors may not be subject to similar restrictions, creating a competitive disadvanta ge for us and negatively impacting our business and financial\nresults. Expo rt controls targeting GPUs and semiconductors associated with AI have subjected and may in the future subject downstream use rs of our products\nto additional restrictions on the use, resale, repair , or transfer of our products, negatively impacti ng our business and financial results. Controls could negatively\nimpact our cost and/or ability to provide services such as NVIDIA AI cloud services and could impact the cost and/or ability for our cloud service providers and\ncustomers to provide services to their end custom ers, even outside China.\nExport contr ols could disrupt our supply chain and distribution channels, negatively impacting our ability to serve demand, including in markets outside China\nand for our gam ing products. The possibility of additional export controls has negatively impacted and may in the future negatively impact demand for our\nproducts, benefiting competitors that offer alternatives less likely to be restricted by further controls. Repeated changes in the export control rules are likely to\nimpose compliance burdens on our business and our customers, negatively and materially impactin g our business.\nIncreasing use of economic sanctions and export controls has impacted and may in the future impact demand for our products or services, negatively impacting\nour business and financ ial results. Reduced demand due to export controls could also lead to excess inventory or cause us to incur related supply charges.\nAdditional unilateral or multilateral controls are also likely to inclu de deemed export control limitations that negatively impact the ability of our research and\ndevelopment teams to execute our roadmap or other objectives in a timely manner . Addition al export restric tions may not only impact our ability to serve\noverseas markets, but also provoke responses from foreign governments, including China, that negatively impact our supply chain or our ability to provide our\nproducts and services to customers in all markets worldwide, which could also substantially reduce our revenue. Regulators in China have inquired about our\nsales and efforts to supply the China m arket and our fulfillment of the commitments we entered at the close of our Mellanox acquisition. If the regulators\nconclude that we have failed to fulfill such commitments or we have violated any app licable law in China, we could be subject to various penalties or restrictions\non our ability to conduct our business, any of which could have a material and adverse impact on our business, operating results and financial condition.\nDuring the third quarter of fiscal year 2023, the USG announced export restrictions and expo rt licensing requirements targeting China s semiconductor and\nsupercompu ting industries. These restrictions impact exports of certain chips, as well as software, hardware, equipment and technology used to develop,\nproduce and manufacture certain chips to China (including Hong Kong and Macau) and Russia, and specifically impact our A100 and H100 integrated circuits,\nDGX or any other system s or boards which incorporate A100 or H100 integrated circuits. The licensing r equirements also apply to any future

NVIDIA integrated\ncircuit achieving certain peak performance and chip-to-chip I/O performance thresholds, as well as any system or board that includes those circu its. There are\nalso now licensing requirements to export a wide array of products, including networking products, destined for certain end users and for certain end uses in\nChina. During the second qu arter of fiscal year 2024, the USG also informed us of an additional licensing requirement for a subset of A100 and H100 products\ndestined to certain customers and other regions, including some countr ies in the Middle East.\nIn October 2023, the USG announced new and updated licensing requirements that became effective in our fourth quarter of fiscal year 2024 for exports to\nChina and Country Group s D1, D4, and D5 (including but not limited to, Saudi Arabia, the United Arab Emirates, and Vietnam, but excluding Israel) of our\nproducts exceeding certain performance thresholds, including A100, A80 0, H100, H800, L4, L40, L40S and RTX 4090. The licensing requirements also apply to\nthe export of products exceeding certain performance thresholds to a party headquartered in, or with an ultimate par ent headquartered in, Country Group D5,\nincluding China. On Octo ber 23, 2023, the USG informed us that the licensing requirements were effective immediately for shipments of our A100, A800, H100,\nH80 0, and L40S products. W e have not received licenses to ship these restricted products to China.\nFollowing these export controls, we transitioned some operations, including certain testing, validatio n, and supply and distribution operations out of China and\nHong Kong. Any future transitions could be costly and time consuming, and adversely affect our research and development and supply and distri bution\noperations, as well as our revenue, during any such transition period. We expanded our Data Center product portfolio to offer new solutions, including those for\nwhich the USG does not require a license or advance notice before each shipment. To the extent that a customer requires products covered by the licensing\nrequirements, we may seek a license for the customer . However , the licensing process is time-consuming. We have no assurance that the USG will grant such a\nlicense or that the USG will act on the license application in a timely manner or at all. Even if a license is approved, it may impose burdensome conditions that\nwe or our customer or end users cannot or decide not to accept. The USG is evaluating license requests in a closed process that\n38does not have clear standard s or an opportunity for review . For example, the Notified Advanced Computing, or NAC, process has not resulted in approvals for\nexports of products to customers in China. The license process for e xports to D1 and D4 countries has been time-consuming and resulted in license conditions\nthat are onerous, even for small-sized systems that are not able to train frontier AI models. The requirements have a disproportionate impact on NVIDIA and\nalready have disadvantaged and may in the future disadvantage NVIDIA against certain of our competitors who sell products that are not subject to the new \nrestrictions or may be able to acquire licenses for their products.\nManagement of these new licenses and other requirements is complicated and time consuming. Our competitive position has been harmed , and our competitive\nposition and future results may be further harmed, over the long-term, if there are further changes in the USG s export controls, including further expansion of the\ngeographic, customer , or product scope of the controls, if customers purchase product from competitors, if customers develop their own internal solution, if we\nare unable to provide contractual warranty or othe r extended service obligations, if the USG does not grant licenses in a timely manner or denies licenses to\nsignificant customers or if we incur significant transition costs. Even if the USG grants an y requested licenses, the licenses may be temporary or impose\nburdensome conditions that we or our customers or end users cannot or choose not to fulfill. The licensing requirements may benefit certa in of our competitors,\nas the licensing process will make our pre-sale and post-sale technical support efforts more cumbersome and less certain and encourage customers in China to\npursue alternatives to our products, including semiconductor suppliers based in China, Europe, and Israel.\nGiven the increasing strategic importance of AI and rising geopolitical tensions, the USG has changed and may aga in change the export control rules at any time\nand further subject a wider range of our products to export restrictions and licensing requirements, negatively impacting our business and financial resu lts. In the\nevent of such change, we may be unable to sell our inventory of such products and may be unable to develop replacement products not subject to the licensing\nrequirements, effectively exclu ding us from all or part of the China market, as well as other impa cted markets, including the Middle East. For example, the USG\nhas already imposed conditions to limit the ability of foreign firms t o create and offer as a service large-scale GPU clusters, for example by imposing license\nconditions on the use of products to be exported to certain countries, and may impose additional conditions su ch as requiring chip tracking and throttling\nmechanisms that could disable or impair GPUs if certain events, including unauthorized system configuration, use, or location, are detected. The USG has\na lready impo sed export controls restricting certain gaming GPUs, and if the USG expands such controls to restrict additional gaming products, it may disrupt a\nsignificant portion of our supply and dis tribution chain and negatively impact sales of such products to markets outside China, including the U.S. and Europe. In\naddition, as the performa nce of the gaming GPUs increases over time, export co ntrols may have a greater impact on our ability to compete in markets subject to\nthose controls. Export controls may disrupt our supply and distribution chain for a substantial portion of our product s, which are warehoused in and distributed\nfrom Hong Kong. Export controls restricting our ability to sell data center GPUs may also negatively impact demand for our networking products used in serve rs\ncontaining our GPUs. The USG may also impose export controls on our networking products, such as high-speed network interconnects, to limit the ability of\ndownstream parties to create large cluster s for frontier model training. Any new control that impacts a wider range of our products would likely have a\ndisproportionate impact on NVIDIA and may disadvantage us against certain of our competit ors that sell chips that are outside the scope of such control.\nExcessive or shifting export controls have alread y and may in the future encourage customers outside China and other impacted regions t o design-out certain\nU.S. semiconductors from their products to reduce the compliance burden and risk, and to ensure that they are able to serve markets worldwide. Excessive or\nshifting export contr ols have already encourage d and may in the future encourage overseas governments to request that our customers purchase from our\ncompetitors rather than NVIDIA or other U.S. firms, harming our busin ess, market position, and financial results. As a result, excessive or shifting export controls\nmay negatively impact demand for our products and services not only in China, but also in other markets , such as Europe, Latin America, and Southeast Asia.\nExcessive or shifting export controls increase the risk of investing in U.S. advanced semiconductor products, because by the time a new product is ready for\nmarket, it may be subject to new unilateral export controls restricting its sale. At the same time, such controls may increase investment in foreign competitors,\nwhich would be less likely t o be restricted by U.S. controls.\nAdditionally , restrictions imposed by the Chines e government on the duration of gaming activities and access to games may adversely affect our Gaming\nrevenue, and i ncreased oversight of digital platform companies may adversely affect our Data Center revenue. The Chinese government may also impose\nrestrictions on the sale to certain customers of our products, or any products containing components made by our partners and suppliers. For example, the\nChinese government announced restrictions relating to certain sales of products containing certain products mad e by Micron, a supplier of ours. As another\nexample, an agency of the Chinese government announced an Action Plan that endorses new standards regarding the compute performance per watt and per\nmemory bandwidth of accelerators used in new and renovated data centers in China. If the Chine se government modifies or implements the Action Plan in a way\nthat effectively prevents us from being able to de sign products to meet the new standard, this may restrict the ability of customers to use some of our data center\nproducts and may have a material and adverse impact on our business, operating result s and financial condition. Further restrictions on our products or the\nproducts of our suppliers could negatively impact our business and financial results.\n39Finally , our business depends on our abi lity to receive consistent and reliable supply from our overseas partners, especially in Taiwan. Any new restrictions that\nnegatively impact our ability to receive supply of components, parts, or serv ices from Taiwan, would negatively impact our business and financial results.\nItem 2. Unregistered Sales of Equity Securities and Use of Proceeds\nIssuer Purchases of Equity Securities\nDuring the secon d quarter and first half of fiscal year 2025, we repurchased 62.8 million and 162.1 million shares of our common stock for $7.0 billion and $15.1\nbillion, respectively . As of July 28, 2024, we were a uthorized, subject to certain specifications, to repurchase up to $7.5 billion of our common stock.\nThe repurchases can be made in the open market, in privately negotiated transactions, pursuant to a Rule 10b5-1 trading plan or in structured share repurchase\nprograms, and can be made in one or more larger repurchases, in compliance with Rule 10b-18 of the Exchange Act, subject to market conditions , applicable\nlegal requirements, and other factors. The program does not obligate NVIDIA to acquire any particular amount of common stock and the program may be\nsuspended at any time at our discretio n.\nIn the secon d quarter and first half of fiscal year 2025, we paid $246 million and $344 million, respectively , in cash dividends. Our cash dividend program and the\npayment of future cash dividend s under that program are subject to our Board of Directors ' continuing determination that the dividend program and the\ndeclaration of dividends thereunder are in the best interests of our shareholder s.\nThe following table presents details of our share repurchase transactions during the second quarter of fiscal year 2025:\nPeriodTotal Number\nof Shares\nPurchased\n(In millions)Average Price Paid\nper S hareTotal Number of Shares\nPurchased as Part of\nPublicly Announced\nProgram\n(In millions)Approximate Dollar V alue\nof Shares that May Yet Be\nPurchased Under the\nProgram\n(In billions)\nApril 29, 2024 - M ay 26, 2024 23.0 $ 91.50 23.0 $ 12.4 \nMay 27, 2024 - June 23, 2024 14.7 $ 121.36 14.7 $ 10.6 \nJune 24, 2024 - July 28, 2024 25.1 $ 123.63 25.1 $ 7.5 \nTotal 62.8 62.8 \nOn August 26, 2024, our Board of Directors approved an additional $50.0 billion to our share repurchase authorization, without expiration. From July 29, 2024\nthrough August 26, 2024, we repurchased 31.5 million shares for $3.6 billio n pursuant to a Rule 10b5-1 trading plan. As of August 26, 2024, a total of\n$53.9 billion was available for repurchase.\nRestricted Stock Unit Share W ithholding\nWe withhold common stock shares associ ated with net share settlements to cover tax withho lding obligations upon the vesting of RSU awards under our\nemployee equity incentive program. During the second quarter and first half of fiscal yea r 2025, we withheld approximately 11 million and 32 million, respectively ,\nfor a total value of $1.6 billion and $3.4 billion, respectively , through net share settlements.\nRecent Sales of Unregister ed Securities and Use of Proceeds\nOn May 28, 2024, we issued a total of 215,120 shares of our common stock, valued at approxim ately $25 million based on our closing stock price on the date of\nissuanc e, to key employees of a company we acquired.\nOn July 2, 2024, we issued a total of 212,353 shares of our common stock, valued at approxima tely $26 million based on our closing stock price on the dat e of\nissuance, to key employees of a company we acquired.\nThe above securities were issued in transactions not involving a public offering pursuant to an exemption from registration set forth in Secti on4(a)(2) of\ntheSecurities Act (and Regulation D or Regulation S promulgated thereunder).\nItem 5. Other Information\nOn July 22, 2024, Ajay K. Puri, Executive Vice President, Worldwide Field Operatio ns, terminated a Rule 10b5-1 trading arrangement adopted on April 12, 2024\nfor the sale of up to 1,008,320 shares of our common stock on a post-split basis through July 11, 2025. 100,1 10 shares were sold under the plan prior to\ntermination.\n40Item 6. Exhibits\nIncorporated by Reference\nExhibit No. Exhibit Description Schedule/Form Exhibit Filing Date\n3.1 Amendment to Restated Certificate of Incor poration of NVIDIA Corporation 8-K 3.1 6/7/2024\n10.1+* Amended and Restated 2007 Equity Incentive Plan\n10.2+* Amended and Restated 2012 Employee Stock Purchase Plan\n31.1* Certification of Chief Execu tive Of ficer as required by Rule 13a-14(a) of the Securities\nExchange Act of 1934\n31.2* Certification of Chief Financial Of ficer as required by Rule 13a-14(a) of the Securities\nExchange Act of 1934\n 32.1#* Certification of Chief Executive Of ficer as required by Rule 13a-14(b) of the Securities\nExchange Act of 1934\n32.2#* Certification of Chief Financial Of ficer as required by Rule 13a-14(b) of the Securities\nExchange Act of 1934\n101.INS*Inline XBRL Instance Document - the instance document does not appear in the Interactive\nData File because its XBRL tags are embedded within the Inline XB RL document.\n101.SCH* Inline XBRL Taxonomy Extension Schema Document\n101.CAL* Inline XBRL Taxonomy Extension Calculation Linkbase Document\n101.DEF* Inline XBRL Taxonomy Extension Definition Linkba se Document\n101.LAB* Inline XBRL Taxonomy Extension Labels Linkbase Document\n101.PRE* Inline XBRL Taxonomy Extension Presentation Linkbase Document\n104Cover Page Interactive Data File - the cover pa ge interactive data file does not appear in\nthe Interactive Data File because its XBRL tags are embedded within the Inline XBRL\ndocument.\n+ Management contract or compensatory plan or arrangement.\n* Filed herewith.\n# In accorda nce with Item 601(b)(32)(ii) of Regul ation S-K and SEC Release Nos. 33-8238 and 34-47986, Final Rule: Management's Reports on Internal Control\nOver Financial Reporting an d Certification of Disclosure in Exchange Act Periodic Reports, the certifications furnished in Exhibits 32.1 and 32.2 hereto are\ndeemed to accompany this Quarterly Report on Form 10-Q and will not be deemed filed for purpose of Section 18 of the Exchange Act. Such certifications will\nnot be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, exce pt to the extent that the registrant specifically\nincorporates it by reference.\nCopies of above exhibits not contained herein are available to any shareholder upon written request to:\nInvestor Relatio ns: NVIDIA Corporation, 2788 San Tomas Expressway , Santa Clara, CA 95051.\n41Signature\nPursuant to the requirem ents of the Securities Exchange Act of 1934, the registrant has duly caused this repor t to be signed on its behalf by the undersigned\nthereunto duly authorized.\nDate: August 28, 2024\n NVIDIA Corporation \nBy: /s/ Colette M. Kress\n Colette M. Kress\n Executive V ice President and Chief Financial Of ficer (Duly Authorized Of ficer and Principal\nFinancial Of ficer)\n42NVIDIA Corporation Amended and Restated 2007 Equity Incentive Plan\nApproved by the Compensation Committee: April 24, 2 007\nApproved by the Stockholders: June 21, 2007\nAmended by the Compensation Committee: November 11, 2010\nAmended and Restated by the Compensation Committee: March 22, 2012\nApproved by the Stockholders : May 17, 2012\nAmended and Restated by the Compensation Committee: April 9, 2014\nApproved by the Stockholders: May 23, 2014\nAmended and Restated by the Compensation Committee: April 5, 2016\nApproved b y the Stockholders: May 18, 2016\nAmended and Restated by the Compensation Committee: April 3, 2018\nApproved by the Stockholders: May 16, 2018\nAmended and Restated by the Compensation Committee: April 27, 2020\nApproved by the Stockholders: June 9, 2020\nAmended and Restated by the Board of Directors: July 19, 2021\nAmended and Restated by the Compensation Committee: April 8, 2022\nApproved by the Stoc kholders: June 2, 2022\nAmended and Restated by the Compensation Committee: December 1, 2022\nAmended and Restated by the Board of Directors: June 7, 2024\nTermination Date: April 26, 2030\n1. General.\n(a)Successor and Continuation of Prior Plans. The Plan is intended as the successor to and continuation of the NVIDIA Corporation\n1998 Equity Incentive Plan (the 1998 Plan), the NVIDIA Corporation 199 8 Non-Employee Directors Stock Option Plan, the NVIDIA Corporation\n2000 Nonstatutory Equity Incentive Plan, and the PortalPlayer, Inc. 2004 Stock Incentive Plan (together, the Prior Plans). Followi ng the\nEffective Date, no additional stock awards will be granted under any of the Prior Plans and all newly granted Stock Awards will be subject to the\nterms of this Plan except as follows: from the Effective Date until September 30, 2007 (the Transition Date) (during which time the Company\nanticipates taking such steps as are necessary or appropriate to permit participation in the Plan by Empl oyees, Directors or Consultants who are\nforeign nationals or are employed outside the United States), the Company may grant stock awards subject to the terms of the 1998 Plan\ncovering up to an aggrega te of 100,000 shares of Common Stock to newly hired employees of the Company and its Affiliates who are foreign\nnationals or are employed outside the United States (such 100,000 share reserve, the Fo reign Transition Reserve). On the Effective Date, all\nof the shares remaining available for issuance under the Prior Plans will become available for issuance under the Plan; provided, however, that\nt he issuance of shares upon the exercise of options or the settlement of stock awards granted under the Prior Plans (including the issuance of\nshares upon the exercise or settlement of any awards grant ed following the Effective Date subject to the terms of the 1998 Plan from the Foreign\nTransition Reserve) will occur from this Plan and will reduce the number of shares of Common Stock available for issuance under this Plan as\nprovided in Section 3 below. Any shares of Common Stock subject to outstanding options and stock awards granted under the Prior Plans that\nexpire or terminate for any reaso n prior to exercise or settlement (collectively, the Prior Plans Returning Shares) will become available for\nissuance pursuant to Stock Awards granted hereunder. Except as expressly set forth in th is Section 1(a), all options and stock awards granted\nunder the Prior Plans will remain subject to the terms of the Prior Plans with respect to which they were originally granted.\n(b)Eligible Award Re cipients. The persons eligible to receive Awards are Employees, Directors and Consultants.\n(c)Available Awards. The Plan provides for the grant of the following Awards: (i) Incentive Stock Options, (i i) Nonstatutory Stock Options,\n(iii) Restricted Stock Awards, (iv) Restricted Stock Unit Awards, (v) Stock Appreciation Rights, (vi) Performance Stock Awards, (vii) Performance\nCash Awards, and (viii) Other Stock Awards.(d)Purpose. The Company, by means of the Plan, seeks to secure and retain the services of the group of persons eligible to receive\nAwards as set forth in Section 1(b), to provide i ncentives for such persons to exert maximum efforts for the success of the Company and any\nAffiliate, and to provide a means by which such eligible recipients may be given an opportunity to benefit fr om increases in value of the Common\nStock through the granting of Stock Awards.\n(e)Section 162(m) Transition Relief. Notwithstanding anything in the Plan to the contrary, any reference in the Plan to performance-\nbased compensation under Section 162(m) of the Code will only apply to any Award that is intended, and is eligible, to qualify as such pursuant\nto the transition relief provided by the Tax Cuts and Jobs Act (the TCJA) for remuneration provided by a written binding contract which was in\neffect on November 2, 2017 and which was not subsequently materially modified, as determined by the Board, in its sole discretion, in\naccordance with the TCJA and any applicable guidance, rulings or regulations issued by any governmental authority.\n2. Administration.\n(a)Administration by Board. The Board will administer the Plan unless and until the Board delegates administration of the Plan to a\nCommittee or Committees, as provided in Section 2(c).\n(b)Powers of Board. The Board will have th e power, subject to, and within the limitations of, the express provisions of the Plan:\n(i) To determine from time to time (A) which of the persons eligible under the Plan will be granted Awards; (B) when and how each\nAward will be granted; (C) what type or combination of types of Award will be granted; (D) the provisions of each Award granted (which need not\nbe identical), including the time or t imes when a person will be permitted to receive cash or Common Stock pursuant to a Stock Award; (E) the\nnumber of shares of

Common Stock subject to, or the cash value of, an Award; and (F) the Fair Ma rket Value applicable to a Stock Award.\n(ii) To construe and interpret the Plan and Awards granted under it, and to establish, amend and revoke rules and regulations for its\nadministration. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan or in any Stock Award\nAgreement or in the written terms of a Performance Cash Award, in a manner and to th e extent it will deem necessary or expedient to make the\nPlan or Award fully effective.\n(iii) To settle all controversies regarding the Plan and Awards granted under it.\n(iv) To accelerate the time at which an Award may be exercised or the time during which an Award or any part thereof will vest in\naccordance with the Plan, notwithstanding the provisions in the Award stating the time at which it m ay be exercised or the time during which it\nwill vest (or at which cash or shares of Common Stock may be issued); provided, however, that notwithstanding the foregoing or anything in the\nPlan to the c ontrary, the time at which a Participants Award may be exercised or the time during which a Participants Award or any part thereof\nwill vest may only be accelerated in the event of the Participants death or Disability or in the event of a Corporate Transaction or Change in\nControl.\n(v) To suspend or terminate the Plan at any time. Except as otherwise provided in the Plan or an Award Agreement, suspension or\ntermination of the Plan will not materially impair a Participants rights under his or her then-outstanding Award without his or her written consent.\n(vi) To amend the Plan in any respec t the Board deems necessary or advisable, including, without limitation, relating to Incentive\nStock Options and certain nonqualified deferred compensation under Section 409A of the Code and/or to bri ng the Plan or Awards granted under\nthe Plan into compliance therewith, subject to the limitations, if any, of applicable law. However, except as provided in Section 9(a) relating to\nCapitalization Ad justments, stockholder approval will be required for any amendment of the Plan that either (i) materially increases the number of\nshares of Common Stock available for issuance under the Plan, (ii) mat erially expands the class of individuals eligible to receive Awards under\nthe Plan, (iii) materially increases the benefits accruing to Participants under the Plan or materially reduces the price at w hich shares of Common\nStock may be issued or purchased under the Plan, (iv) materially extends the term of the Plan, or (v) materially expands the types of Awards\navailable for issuance under the Plan , but only to the extent required by applicable law or listing requirements. Except as otherwise provided in\nthe Plan or an AwardAgreement, rights under any Award granted before amendment of the Plan will not be materially impaired by any amendment of the Plan unless\n(i) the Company requests the consent of the affected Participant, and (ii) such Participant consents in writing.\n(vii) To submit any amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended\nto satisfy the requirements of (i) Section 162(m) of the Code and the regulations thereu nder regarding the exclusion of performance-based\ncompensation from the limit on corporate deductibility of compensation paid to Covered Employees, (ii) Section 422 of the Code regarding\nIncentive Sto ck Options, or (iii) Rule 16b-3.\n(viii) To approve forms of Award Agreements for use under the Plan and to amend the terms of any one or more Awards, including,\nbut not limited to, amendments to provi de terms more favorable than previously provided in the Award Agreement, subject to any specified limits\nin the Plan that are not subject to Board discretion; provided however, that, except with respe ct to amendments that disqualify or impair the\nstatus of an Incentive Stock Option or as otherwise provided in the Plan or an Award Agreement, the rights under any Award will not be\nmaterially impaire d by any such amendment unless (i) the Company requests the consent of the affected Participant, and (ii) such Participant\nconsents in writing. Notwithstanding the foregoing, subject to the limitation s of applicable law, if any, and without the affected Participants\nconsent, the Board may amend the terms of any one or more Awards if necessary (A) to maintain the qualified status of the Award as a n\nIncentive Stock Option, (B) to clarify the manner of exemption from, or to bring the Award into compliance with, Section 409A of the Code and\nthe related guidance thereunder, or (C) to comply with o ther applicable laws.\n(ix) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best\ninterests of the Company and that are not in confli ct with the provisions of the Plan or Awards.\n(x) To adopt such procedures or terms and sub-plans (none of which will be inconsistent with the provisions of the Plan) as are\nnecessary or desirable to permit or facilitate participation in the Plan by Employees, Directors or Consultants who are foreign nationals or\nemployed or located outside the United States.\n(c)Delegation to Committee.\n(i) Genera l. The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration\nof the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore\npossessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of\n the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee\nor subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by\nthe Board or Committee (as applicable). The Board may retain the authority to concurrently administer the Plan with the Committee and may, at\nany time, revest in the Board some or all of the powers previously delegated.\n(ii) Section 162(m) and Rule 16b-3 Compliance. The Committee may consist solely of two or more Outside Directors, in\naccordance with Section 162(m) of the Code, or solely of two or more Non-Employee Directors, in accordance with Rule 16b-3. In addition, the\nBoard or the Committee, in its s ole discretion, may (A) delegate to a Committee who need not be Outside Directors the authority to grant Awards\nto eligible persons who are either (I) not then Covered Employees and are not expected t o be Covered Employees at the time of recognition of\nincome resulting from such Stock Award, or (II) not persons with respect to whom the Company wishes to comply with Section 162(m) of the\nCode, and/ or (B) delegate to a Committee who need not be Non-Employee Directors the authority to grant Stock Awards to eligible persons who\nare not then subject to Section 16 of the Exchange Act.\n(d)Delegation to Other Person or Body. The Board or any Committee may delegate to one or more persons or bodies the authority to do\none or more of the following to the extent permitted by applicable law: (i) design ate recipients, other than Officers, of Stock Awards, provided that\nno person or body may be delegated authority to grant a Stock

Award to themself; (ii) determine the number of shares of Common Stock subject\nto such Stock Awards; and(iii) determine the terms of such Stock Awards; provided, however, that the Board or Committee action regarding such delegation will fix the\nterms of such delegation in accordance with applicable law, including without limitation Sections 152 and 157 of the Delaware General\nCorporation Law. Unless provided otherwise in the Board or Committee action regarding such delegation, each Stock Award granted pursuant to\nthis section will be granted on the applicable form of Stock Award Agreement most recently approved for use by the Board or the Committee,\nwith any mod ifications necessary to incorporate or reflect the terms of such Stock Award. Notwithstanding anything to the contrary in this Section\n2(d), neither the Board nor any Committee may delegate to any per son or body (who is not a Director or that is not comprised solely of Directors,\nrespectively) the authority to determine the Fair Market Value pursuant to Section 13(x)(iii) below.\n(e)Effect of Board s Decision. All determinations, interpretations and constructions made by the Board in good faith will not be subject to\nreview by any person and will be final, binding and conclusive on all persons. \n(f)Cancellation and Re-Grant of Stock Awards. Neither the Board nor any Committee will have the authority to: (i) reduce the exercise\nor strike price of any outstanding Options or Stock Appreciation Rights under the Plan, or (ii) cancel any outstanding Options or Stock\nAppreciation Rights that have an exercise price or strike price greater than the current Fair Market Value in exchange for cash o r other Stock\nAwards under the Plan, unless the stockholders of the Company have approved such an action within twelve (12) months prior to such an event.\n(g)Dividends and Dividend Equivalents. Divide nds or dividend equivalents may be paid or credited, as applicable, with respect to any\nshares of Common Stock subject to an Award, as determined by the Board and contained in the applicable Award Agr eement; provided,\nhowever, that (i) no dividends or dividend equivalents may be paid with respect to any such shares before the date such shares have vested\nunder the terms of such Award Agreement, (i i) any dividends or dividend equivalents that are credited with respect to any such shares will be\nsubject to all of the terms and conditions applicable to such shares under the terms of such

Award Ag reement (including, but not limited to, any\nvesting conditions), and (iii) any dividends or dividend equivalents that are credited with respect to any such shares will be forfeited to the\nCompany on t he date, if any, such shares are forfeited to or repurchased by the Company due to a failure to meet any vesting conditions under\nthe terms of such Award Agreement.\n3.Shares Subject to the Plan.\n(a)Sh are Reserve. Subject to the provisions of Section 9(a) relating to Capitalization Adjustments, the aggregate number of shares of\nCommon Stock of the Company that may be issued pursuant to Stock Awards after the Effective Date will not exceed 10,289,710,640 shares\n(the 2007 Plan Reserve). Such maximum number of shares reserved for issuance consists of (i) 152,767,766 shares, which is the total\nre serve that the Companys stockholders approved at the Companys 2007 Annual Meeting of Stockholders, including but not limited to the\nshares remaining available for issuance under the Prior Plans on t he Effective Date and the Prior Plans Returning Shares, (ii) 25,000,000\nshares that were approved at the Companys 2012 Annual Meeting of Stockholders (and reapproved at the Companys 2013 Annual Mee ting of\nStockholders), (iii) 10,000,000 shares that were approved at the Companys 2014 Annual Meeting of Stockholders, (iv) 18,800,000 shares that\nwere approved at the Companys 2016 Annual Meeting o f Stockholders, (v) 23,000,000 shares that were approved at the Companys 2018\nAnnual Meeting of Stockholders, (vi) 14,800,000 shares that were approved at the Companys 2020 Annual Meeting of Stockho lders, (vii)\n733,103,298 shares that were added to reflect a 4-for-1 stock split effective July 19, 2021, (viii) 51,500,000 shares that were approved at the\nCompanys 2022 Annual Meeting of Stockholde rs, and (ix) 9,260,739,576 shares that were added to reflect a 10-for-1 stock split effective June\n7, 2024. For clarity, the 2007 Plan Reserve in this Section 3(a) is a limitation on the number of sha res of Common Stock that may be issued\npursuant to the Plan. Accordingly, this Section 3(a) does not limit the granting of Stock Awards except as provided in Section 7(a). Shares may\nbe issued in conn ection with a merger or acquisition as permitted by Nasdaq Listing Rule 5635(c) or, if applicable, NYSE Listed Company\nManual Section 303A.08, AMEX Company Guide Section 711 or other applicable rule, and such issuance will not reduce the number of shares\navailable for issuance under the Plan.\n The initial 101,845,177 shares approved in June 2007 were adjusted to 152,767,766 pursuant to a 3-for-2 s tock split effective September 10, 2007.1\n1(b)Reversion of Shares to the Share Reserve.\n(i) Shares Available For Subsequent Issuance. If any (x) Stock Award shall for any reason expire or otherwise te rminate, in\nwhole or in part, without having been exercised in full, (y) shares of Common Stock issued to a Participant pursuant to a Stock Award are\nforfeited to or repurchased by the Company at thei r original exercise or purchase price pursuant to the Companys reacquisition or repurchase\nrights under the Plan, including any forfeiture or repurchase caused by the failure to meet a contingency or condition required for the vesting of\nsuch shares, or (z) Stock Award is settled in cash, then the shares of Common Stock not issued under such Stock Award, or forfeited to or\nrepurchased by the Comp any, shall revert to and again become available for issuance under the Plan.\n(ii) Shares Not Available for Subsequent Issuance. If any shares subject to a Stock Award are not delivered to a Participan t\nbecause such shares are withheld by the Company to satisfy the exercise or purchase price of a Stock Award (including any shares subject to a\nStock Award that are not delivered to a Participant beca use the Stock Award is exercised through a reduction of shares subject to the Stock\nAward (i.e., net exercised)) or an appreciation distribution in respect of a Stock Appreciation Right is paid in s hares of Common Stock, the\nnumber of shares subject to the Stock Award that are not delivered to the Participant shall not remain available for subsequent issuance under\nthe Plan. If any shares subjec t to a Stock Award are not delivered to a Participant because such shares are withheld by the Company in\nsatisfaction of the withholding of taxes incurred in connection with a Stock Award, the number of shares that are not delivered to the Participant\nshall not remain available for subsequent issuance under the Plan. If the exercise or purchase price of any Stock Award, or the withholding of\ntaxes incurred in connection with a Stock Award, is satisfied by tendering shares of Common Stock held by the Participant (either by actual\ndelivery or attestation), then the number of shares so tendered s hall not remain available for subsequent issuance under the Plan. If any shares\nof Common Stock are repurchased by the Company on the open market with the proceeds of the exercise or purchase price of a Stock Award,\nthen the number of shares so repurchased shall not remain available for subsequent issuance under the Plan.\n(c)Incentive Stock Option Limit. Subject to the 2007 Plan Reserve and the pr ovisions of Section 9(a) relating to Capitalization\nAdjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock\nOptions under the Plan (including Incentive Stock Options granted under the Prior Plans) will be 10,000,000,000 shares of Common Stock.\n(d)Individual Award Limitations. Subject to the provisions of Section 9(a) relati ng to Capitalization Adjustments, no Participant will be\neligible to be granted during any fiscal year:\n(i) Options, Stock Appreciation Rights and Other Stock Awards whose value is determined by refer ence to an increase over an\nexercise or strike price of at least one hundred percent (100%) of the Fair Market Value on the date the Stock Award is granted covering more\nthan 80,000,000 shares of Comm on Stock;\n(ii) Performance Stock Awards covering more than 80,000,000 shares of Common Stock; and\n(iii) Performance Cash Awards with a value of more than $6,000,000.\nIf a Performance Stock Award is in the form of an Option, it will count only against the Performance Stock Award limit. If a Performance\nStock Award could be paid out in cash, it will count only against the Performance Stock Award lim it.\n(e)Source of Shares. The stock issuable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including\nshares repurchased by the Company on the open market or other wise.\n4.Eligibility.\n(a)Eligibility for Specific Stock Awards. Incentive Stock Options may be granted only to employees of the Company or a parent\ncorporation or subsidiary corporation thereof (as such terms are defined in Sections 424(e) and 424(f) of the Code). Stock Awards other than\nIncentive Stock Options may be granted to Employees, Directors and Consultants; provided, however, that Stoc k Awards may not be granted to\nEmployees, Directors and Consultants who are providing Continuous Service only to any parent of the Company, as such term is defined in\nRule 405 of the SecuritiesAct, unless (i) the stock underlying such Stock Awards is treated as service recipient stock under Section 409A of the Code (for example,\nbecause the Stock Awards are granted pursuant to a corporate tran saction such as a spin off transaction), (ii) the Company, in connection with\nits legal counsel, has determined that such Stock Awards are otherwise exempt from Section 409A of the Code, or (iii) the Company, in\nconnection with its legal counsel, has determined that such Stock Awards comply with the distribution requirements of Section 409A of the Code.\n(b)Ten Percent Stockholders. A Ten Percent S tockholder will not be granted an Incentive Stock Option unless the exercise price of such\nOption is at least one hundred ten percent (110%) of the Fair Market Value on the date of grant and the Optio n is not exercisable after the\nexpiration of five (5) years from the date of grant.\n(c)Consultants. A Consultant will be eligible for the grant of an Award only if, at the time of grant, a Form S-8 Re gistration Statement\nunder the Securities Act or a successor or similar form under the Securities Act (Form S-8) is available to register either the offer or the sale of\nthe Companys securities to such Consultant because of the nature of the services that the Consultant is providing to the Company, because the\nConsultant is a natural person, or because of any other rule governing the use of For m S-8.\n5.Provisions Relating to Options and Stock Appreciation Rights.\nEach Option or SAR will be in such form and will contain such terms and conditions as the Board will deem appropriate. All Option s will be\nseparately designated Incentive Stock Options or Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate\ncertificate or certificates will be issued for s hares of Common Stock purchased on exercise of each type of Option. If an Option is not specifically\ndesignated as an Incentive Stock Option, or if an Option is designated as an Incentive Stock Option but some portion or all of the Option fails to\nqualify as an Incentive Stock Option under the applicable rules, then the Option (or portion thereof) will be a Nonstatutory Stock Option. The\nprovision s of separate Options or SARs need not be identical; provided, however, that each Award Agreement will include (through incorporation\nof provisions hereof by reference in the Award Agreement or otherw ise) the substance of each of the following provisions:\n(a) Term. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, no Option or SAR will be exercisable after the\nexpiratio n of ten (10) years from the date of its grant or such shorter period specified in the Award Agreement (the Expiration Date).\n(b)Exercise Price. Subject to the provisions of Section 4(b) regarding T en Percent Stockholders, and notwithstanding anything in the\nAward Agreement to the contrary, the exercise or strike price of each Option or SAR will not be less than the Fair Market Value subject to the\nOption or SAR on the date the Award is granted. Notwithstanding the foregoing, an Option or SAR may be granted with an exercise or strike\nprice lower than the Fair Market Value subject to the Awar d if such Award is granted pursuant to an assumption or substitution for another option\nor stock appreciation right in a manner consistent with the provisions of Section 409A and, if applicable, Secti on 424(a) of the Code. Each SAR\nwill be denominated in shares of Common Stock equivalents.\n(c)Consideration. The purchase price of Common Stock acquired pursuant to the exercise of an Option will be p aid, to the extent\npermitted by applicable law and as determined by the Board in its sole discretion, by any combination of the methods of payment set forth below.\nThe Board will have the authority to grant Options that do not permit all of the following methods of payment (or otherwise restrict the ability to\nuse certain methods) and to grant Options that require the consent of the Company to uti lize a particular method of payment. The methods of\npayment permitted by this Section 5(c) are:\n(i) by cash, check, bank draft, money order or electronic funds transfer payable to the Company;\n(ii) pu rsuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance\nof the stock subject to the Option, results in either the receipt of cash (or c heck) by the Company or the receipt of irrevocable instructions to pay\nthe aggregate exercise price to the Company from the sales proceeds;(iii) if an option is a Nonstatutory Stock Option, by a net exercise arrangement pursuant to which the Company will reduce the\nnumber of shares of Common Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not \nexceed the aggregate exercise price; provided, however, that the Company will accept a cash or other payment from the Participant to the extent\nof any remaining balance of the aggregate exercise pric e not satisfied by such reduction in the number of whole shares to be issued; provided,\nfurther, that shares of Common Stock will no longer be outstanding under an Option and will not be exercisable t hereafter to the extent that (A)\nshares issuable upon exercise are reduced to pay the exercise price pursuant to the net exercise, (B) shares are delivered to the Participant as\na result of such exe rcise, and (C) shares are withheld to satisfy tax withholding obligations; or\n(iv) in any other form of legal consideration that may be acceptable to the Board and specified in the applicable Award Ag reement.\n(d)Exercise and Payment of a SAR. To exercise any outstanding SAR, the Participant must provide written notice of exercise to the\nCompany in compliance with the provisions of the Stock Apprec iation Right Agreement evidencing such SAR. The appreciation distribution\npayable on the exercise of a SAR will be not greater than an amount equal to the excess of (A) the aggregate Fair Market Value (on the date of\nthe exercise of the SAR) of a number of shares of Common Stock equal to the number of Common Stock equivalents in which the Participant is\nvested under such SAR, and with respect to w hich the Participant is exercising the SAR on such date, over (B) the strike price. The appreciation\ndistribution may be paid in Common Stock, in cash, in any combination of the two or in any other fo rm of consideration, as determined by the\nBoard and contained in the Award Agreement evidencing such SAR.\n(e)Transferability of Options and SARs. The Board may, in its sole discretion, impose such lim itations on the transferability of Options\nand SARs as the Board will determine. If the Board determines that an Option or SAR will be transferable, the Option or SAR will contain such\nadditional term s and conditions as the Board deems appropriate. In the absence of such a determination by the Board to the contrary, the\nfollowing restrictions on the transferability of Options and SARs will apply:\n (i) Restrictions on Transfer. An Option or SAR will not be transferable except by will or by the laws of descent and distribution (or\npursuant to subsections (ii) and (iii) below) and will be exercisa ble during the lifetime of the Participant only by the Participant; provided,\nhowever, that the Board may, in its sole discretion, permit transfer of the Option or SAR in a manner consistent with appl icable tax and securities\nlaws upon the Participants request. Except as explicitly provided herein, neither an Option nor a SAR may be transferred for consideration.\n(ii) Domestic Relations Orders. N otwithstanding the foregoing, subject to the approval of the Board or a duly authorized Officer,\nan

Option or SAR may be transferred pursuant to a domestic relations order or official marital settleme nt agreement; provided, however, that an\nIncentive Stock Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.\n(iii) Beneficiary Designation. Notwithstanding the foregoi ng, subject to the approval of the Board or a duly authorized Officer, a\nParticipant may, by delivering written notice to the Company, in a form provided by or otherwise satisfactory to the Company (o r the designated\nbroker), designate a third party who, in the event of the death of the Participant, will thereafter be entitled to exercise the Option or SAR and\nreceive the Common Stock or other con sideration resulting from such exercise. In the absence of such a designation, the executor or\nadministrator of the Participants estate (or other party legally entitled to the Option or SAR proceeds) will be entitled to exercise the Option or\nSAR and receive the Common Stock or other consideration resulting from such exercise. However, the Company may prohibit designation of a\nbeneficiary at any time, including due to any conclusion by the Company that such designation would be inconsistent with the provisions of\napplicable laws or difficult to administer.\n(f)Vesting Generally. The total numb er of shares of Common Stock subject to an Option or SAR may vest and therefore become\nexercisable in periodic installments that may or may not be equal. The Option or SAR may be subject to such other terms and conditions on the\ntime or times when it may or may not be exercised (which may be based on the satisfaction of Performance Goals or other criteria) as the Board\nmay deem appropriate. The ve sting provisions ofindividual Options or SARs may vary; provided, however, that in all cases, in the event that a Participants Continuous Service terminates as a\nresult of his or her death, then the Option or SAR will become fully vested and exercisable as of the date of termination of Continuous Service.\nThe provisions of this Section 5(f) are subject to any Option or SAR provisions governing th e minimum number of shares of Common Stock as to\nwhich an Option or SAR may be exercised.\n(g)Termination of Continuous Service. Except as otherwise provided in the applicable Award Agreement or other agreement between\nthe Participant and the Company, in the event that a Participants Continuous Service terminates (other than for Cause or upon the Participants\ndeath or Disability), the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Award\nas of the date of termination of Continuous Service) but only within such period of time ending on the earlier of (i) the date 90 days following the\ntermination of the Participants Continuous Service, or (ii) the expiration of the term of the Option or SAR as set forth in the Award Agree ment. If,\nafter termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the time specified herein or in the\nAward Agreement (as applicable), the Option or SAR will terminate.\n(h)Extension of Termination Date. If the exercise of an Option or SAR following the termination of the Participants Continuous Service\n(other than for Cause or upon the Participan ts death or Disability) would either (i) be prohibited solely because the issuance of shares of\nCommon Stock would violate the registration requirements under the Securities Act, or (ii) subject the Participant to short-swing liability under\nSection 16(b) of the Exchange Act due to a transaction engaged in by the Participant prior to his or her termination of Continuous Service, then\nthe Option o r SAR will terminate on the earlier of (A) the expiration of a period of 90 days after the termination of the Participants Continuous\nService during which the exercise of the Option or SAR would not be in violation of such registration requirements and would not subject the\nParticipant to short-swing liability under Section 16(b) of the Exchange Act, or (B) the expiration of the term of the Optio n or SAR as set forth in\nthe Award Agreement. All determinations under this Section 5(h) will be made in the sole discretion of the Board.\n(i)Disability of Participant. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant\nand the Company, in the event that a Participants Continuous Service terminates as a result of the Participants Disability, the Participant may\nexercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of termination of\nContinuous Service), but only wi thin such period of time ending on the earlier of (i) the date 12 months following such termination of Continuous\nService, or (ii) the expiration of the term of the Option or SAR as set forth in the A ward Agreement. If, after termination of Continuous Service,\nthe Participant does not exercise his or her

Option or SAR within the time specified herein or in the Award Agreement (as applicable), the Option\nor SAR will terminate.\n(j)Death of Participant. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant and\nthe Company, in the event that (i) a Participants Continuous Service terminates as a result of the Participants death (which termination event\nwill give rise to acceleration of vesting as described in Section 5(f) above), or (ii) the Participant dies within the period (if any) specified in the\nAward Agreement after the termination of the Participants Continuous Service for a reason other than death (which event will not give ris e to\nacceleration of vesting as described in Section 5(f) above), then the Option or SAR may be exercised (to the extent the Participant was entitled\nto exercise such Option or SAR as of the date of d eath) by the Participants estate, by a person who acquired the right to exercise the Option or\nSAR by bequest or inheritance or by a person designated to exercise the Option or SAR upon the Participa nts death, but only within the period\nending on the earlier of (A) the date 18 months following the date of death, or (B) the expiration of the term of such Option or SAR as set forth in\nthe Award Ag reement. If, after the Participants death, the Option or SAR is not exercised within the time specified herein or in the Award\nAgreement (as applicable), the Option or SAR will terminate.\n(k)Terminat ion for Cause. Except as explicitly provided otherwise in a Participants Award Agreement, or other individual written\nagreement between the Company or any Affiliate and the Participant, if a Particip ants Continuous Service is terminated for Cause, the Option or\nSAR will terminate immediately upon such Participants termination of Continuous Service, and the Participant will be prohibited from ex ercising\nhis or her Option or SAR from and after the time of such termination of Continuous Service.(l)Non-Exempt Employees. No Option or SAR granted to an Employee that is a non-exempt employee for p urposes of the Fair Labor\nStandards Act of 1938, as amended, will be first exercisable for any shares of Common Stock until at least six (6) months following the date of\ngrant of the Option or SAR (al though the Award may vest prior to such date). Consistent with the provisions of the Worker Economic Opportunity\nAct, (i) if such non-exempt Employee dies or suffers a Disability, (ii) upon a Corporat e Transaction in which such Option or

SAR is not assumed,\ncontinued, or substituted, (iii) upon a Change in Control, or (iv) upon the Participants retirement (as such term may be defined in the\nParti cipants Award Agreement or in another agreement between the Participant and the Company, or, if no such definition, in accordance with\nthe Companys then current employment policies and guidelines), the vested portion of any Options and SARs may be exercised earlier than six\n(6) months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non- exempt employee in\nconnection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay. To the extent permitted and/or\nrequired for compliance with the Worke r Economic Opportunity Act to ensure that any income derived by a non-exempt employee in connection\nwith the exercise, vesting or issuance of any shares under any other Stock Award will be exempt from the employees regular rate of pay, the\nprovisions of this Section 5(k) will apply to all Stock Awards and are hereby incorporated by reference into such Stock Award Agreements.\n6.Provisions of Stock Awards other than Options and SARs.\n(a)Restricted Stock Awards. Each Restricted Stock Award Agreement will be in such form and will contain such terms and conditions as\nthe Board will deem appropriat e. To the extent consistent with the Companys Bylaws, at the Boards election, shares of Common Stock may be\n(x) held in book entry form subject to the Companys instructions until any restrictions r elating to the Restricted Stock Award lapse; or\n(y) evidenced by a certificate, which certificate will be held in such form and manner as determined by the Board. The terms and conditions of\nRestricte d Stock Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Award\nAgreements need not be identical, provided, however, that each Restricted Stock A ward Agreement will include (through incorporation of the\nprovisions hereof by reference in the Award Agreement or otherwise) the substance of each of the following provisions:\n(i) Consideration. A Re stricted Stock Award may be awarded in consideration for (A) cash, check, bank draft, money order or\nelectronic funds transfer payable to the Company, (B) past services rendered to the Company or an A ffiliate, or (C) any other form of legal\nconsideration (including future services) that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.\n(ii) Vesting. Shar es of Common Stock awarded under a Restricted Stock Award Agreement may be subject to forfeiture to the\nCompany in accordance with a vesting schedule to be determined by the Board; provided, however, that in all cases, in the event a Participants\nContinuous Service terminates as a result of his or her death, then the Restricted Stock Award will become fully vested as of the date of\ntermination of Continuous Service.\n(iii) Termination of Participants Continuous Service. In the event a Participants Continuous Service terminates, the Company\nmay receive via a forfeiture condition or a repurcha se right any or all of the shares of Common Stock held by the Participant which have not\nvested as of the date of termination of Continuous Service under the terms of the Restricted Stock Award Agreem ent.\n(iv) Transferability. Rights to acquire shares of Common Stock under the Restricted Stock Award Agreement will be transferable by\nthe Participant only upon such terms and conditions as are set fo rth in the Restricted Stock Award Agreement, as the Board will determine in its\nsole discretion, so long as Common Stock awarded under the Restricted Stock Award Agreement remains subject to the terms of the Restricted\nStock Award Agreement.\n(b)Restricted Stock Unit Awards. Each Restricted Stock Unit Award Agreement will be in such form and will contain such terms and\nconditions as the Board will deem appropriate. The terms and conditions of Restricted Stock Unit Award Agreements may change from time to\ntime, and the terms and conditions of separate Restricted Stock Unit Award Agreements need not be identical, provided, however, that each\nRestricted Stock Unit Award Agreement willinclude (through incorporation of the provisions hereof by reference in the Award Agreement or otherwise) the s ubstance of each of the following\nprovisions:\n(i) Consideration. At the time of grant of a Restricted Stock Unit Award, the Board will determine the consideration, if any, to be\npaid by the Participan t upon delivery of each share of Common Stock subject to the Restricted Stock Unit Award. The consideration to be paid (if\nany) by the Participant for each share of Common Stock subject to a Restricte d Stock Unit Award may be paid in any form of legal consideration\nthat may be acceptable to the Board in its sole discretion and permissible under applicable law.\n(ii) Vesting. At the time of the gran t of a Restricted Stock Unit Award, the Board may impose such restrictions or conditions to the\nvesting of the Restricted Stock Unit Award as it, in its sole discretion, deems appropriate; provided, h owever, that in all cases, in the event a\nParticipants Continuous Service terminates as a result of his or her death, then the Restricted Stock Unit Award will become fully vested as of\nthe date of t ermination of Continuous Service.\n(iii) Payment. A Restricted Stock Unit Award may be settled by the delivery of shares of Common Stock, their cash equivalent, any\ncombination thereof or in any other form of consideration, as determined by the Board and contained in the Restricted Stock Unit Award\nAgreement.\n(iv) Additional Restrictions. At the time of the grant of a Restricted Stock Unit Award, t he Board, as it deems appropriate, may\nimpose such restrictions or conditions that delay the delivery of the shares of Common Stock (or their cash equivalent) subject to a Restricted\nStock Unit Award to a time after the vesting of such Restricted Stock Unit Award.\n(v) Termination of Participants Continuous Service. Except as otherwise provided in the applicable Restricted Stock Unit Award\nAgreeme nt, such portion of the Restricted Stock Unit Award that has not vested will be forfeited upon the Participants termination of Continuous\nService.\n(c)Performance Awards.\n(i) Performance Stock Awards. A Performance Stock Award is a Stock Award that is payable (including that may be granted, vest\nor exercised) contingent upon the attainment during a Performance Period of certain Performance Goals. A Performance Stock Award may\nrequire the completion of a specified period of Continuous Service. In the event a Participants Continuous Service terminates as a result of his\nor her death, then the P erformance Stock Award will be deemed to have been earned at 100% of the target level of performance, will be fully\nvested, as of the date of death, and shares thereunder will be issued promptly follo wing the date of death. The length of any Performance\nPeriod, the Performance Goals to be achieved during the Performance Period, and the measure of whether and to what degree such\nPerformance Goals h ave been attained will be conclusively determined by the Committee (or, to the extent that an Award is not intended to\nqualify as performance-based compensation under Section 162(m) of the Code, the Board), in its sole discretion. In addition, to the extent\npermitted by applicable law and the applicable Award Agreement, the Board or the Committee, as applicable, may determine that cash may be\nus ed in payment of Performance Stock Awards.\n(ii) Performance Cash Awards. A Performance Cash Award is a cash award that is payable contingent upon the attainment during\na Performance Period of certain Performance Goals. A Performance Cash Award may also require the completion of a specified period of\nContinuous Service. The length of any Performance Period, the Performance Goals to be achieved duri ng the Performance Period, and the\nmeasure of whether and to what degree such Performance Goals have been attained will be conclusively determined by the Committee (or, to\nthe extent that an Award is not intended to qualify as performance-based compensation under Section 162(m) of the Code, the Board), in its\nsole discretion. The Board or the Committee, as applicable, may provide for or, subject to such terms and conditions as the Board or the\nCommittee, as applicable, may specify, may permit a Participant to elect for, the payment of any Performance Cash Award to be deferred to a\nspecified date or event. The Board or the Committee, as applicable, may specify the form of payment of Performance Cash Awards, which may\nbe cash or other property, or may provide for a Participant to have the option for his or her Performance Cash Award, or such portion thereof as\nthe Board or theCommittee, as applicable, may specify, to be paid in whole or in part in cash or other property. In addition, t o the extent permitted by applicable\nlaw and the applicable Award Agreement, the Board or the Committee, as applicable, may determine that Common Stock authorized under this\nPlan may be used in paymen t of Performance Cash Awards, including additional shares in excess of the Performance Cash Award as an\ninducement to hold shares of Common Stock.\n(iii) Section 162(m) Compliance. Unless otherwise per mitted in compliance with the requirements of Section 162(m) of the Code\nwith respect to any Award intended to qualify as performance-based compensation thereunder, the Committee will establish the Performance\nGoals applicable to, and the formula for calculating the amount payable under, the Award no later than the earlier of (a) the date 90 days after\nthe commencement of the applicable Performa nce Period, and (b) the date on which 25% of the Performance Period has elapsed, and in any\nevent at a time when the achievement of the applicable Performance Goals remains substantially uncertain. Pr ior to the payment of any\ncompensation under an Award intended to qualify as performance-based compensation under Section 162(m) of the Code, the Committee will\ncertify the extent to which any Perfo rmance Goals and any other material terms under such Award have been satisfied (other than in cases\nwhere such relate solely to the increase in the value of the Common Stock). With respect to any Awar d intended to qualify as performance-\nbased compensation under Section 162(m) of the Code, the Committee may reduce or eliminate the compensation or economic benefit due\nupon the attainment of the a pplicable Performance Goals on the basis of any such further considerations as the Committee, in its sole discretion,\nmay determine.\n(d)Other Stock Awards. Other forms of Stock Awards valued in whole or in part by reference to, or otherwise based on, Common Stock,\nincluding the appreciation in value thereof may be granted either alone or in addition to Stock Awards provided for under Section 5 and the\npreceding provisions of this Section 6. Subject to the provisions of the Plan (including, but not limited to, Section 2(g)), the Board will have sole\nand complete authority to determine the perso ns to whom and the time or times at which such Other Stock Awards will be granted, the number\nof shares of Common Stock (or the cash equivalent thereof) to be granted pursuant to such Other Stock Awar ds and all other terms and\nconditions of such Other Stock Awards; provided, however, that in all cases, in the event a Participants Continuous Service terminates as a\nresult of his or her death, then any Other Stock Awards held by such Participant will become fully vested as of the date of termination of\nContinuous Service.\n7.Covenants of the Company.\n(a)Availability of Shares. During the terms o f the Stock Awards, the Company will keep available at all times the number of shares of\nCommon Stock reasonably required to satisfy such Stock Awards.\n(b)Securities Law Compliance. The Company will s eek to obtain from each regulatory commission or agency having jurisdiction over the\nPlan, or any offerings made under the Plan, such authority as may be required to grant Stock Awards and to issue an d sell shares of Common\nStock upon exercise of the Stock

Awards; provided, however, that this undertaking will not require the Company to register under the Securities\nAct the Plan, any Stock Award or any Common Stock issued or issuable pursuant to any such Stock Award nor seek to obtain such approval if\nthe cost or efforts to obtain the approval is unreasonable in relation to the value of the ben efits to be provided under the Plan, as determined by\nthe Company in its sole discretion. If, after reasonable efforts and at a reasonable cost, the Company is unable to obtain from any such\nregulator y commission or agency the authority that counsel for the Company deems necessary for the lawful issuance and sale of Common\nStock under the Plan, the Company will be relieved from any liability for f ailure to issue and sell Common Stock upon exercise of such Stock\nAwards unless and until such authority is obtained. A Participant will not be eligible for the grant of an Award or the subsequent iss uance of cash\nor Common Stock pursuant to the Award if such grant or issuance would be in violation of any applicable securities laws.\n(c)No Obligation to Notify or Minimize Taxes. The Company will ha ve no duty or obligation to any Participant to advise such Participant\nas to the time or manner of exercising such Stock Award. Furthermore, the Company will have no duty or obligation to warn or othe rwise advise\nsuch holder of a pending termination or expiration of an Award or a possible period in which the Award may not be exercised. Neither the\nCompany nor any of its Affiliates has any duty or obligation to minimize the tax consequences of an Award to the holder of such Award.8.Miscellaneous.\n(a)Use of Proceeds. Proceeds from the sale of shares of Common Stock pursuant to Awards will consti tute general funds of the Company.\n(b)Corporate Action Constituting Grant of Stock Awards. Corporate action constituting a grant by the Company of an Award to any\nParticipant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the\ninstrument, certificate, or letter evidencing the Award is communicated to, or actually receiv ed or accepted by, the Participant. In the event that\nthe corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action constituting the grant contain terms (e.g.,\n exercise price, vesting schedule or number of shares) that are inconsistent with those in the Award Agreement as a result of a clerical error in the\npapering of the Award Agreement, the corporate reco rds will control and the Participant will have no legally binding right to the incorrect term in\nthe Award Agreement.\n(c)Stockholder Rights. No Participant will be deemed to be the holder of, or to ha ve any of the rights of a holder with respect to, any\nshares of Common Stock subject to an Award unless and until (i) such Participant has satisfied all requirements for exercise of, or the issuance\no f shares under, the Award pursuant to its terms and (ii) the issuance of the Common Stock subject to such Award has been entered into the\nbooks and records of the Company.\n(d)No Employment or Other Se rvice Rights. Nothing in the Plan, any Award Agreement or any other instrument executed thereunder or\nin connection with any Award granted pursuant to the Plan will confer upon any Participant any rig ht to continue to serve the Company or an\nAffiliate in the capacity in effect at the time the Award was granted or will affect the right of the Company or an Affiliate to terminate (i) the\nemployment of an Employee with or without notice and with or without cause (provided in compliance with applicable local laws and the\nEmployees employment contract, if any), (ii) the service of a Consultant pur suant to the terms of such Consultants agreement with the\nCompany or an Affiliate, or (iii) the service of a Director pursuant to the Bylaws of the Company or an Affiliate, and any applicable provisi ons of\nthe corporate law of the state in which the Company or the Affiliate is incorporated, as the case may be.\n(e)Change in Time Commitment. In the event a Participants regular level of time commit ment in the performance of his or her services\nfor the Company or any Affiliates is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the\nEmployee has a change in status from a full-time Employee to a part-time Employee) after the date of grant of any Award to the Participant, the\nBoard has the right in its sole discretion (provided in compliance wi th applicable local laws) to (i) make a corresponding reduction in the number\nof shares or cash amount subject to any portion of such Award that is scheduled to vest or become payable after the date o f such change in time\ncommitment, and (ii) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the\nevent of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced.\n(f)Incentive Stock Option Limitation. To the extent that the aggregate Fair Market Value (determined at the time of grant) with respect to\nwhich Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company\nand any Affiliates) exceeds $100,000 (or such other limit established in the Code) or otherwise does not comply with the rules governing\nIncentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise\ndo not comply with the rules will be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option\nAgree ment(s) or any Board or Committee resolutions related thereto.\n(g)Investment Assurances. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any\nAward, (i) to give written assurances satisfactory to the Company as to the Participants knowledge and experience in financial and business\nmatters and/or to employ a purchaser representative reasonably sat isfactory to the Company who is knowledgeable and experienced in financial\nand business matters and that he or she is capable of evaluating, alone or together with the purchaser representative, the me rits and risks of\nexercising the Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Common Stock\nsubject to the Award for the Participant s own account and not with any present intention of selling or otherwisedistributing the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, will be inope rative if (A)\nthe issuance of the shares upon the exercise or acquisition of Common Stock under the Award has been registered under a then currently\neffective registration statement under the Securiti es Act, or (B) as to any particular requirement, a determination is made by counsel for the\nCompany that such requirement need not be met in the circumstances under the then applicable securities laws . The Company may, upon\nadvice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in\norder to comply with applicable se curities laws, including, but not limited to, legends restricting the transfer of the Common

Stock.\n(h)Withholding Obligations. Unless prohibited by the terms of an Award Agreement, the Company may, i n its sole discretion, satisfy any\nfederal, state, foreign or local tax withholding obligation relating to an Award (including but not limited to income tax, social insurance\ncontributions, payment on account or any other taxes) by any of the following means (in addition to the Companys right to withhold from any\ncompensation paid to the Participant by the Company or an Affiliate) or by a combina tion of such means: (i) causing the Participant to tender a\ncash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in\nco nnection with the Award; provided, however, that no shares of Common Stock are withheld with a value exceeding the maximum amount of\ntax required to be withheld by law (or such other amount as may be necessary to avoid classification of the Stock Award as a liability for financial\naccounting purposes); (iii) withholding cash from an Award settled in cash; (iv) withholding payment from any amounts otherwise payable to the\nParticipant; or (v) by such other method as may be set forth in the Award Agreement.\n(i)Electronic Delivery. Any reference herein to a written agreement or document will inc lude any agreement or document delivered\nelectronically, filed publicly at www.sec.gov (or any successor website thereto) or posted on the Companys intranet.\n(j)Deferrals. To the extent permitted by applicable law, the Board, in its sole discretion, may determine that the delivery of Common Stock\nor the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Award may be deferred and may establish programs\nand procedures for deferral elections to be made by Participants. Deferrals by Participants will be made in accordance with Section 409A of the\nCode. Consistent with Section 409A of the Code, the Board may provide for distributions while a Participant is still an employee or otherwise\nproviding services to the Company or an Affiliate. The Board is authorized to make deferrals of Awards and determine when, and in what annual\npercentages, Participants may receive payments, including lump sum payments, following the Participants termination of Continuous S ervice,\nand implement such other terms and conditions consistent with the provisions of the Plan and in accordance with applicable law.\n(k)Compliance with Section 409A. Unless otherwise expressly prov ided for in an Award Agreement, the Plan and Award Agreements will\nbe interpreted to the greatest extent possible in a manner that makes the Plan and the Awards granted hereunder exempt from Section 4 09A of\nthe Code, and, to the extent not so exempt, in compliance with Section 409A of the Code. If the Board determines that any Award granted\nhereunder is not exempt from and is therefore subject to Section 409A of the Code, the Award Agreement evidencing such Award will\nincorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code, and to th e extent an\nAward Agreement is silent on terms necessary for compliance, such terms are hereby incorporated by reference into the Award Agreement.\nNotwithstanding anything to the contrary in this Plan (and unless the Award Agreement specifically provides otherwise), if the shares of Common\nStock are publicly traded, and if a Participant holding an Award that constitutes deferred compensation und er Section 409A of the Code is a\nspecified employee for purposes of Section 409A of the Code, no distribution or payment of any amount that is due because of a separation\nfrom service (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date\nthat is six (6) months following the date of such Participants separation fro m service or, if earlier, the date of the Participants death, unless\nsuch distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred wil l be paid in\na lump sum on the day after such six (6) month period elapses, with the balance paid thereafter on the original schedule.(l)Clawback/Recovery. All Awards granted under the Plan will be su bject to recoupment in accordance with any clawback policy that the\nCompany is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Compa nys\nsecurities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable law. In\naddition, the Board may impose such other clawback, recovery or recoupment provisions in an Award Agreement as the Board determines\nnecessary or appropriate, including but not limited to a reacquisition right in respect of previously acquired shares of Common Stock or other\ncash or property upon the occurrence of Cause.\n9.Adjustments upon Changes in Common Stock; Other Corporate Events.\n(a)Capitalization Adjustments. In the event of a Capitalizatio n Adjustment, the Board will appropriately and proportionately adjust: (i) the\nclass(es) and maximum number of securities subject to the Plan pursuant to Section 3(a); (ii) the class(es) and maximum n umber of securities\nthat may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 3(c); (iii) the class(es) and maximum number of\nsecurities that may be awarded to any per son pursuant to Section 3(d); and (iv) the class(es) and number of securities and price per share of\nstock subject to outstanding Stock Awards. The Board will make such adjustments, and its determinat ion will be final, binding and conclusive.\n(b)Dissolution or Liquidation. Except as otherwise provided in the Stock Award Agreement, in the event of a dissolution or liquidation of\nthe Company, and up on ten (10) days prior written notice, all outstanding Stock Awards (other than Stock Awards consisting of vested and\noutstanding shares of Common Stock not subject to the Companys right of repurchas e or a forfeiture condition) will terminate immediately prior\nto the completion of such dissolution or liquidation, and the shares of Common Stock subject to the Companys repurchase rights or a forfe iture\ncondition may be repurchased or reacquired by the Company notwithstanding the fact that the holder of such Stock Award is providing\nContinuous Service, provided, however, that the Board may, in its sole discretion, cause some or all Stock Awards to become fully vested,\nexercisable and/or no longer subject to repurchase or forfeiture (to the extent such Stock Awards have not previously expire d or terminated)\nbefore the dissolution or liquidation is completed but contingent on its completion.\n(c)Corporate Transaction.\n(i) Stock Awards May Be Assumed. Except as otherwise stated in the Stock Award Agreement, in the event of a Corporate\nTransaction, any surviving corporation or acquiring corporation (or the surviving or acquiring corporations parent company) may assume or\ncontinue any or all Stock Awards outstanding under the Plan or may substitute similar stock awards for Stock Awards outstanding under the Plan\n(including but not limited to, awards to acquire the same consideration paid to the stockholders of the Company pursuant to the Corporate\nTransaction), and any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to Stock Award s\nmay be assigned by the Company to the successor of the Company (or the successors parent company, if any), in connection with such\nCorporate Transaction. A surviving corporation or acquiring corpor ation (or its parent) may choose to assume or continue only a portion of a\nStock Award or substitute a similar stock award for only a portion of a Stock Award.\n(ii) Stock Awards Not Assumed Held by Cu rrent Participants. Except as otherwise stated in the Stock Award Agreement\n(including an option and stock award agreement subject to the terms of the Prior Plans, which terms remain applicable as to outstanding options\nand stock awards thereunder), in the event of a Corporate Transaction in which the surviving corporation or acquiring corporation (or its parent\ncompany) does not assume or continu e any or all outstanding Stock Awards or substitute similar stock awards for such outstanding Stock\nAwards, then with respect to Stock Awards that have not been assumed, continued or substituted and t hat are held by Participants whose\nContinuous Service has not terminated prior to the effective time of the Corporate Transaction (referred to as the Current Participants), the\nvesting of such Stock Awards (and, if applicable, the time at which such Stock Awards may be exercised) will (contingent upon the effectiveness\nof the Corporate Transaction) be accelerated in full to a date prior to the e ffective time of such Corporate Transaction as the Board will determine\n(or, if the Board will not determine such a date, to the date that is five business (5) days prior to the effective time of the Corporate Transaction),\nand such StockAwards will terminate if not exercised (if applicable) at or prior to the effective time of the Corporate Transaction, and any reacquisition or\nrepurchase rights held by the Company with respect to such Stock Awards will lapse (contingent upon the effectiveness of the Corporate\nTransaction).\n(iii) Stock Awards Not Assumed Held by Persons other than Current Par ticipants. Except as otherwise stated in the Stock\nAward Agreement (including an option and stock award agreement subject to the terms of the Prior Plans, which terms remain applicable as to\noutstandi ng options and stock awards thereunder), in the event of a Corporate Transaction in which the surviving corporation or acquiring\ncorporation (or its parent company) does not assume or continue any or all outstanding Stock Awards or substitute similar stock awards for such\noutstanding Stock Awards, then with respect to Stock Awards that have not been assumed, continued or substituted and that are h eld by\npersons other than Current Participants, the vesting of such Stock Awards (and, if applicable, the time at which such Stock Award may be\nexercised) will not be accelerated and such Stock Awards (other than a Stock Award consisting of vested and outstanding shares of Common\nStock not subject to the Companys right of repurchase), upon advance written notice by the Company of at least five (5) business days to the\nholders of such Stock Awards, will terminate if not exercised (if applicable) prior to the effective time of the Corporate Transaction; provided,\nhowever, that any reacquisition or repurchase rights held by the Company with respect to such Stock Awards will not terminate and may\ncontinue to be exercised notwithstanding the Corporate Transaction.\n(d)Change in Control.\n(i) Sto ck Awards May Be Assumed. Except as otherwise stated in the Stock Award Agreement, in the event of a Change in\nControl, any surviving corporation or acquiring corporation (or the surviving or acquirin g corporations parent company) may assume or continue\nany or all Stock Awards outstanding under the Plan or may substitute similar stock awards for Stock Awards outstanding under the Plan\n(including but not limited to, awards to acquire the same consideration paid to the stockholders of the Company pursuant to the Change in\nControl), and any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to Stock Awards may be\nassigned by the Company to the successor of the Company (or the successors parent company, if any), in connection with such Change in \nControl. A surviving corporation or acquiring corporation (or its parent) may choose to assume or continue only a portion of a Stock Award or\nsubstitute a similar stock award for only a portion of a Stock Award.\n(ii) Stock Awards Not Assumed Held by Current Participants. Except as otherwise stated in the Stock Award Agreement\n(including an option and stock award agreement subject to the terms of the Prior Plans, which terms remain applicable as to outstanding options\nand stock awards thereunder), in the event of a Change in Control in which the surviving corporation or acquiring corporation (or its parent\ncompany) does not assume or continue any or all outstanding Stock Awards or substitute similar stock awards for such outstanding Stock\nAwards, then with respect to Stock Awards that have not been assumed, continued or substituted and that are held by Current Participants, the\nvesting of such Stock Awards (and, if applicable, the time at which such Stock Awards may be exercised) will (contingent upon the effectiveness\nof the Change in Control) be accelerated in full to a date prior to the effective time of such Change in Control as the Board will determine (or, if\nthe Board will n ot determine such a date, to the date that is five business (5) days prior to the effective time of the Change in Control), and such\nStock Awards will terminate if not exercised (if applicable) at or prior to the effective time of the Change in Control, and any reacquisition or\nrepurchase rights held by the Company with respect to such Stock Awards will lapse (contingent upon the effectiveness of the Change in\nControl).\n(iii) Stock Awards Not Assumed Held by Persons other than Current Participants. Except as otherwise stated in the Stock\nAward Agreement (including an option and stock award agr eement subject to the terms of the Prior Plans, which terms remain applicable as to\noutstanding options and stock awards thereunder), in the event of a Change in Control in which the surviving corpora tion or acquiring\ncorporation (or its parent company) does not assume or continue any or all outstanding Stock Awards or substitute similar stock awards for such\noutstanding Stock Awards, then with re spect to Stock Awards that have not been assumed, continued or substituted and that are held by\npersons other than Current Participants, the vesting of such Stock Awards (and, if applicable, the time at which such Stock Award may be\nexercised) will not be accelerated and such Stock Awards (other than a Stock Award consisting of vestedand outstanding shares of Common Stock not subject to the Compan ys right of repurchase), upon advance written notice by the Company of at\nleast five (5) business days to the holders of such Stock Awards, will terminate if not exercised (if applicable) prior to th e effective time of the\nChange in Control; provided, however, that any reacquisition or repurchase rights held by the Company with respect to such Stock Awards will\nnot terminate and may continue to b e exercised notwithstanding the Change in Control.\n(iv) Additional

Provisions. A Stock Award may be subject to additional acceleration of vesting and exercisability upon or after a\nChange in Control a s may be provided in the Stock Award Agreement for such Stock Award or as may be provided in any other written\nagreement between the Company or any Affiliate and the Participant. A Stock Award may ves t as to all or any portion of the shares subject to the\nStock Award (i) immediately upon the occurrence of a Change in Control, whether or not such Stock Award is assumed, continued, or substituted\nby a surviving or acquiring entity in the Change in Control, and/or (ii) in the event a Participants Continuous Service is terminated, actually or\nconstructively, within a designated period following t he occurrence of a Change in Control, but in the absence of such provision, no such\nacceleration will occur.\n10.Termination or Suspension of the Plan.\n(a)Plan Term. Unless sooner terminated by the Boa rd pursuant to Section 2, the Plan will automatically terminate on the day before the\ntenth (10th) anniversary of the earlier of (i) the date the Plan is adopted by the Board or a duly authorized Comm ittee, or (ii) the date the Plan is\napproved by the stockholders of the Company. The Board may suspend the Plan at anytime. No Awards may be granted under the Plan while\nthe Plan is suspended or after it is terminated.\n11.Effective Date of Plan.\nThis Plan will become effective on the Effective Date.\n12.Choice of Law.\nThe law of the State of Delaware will govern all questions concerning the constru ction, validity and interpretation of this Plan, without regard\nto that states conflict of laws rules.\n13.Definitions.\nAs used in the Plan, the following definitions will apply to the capitalized ter ms indicated below:\n(a)Affiliate means, at the time of determination, any parent or subsidiary of the Company as such terms are defined in Rule 405 of the\nSecurities Act. The Board will have the authority to determine the time or times at which parent or subsidiary status is determined within the\nforegoing definition.\n(b)Award means a Stock Award or a Performance Cash Award.\n(c)Award Agreement means a written agreement between the Company and a Participant evidencing the terms and conditions of an\nAward.\n(d)Board means the Board of Directors of the Company.\n(e)Capitalization A djustment means any change that is made in, or other events that occur with respect to, the Common Stock subject\nto the Plan or subject to any Stock Award after the Effective Date without the receipt of consideration by the Company through merger,\nconsolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, stock split, liquidating\ndivide nd, combination of shares, exchange of shares, change in corporate structure or any similar equity restructuring transaction, as that term is\nused in Financial Accounting Standards Board Accounting St andards Codification Topic 718 (or any successor thereto). Notwithstanding the\nforegoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment .\n(f)Cause means (i) if a Participant is party to an agreement with the Company or an Affiliate that relates to equity awards and contains a\ndefinition of Cause, the definition of Cause in the a pplicable agreement, or (ii) if a Participant is not party to any such agreement, such\nParticipants termination because of (A) any willful, material violation by theParticipant of any law or regulati on applicable to the business of the Company or an Affiliate, the Participants conviction for, or guilty plea to, a\nfelony or a crime involving moral turpitude, or any willful perpetration by the Par ticipant of a common law fraud, (B) the Participants commission\nof an act of personal dishonesty that involves personal profit in connection with the Company or any other entity having a business rel ationship\nwith the Company, (C) any material breach by the Participant of any provision of any agreement or understanding between the Company or an\nAffiliate and the Participant regarding the terms of the Participants service as an Employee, Officer, Director or Consultant to the Company or an\nAffiliate, including without limitation, the willful and continued failure or refusal of the Participant to perform the material duties required of such\nParticipant as an Employee, Officer, Director or Consultant of the Company or an Affiliate, other than as a result of having a Disability, or a\nbreach of any applicable invention assignment and confidentiality agreement or similar agreement between the Company or an Affiliate and the\nParticipant, (D) the Participants disregard of the policies of th e Company or an Affiliate so as to cause loss, damage or injury to the property,\nreputation or employees of the Company or an Affiliate, or (E) any other misconduct by the Participant that is material ly injurious to the financial\ncondition or business reputation of, or is otherwise materially injurious to, the Company or an Affiliate.\n(g) Change in Control means the occurrence, in a single trans action or in a series of related transactions, of any one or more of the\nfollowing events:\n(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company represent ing more than 50%\nof the combined voting power of the Companys then outstanding securities other than by virtue of a merger, consolidation or similar transaction.\nNotwithstanding the foregoing, a Cha nge in Control will not be deemed to occur (A) on account of the acquisition of securities of the Company by\nan investor, any affiliate thereof or any other Exchange Act Person that acquires the Compa nys securities in a transaction or series of related\ntransactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities, or (B) solely because\n the level of Ownership held by any Exchange Act Person (the Subject Person) exceeds the designated percentage threshold of the\noutstanding voting securities as a result of a repurchase or other acqu isition of voting securities by the Company reducing the number of shares\noutstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acqu isition of voting\nsecurities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that,\nassuming the repurchase or other acquisiti on had not occurred, increases the percentage of the then outstanding voting securities Owned by the\nSubject Person over the designated percentage threshold, then a Change in Control will be deemed to occur;\n(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and,\nimmediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior\nthereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting\npower of the surviving Entity in such merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power\nof the parent of the surviving Entit y in such merger, consolidation or similar transaction, in each case in substantially the same proportions as\ntheir Ownership of the outstanding voting securities of the Company immediately prior to s uch transaction;\n(iii) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of\nthe Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the\nCompany and its Subsidiaries to an Entity, more than 50% of the combined voting power of the voting securities of which are Owned by\nstockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company\nimmediately prior to su ch sale, lease, license or other disposition; or\n(iv) individuals who, on the date this Plan is adopted by the Board, are members of the Board (the Incumbent Board) cease for\nany reason to constitut e at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for\nelection) of any new Board member was approved orrecommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of this Plan, be\nconsidered as a member of the Incumbent Board.\nFor purposes of determining voting p ower under the term Change in Control, voting power will be calculated by assuming the conversion of\nall equity securities convertible (immediately or at some future time) into shares entitled to vote , but not assuming the exercise of any warrant or\nright to subscribe to or purchase those shares. In addition, (A) the term Change in Control will not include a sale of assets, merger or other\ntransac tion effected exclusively for the purpose of changing the domicile of the Company, and (B) the definition of Change in Control (or any\nanalogous term) in an individual written agreement between the Co mpany or any Affiliate and the Participant will supersede the foregoing\ndefinition with respect to Awards subject to such agreement; provided, however, that if no definition of Change in Control or an y analogous term\nis set forth in such an individual written agreement, the foregoing definition will apply; provided, further, that no Change in Control will be deemed\nto occur upon announcement or co mmencement of a tender offer or upon a potential takeover or upon stockholder approval of a merger or other\ntransaction, in each case without a requirement that the Change in Control actually occur.\nI f required for compliance with Section 409A of the Code, in no event will a Change in

Control be deemed to have occurred if such\ntransaction is not also a change in the ownership or effective control of the Company or a change in the ownership of a substantial portion of\nthe assets of the Company as determined under Treasury Regulation Section 1.409A-3(i)(5) (without regard to any alternative definition\nthereunder). The Board may, in its sole discretion and without a Participants consent, amend the definition of Change in Control to conform to\nthe definition of Change in Control under Section 409A of the Code and the regulations thereunder.\n(h)Code means the Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.\n(i)Committee me ans a committee of one (1) or more Directors to whom authority has been delegated by the Board in accordance with\nSection 2(c).\n(j)Common Stock means the common stock of the Company.\n(k)Company me",

"result": "Here is a structured extraction of the relevant sections from Nvidia's 10-K report, including financial statements, risk factors, and market analysis:\n\n### Financial Statements\n\n#### Results of Operations\n**Condensed Consolidated Statements of Income (as a percentage of revenue)**\n\n| Item | Three Months Ended | Six Months Ended |\n|-------------------------------|---------------------|-------------------|\n| | Jul 28, 2024 | Jul 30, 2023 | Jul 28, 2024 | Jul 30, 2023 |\n| Revenue | 100.0% | 100.0% | 100.0% | 100.0% |\n| Cost of Revenue | 24.9% | 29.9% | 23.4% | 31.8% |\n| Gross Profit | 75.1% | 70.1% | 76.6% | 68.2% |\n| Operating Expenses | | | | |\n| - Research and Development | 10.3% | 15.1% | 10.4% | 18.9% |\n| - Sales, General and Admin | 2.8% | 4.7% | 2.9% | 6.1% |\n| Total Operating Expenses | 13.1% | 19.8% | 13.3% | 25.0% |\n| Operating Income | 62.0% | 50.3% | 63.3% | 43.2% |\n| Interest Income | 1.5% | 1.4% | 1.4% | 1.6% |\n| Interest Expense | (0.2%) | (0.5%) | (0.2%) | (0.6%) |\n| Other, Net | 0.6% | 0.4% | 0.5% | 0.2%

|\n| Other Income (Expense), Net | 1.9% | 1.3% | 1.7% | 1.2% |\n| Income Before Income Tax | 63.9% | 51.6% | 65.0% | 44.4% |\n| Income Tax Expense | 8.7% | 5.9% | 8.9% | 4.6% |\n| Net Income | 55.2% | 45.7% | 56.1% | 39.8% |\n\n#### Revenue by Reportable Segments\n**(in millions)**\n\n| Segment | Three Months Ended | Change % | Six Months Ended | Change % |\n|-----------------------------|---------------------|----------|-------------------|----------|\n| | Jul 28, 2024 | | Jul 28, 2024 | |\n| Compute & Networking | $26,446 | 154% | $49,121 | 231% |\n| Graphics | $3,594 | 16% | $6,963 | 19% |\n| **Total** | **$30,040** | 122% | **$56,084** | 171% |\n\n### Risk Factors\n\n1. **Supply Chain Risks**: Long manufacturing lead times and uncertain supply and component availability could lead to mismatches between supply and demand, resulting in product shortages or excess inventory.\n \n2. **Customer Demand Estimation**: Inaccurate estimates of customer demand can lead to significant mismatches between supply and demand, impacting revenue and financial results.\n\n3. **Regulatory Risks**: Compliance with complex laws and regulations, including export controls and tariffs, could adversely affect operations and financial results.\n\n4. **Concentration of Revenue**: A significant portion of revenue comes from a limited number of customers, and losing any of these customers could harm financial performance.\n\n5. **Geopolitical Risks**: Tensions, particularly involving Taiwan and China, could disrupt supply chains and impact revenue.\n\n6. **Technological Changes**: Rapid changes in technology and customer requirements could affect demand for products and services.\n\n### Market Analysis\n\n- **Generative AI Demand**: The introduction of generative AI models has driven increased demand for Data Center products, with revenue from GPU computing growing significantly year-on-year.\n \n- **Automotive Sector Growth**: Automotive revenue increased by 37% year-on-year, indicating strong growth in this segment.\n\n- **International Revenue**: Revenue from sales to customers outside the U.S. accounted for 57% of total revenue for the second quarter of fiscal year 2025,

reflecting a strong international market presence.\n\n- **Investment in R&D**: Increased investment in research and development is expected to drive future growth, with a focus on next-generation products.\n\nThis structured format provides a clear overview of Nvidia's financial performance, risk factors, and market analysis, facilitating further analysis by other agents.",

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"task": "Analyze Nvidia's 10-K report and provide your analysis: us quarter and up 20% from a year ago.\nWe introduc ed generativ e AI models and NIM microservices for OpenUSD; and announced majo r Taiwanese electronics makers are creating more autonomous\nfactories with a new reference workflow that combines NVIDIA Metropolis vision AI, NVIDIA Omniverse simulation and NVIDIA Isaac AI robot development.\nAutomotive revenue for the second quarter of fiscal year 2025 was $346 million, up 5% from the previous quarter and up 37% from a year ago. At the Computer\nVision and Pattern Recognition conference, NVIDIA won the Autonomous Grand Challenge in the End-to- End Driving at Scale category , highlighting the\nimportance of generative AI in building applications for physical AI deployments in autonomous vehicle development.\nFinancial Information by Business Segment and Geographic Data\nRefer to Note 14 of the Notes to the Condensed Consolidated Financial Statements for disclosure regarding segment information.\nCritical Accounting Policies and Estimates\nR efer to Part II, Item 7, \"Critical Accounting Policies and Estimates\" of our Annual Report on Form 10-K for the fiscal year ended January 28, 2024. There have\nbeen no material changes to our Critical Accounting Policies and Estimates.\n27Results of Operations\nThe following table sets forth, for the periods indicated, certain items in our Condensed Cons olidated Statements of Income expressed as a p ercentage of\nrevenue.\n Three Months Ended Six Months Ended\n Jul 28, 2024 Jul 30, 2023 Jul 28, 2024 Jul 30, 2023\nRevenue 100.0 % 100.0 % 100.0 % 100.0 %\n Cost of revenue 24.9 29.9 23.4 31.8

\nGross profit 75.1 70.1 76.6 68.2 \nOperating expenses \n Research and development 10.3 15.1 10.4 18.9 \n Sales, general and administrative 2.8 4.7 2.9 6.1 \nTotal operating expenses 13.1 19.8 13.3 25 .0 \nOperating income 62.0 50.3 63.3 43.2 \n Interest income 1.5 1.4 1.4 1.6 \n Interest expense (0.2) (0.5) (0.2) (0.6)\n Other , net 0.6 0.4 0.5 0.2 \nOther income (expense), net 1.9 1.3 1.7 1.2 \nIncome before income tax 63.9 51.6 65.0 44.4 \nIncome tax expense 8.7 5.9 8.9 4.6 \nNet income 55.2 % 45.7 % 56.1 % 39.8 %\nRevenue\nRevenue by Reportable Segments\nThree Months Ended Six Months Ended \n Jul 28, 2024 Jul 30, 2023$\nChange%\nChangeJul 28, 2024 Jul 30, 2023$\nChange%\nChange\n ($ in millions)\nCompute & Networking $ 26,446 $ 10,402 $ 16,044 154 %$ 49,121 $ 14,862 $ 34,259 231 %\nGraphics 3,5 94 3,105 489 16 % 6,963 5,837 1,126 19 %\nTotal $ 30,040 $ 13,507 $ 16,533 122 %$ 56,084 $ 20,699 $ 35,385 171 %\nOperating Income by Reportable Segments\nThree Months Ended Six Months Ended\n Jul 28, 202 4 Jul 30, 2023$\nChange%\nChangeJul 28, 2024 Jul 30, 2023$\nChange%\nChange\n ($ in millions)\nCompute & Networking $ 18,848 $ 6,728 $ 12,120 180 %$ 35,896 $ 8,887 $ 27,009 304 %\nGraphics 1,369 1,211 158 13 %$ 2,609 2,258 351 16 %\nAll Other (1,575) (1,139) (436) 38 %$ (2,954) (2,204) (750) 34 %\nTotal $ 18,642 $ 6,800 $ 11,842 174 %$ 35,551 $ 8,941 $ 26,610 298 %\nCompute & Networking revenue The increa se in the second quarter and first half of fiscal year 2025 compared to the second quarter and first half of fiscal year\n2024 was due to strengt h in Data Center computing and networking for accelerat ed computing and AI solutions. Revenue from GPU computing grew 166% year-\non-year and 257% compared to the first half of fiscal year 2024, was driven by demand for our Hopper GPU architecture computin g platform for training and\ninferencing of large language models, recomm endation engines, and generative AI applications. Networking was also up 114% year-on-year and 159%\ncompared to the first half of last year driven by both InfiniBand and Ethernet for AI revenue.\n28Graphics revenue The increase in the second quarter and first half of fiscal year 2025 compared to the second quarter and first half of fiscal year 2024 was led\nby higher sales of our GeForce R TX 40 Series GPUs.\nReportable segment operating income The increase in the second quarter and first half of fiscal year 2025 compa red to the second quarter and first half of\nfiscal year 2024 in Compute & Networking and Graphics operating income was driven by higher revenue.\nAll Other operating loss The incre ase in the second quarter and first half of fiscal year 2025 compared to the second quarter and first half of fiscal year 2024\nwas due to an increase in stock-based compensation expense reflecting employee growth and c ompensation increases.\nConcentration of Revenue\nRevenue by geographic region is designated based on the billing location even if the revenue may be attributable to end customers, such as enterprises and\ngamers in a different location. Revenue from sales to customers outside of the United States accounted for 57% and 53% of total revenue for the second quarter\nand first half of fiscal year 2025, r espectively , and 55% and 59% of total revenue for the second quarter and first half of fiscal year 2024, respectively .\nWe refer to customers who purchase products directly from NVIDIA as direct cus tomers, such as add-in board manufacturers, distributors, ODMs, OEMs, and\nsystem integ rators. We have certain customers that may purchase products directly from NVIDIA and may use either internal re sources or third-party system\nintegrators to complete their build. We also have indirect customers, who purchase products through our direct customers; indirect customers include cloud\nservice provide rs, consumer internet companies, enterprises, and public sector entities.\nSales to direct customers which represented 10% or more of total revenue, all of which were primarily attributable to the Comp ute & Networking segment, are\npresented in the following table:\n Three Months Ended Six Months Ended\n Jul 28, 2024 Jul 28, 2024\nCustomer A 14 % 14 %\nCustomer B 11 % *\nCustomer C 11 % *\nCustomer D 10 % 10 %\nCustomer E * 10 %\n* Less than 10% of total revenue\nFor the second quarter of fiscal year 2025, two indirect customers which primarily purchase our products through system integrators and distrib utors, including\nthrough Customer B and Customer E, are estimated to each represent 10% or more of total revenue attributable to the Compute & Networking segment.\nFor the first half of fiscal year 202 5, an indirect customer which primarily purchases our products from system integrators and distributors, including from\nCustomer E, is estimated to represent 10% or more of total revenue, attributable to the Compute & Networking segment.\nIndirect customer revenue is an estimation based upon multiple factors including customer purchase order information, product specifications, internal sales data\n and other sources. Actual indirect customer revenue may dif fer from our estimates.\nWe have experienced periods where we receive a significant amount of our revenue from a limited number of customers, and this trend may continue.\nGross Profit and Gross Margin\nGross profit consists of total net revenue less cost of revenue.\nOur overall gross margi n increased to 75.1% and 76.6% for the second quart er and first half of fiscal year 2025, respectively , from 70.1% and 68.2% for the\nsecond quarter and first half of fiscal year 2024, respectively . The increases in the second quarter and first half of fiscal year 2025 compared to the second\nquarter and first half of fiscal year 2024 were primarily due to strong Data Center revenue growth of 154% and 234% for the second quarter and first half of\n 2025, respectively .\nProvisions for inventory and excess inventory purchase obligations totaled $908 million and $1.3 billion for the second quarter and first half of fiscal year 2025,\nrespectively , and were primarily due to low-yielding Blackwell material. Sales of previously reserved inventory and settlements of excess inventory purchase\nobligations resulted in a provision release of $85 millio n and $199 million for the second quarter and first half of fiscal year 2025, respectively . The net effect on\nour\n29gross margin was an unfavorable impact of 2.7% and 2.0% in the second quarter and first half of fiscal year 2025, respectively .\nProvisions for inventory and excess inventory purchase obligations totaled $576 million and $709 million for the second quarter and first half of fiscal year 2024,\nrespectively . Sales of previously reserved invent ory and settlements of excess inventory purchase obligations resulted in a provision release of $84 million and\n$134 million for the seco nd quarter and first half of fiscal year 2024, respectively . The net effect on our gross margin was an unfavorable impact of 3.6% and\n2.8% in the second quarter and first half of fiscal year 2024, re spectively .\nWe expect our Data Center mix to continue to shift to new products in the second half of fiscal year 2025. For fiscal year 2025, we expect gross margins to be in\nthe mid-70% range.\nOperat ing Expenses\n Three Months Ended Six Months Ended\n Jul 28, 2024 Jul 30, 2023$\nChange%\nChange Jul 28, 2024 Jul 30, 2023$\nChange%\nChange\n ($ in millions)\nResearch and development\nexpenses $ 3,090 $ 2,04 0 $1,050 51 %$ 5,810 $ 3,916 $1,894 48 %\n% of net revenue 10.3 % 15.1 % 10.4 % 18.9 %\nSales, general and administrative\nexpenses 842 622 220 35 % 1,618 1,253 365 29 %\n% of net revenue 2.8 % 4.7 % 2.9 % 6.1 %\nTotal operating expenses $ 3,932 $ 2,662 $1,270 48 %$ 7,428 $ 5,169 $2,259 44 %\n% of net revenue 13.1 % 19.8 % 13.3 % 25.0 %\nThe increases in research and development expenses for the second q uarter and first half of fiscal year 2025 were driven by 35% and 34% increase in\ncompensation and benefits, including stock-bas ed compensation, reflecting employee growth and compensation increases, and 118% and 117% increase in\ncompute and infrastructure investments, respectively .\nThe increases in sales, general and administrative expenses for the second quarter and first half of fiscal year 20 25 was primarily driven by compensation and\nbenefits, including stock-based compensation, reflecting employee growth and compensation increases.\nFor fiscal year 2025, we expect operating expenses to g row in the mid to upper 40% range as we work on developing our next generation of products.\nOther Income (Expense), Net\nThree Months Ended Six Months Ended\n Jul 28, 2024 Jul 30, 2023$\nChange Jul 28, 2 024 Jul 30, 2023$\nChange\n ($ in millions)\nInterest income $ 444 $ 187 $ 257 $ 803 $ 338 $ 465 \nInterest expense (61) (65) 4 (125) (131) 6 \nOther , net 189 59 130 264 42 222 \nOther income (expense), ne t $ 572 $ 181 $ 391 $ 942 $ 249 $ 693 \nThe increas es in interest income for the second quarter and first half of fiscal year 2025 was due to higher cash, cash equivalents, and publicly-held debt\nsecu rity balances.\nInterest expense is comprised of coupon interest and debt discount amortization related to our notes.\nOther , net consists of realized or unrealized gains and losses from investments in privately-held equity securities, publicly-held equity securities, and the impact\nof changes in foreign currency rates. The change in Other , net, compared to the second quarter and first half of fis cal year 2024 was primarily driven by an\nincrease in fair value of our privately-held and publicly-held equity securities. Refer to Note 6 and 7 of the Notes to Condensed Consolidated Financial\nStatem ents in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information regarding our investments in privately-held and publicly-held equity\nsecurities.\n30Income T axes\nWe recognized i ncome tax expense of $2.6 billion and $5.0 billion for the second quarter and first half of fiscal year 2025, respectively , and $793 million and\n$958 million for the second quarter and first half of fiscal year 2024, respectively . Income tax expense as a percentage of income before income tax was 13.6%\nand 13.7% for the second quarter and first half of fiscal year 2025, respectively , and 11.4% and 10.4% for the second quarter and first half of fiscal year 2024,\nrespectively .\nThe effective tax rate increased primarily due to a lower percentage of tax benefits from the foreign-derived intang ible income deduction relative to the increase\nin income before income tax.\nGiven our current and anticipated future earnings, we believe that we may release the valuation allowance associated with c ertain state deferred tax assets in\nthe near term, which would decrease our income tax expense for the period the release is recor ded. The timing and amount of the valuation allowance release\ncould vary based on our assessment of all available evidence.\nRefer to Note 5 of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for addition al information.\nLiquidity and Capital Resources\n Jul 28, 2024 Jan 28, 2024\n (In millions)\nCash and cash equivalents $ 8,563 $ 7,280 \nMarketable securities 26,237 18,704 \nCash, cash equivalents and mar ketable securities $ 34,800 $ 25,984 \n Six Months Ended\nJul 28, 2024 Jul 30, 2023\n (In millions)\nNet cash provided by operating activities $ 29,833 $ 9,259 \nNet cash used in investing activities $ (8, 877) $ (1,287)\nNet cash used in financing activities $ (19,665) $ (5,479)\nOur investm ent policy requires the purchase of high-rated fixed income securities, the diversi fication of investment types a nd credit exposures, and certain\nmaturity limits on our portfolio.\nCash provided by operating activities increased in the first half of fiscal year 2025 compared to the first half of fiscal year 2024 due to growth in revenue, partially\noffset by higher tax paym ents. Our accounts receivable balance at the end of the first half of fiscal year 2025 reflects the strong revenue growth, partially offse t\nby $2.8 billion from customer payments received prior to the invoice due date.\nCash used in investing activities increased in the first half of fiscal year 2025 compared to the first half of fiscal year 2024, primarily driven by net purchases of\nmarketable securities, and acquisition of land and buildings.\nCash used in financing activities increased in the first half of fiscal year 2025 compared to the first half of fiscal year 2024, mainly due to higher share\nrepurchases and higher tax payments related to RSUs.\nLiquidity\nOur primary sources of liquidity include cash, cash equivalents, and m arketable securities, and the cash generated by our operations. As of July 28, 2024, we\nhad $34.8 billion in cash, cash equivalents, and marketable securities. We believe that we have sufficient liqui dity to meet our operating requirements for at least\nthe next twelve months, and for the foreseeable future, including our future supply obligations and share repurchases. We continuously evaluate our liquidity and\ncapital resources, including our access to external capital, to ensure we can finance future capital requirements.\nOur marketable securities consist of publicly-he ld equity securities, debt securities issued by the U.S. government and its agencies, highly rated corporations\nand financial institutions, and foreign government entities, as well as certificates of deposit issued by hig hly rated financial institutions. Our corporate debt\nsecurities are publicly traded. These marketable securities are primarily denominated in U.S. dollars. Refer to Note 6 of the Notes to Condensed Co nsolidated\nFinancial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information.\n31Except for approximately $1.4 billion of cash, cash equivalents, and marketable se curities held outside the U.S. for which we have not accrued any related\nforeign or state taxes if we repatriate these amounts to the U.S., substantially all of our cash, cash equivalents and marketab le securities held outside the U.S.\nas of July 28, 2024 are available for use in the U.S. without incurring additional U.S. federal income taxes.\nPayment from customers, per our standard paym ent term s, is generally due shortly after delivery of products, availability of software licenses or commencement\nof services.\nCapital Return to Shareholders\nDuring the second quarter and first half of fisca l year 2025, we paid $246 million and $344 million, respectively , in quarterly cash dividends.\nOur cash dividend program and the payment of future cash dividends under that program are subject to our Board of Directors' continuing determination that the\ndividend program and the declaration of dividends thereunder are in the best interests of our shareholders.\nOn June 7, 2024, we increased our qua rterly cash dividend to $0.01 per share on a post-Stock Split basis to all shareholders of record on June 11, 2024. Our\nquarterly cash dividend was paid on June 28, 2024.\nDuring the second quarter and first half of fiscal year 2025, we repurchased 62.8 million and 162.1 million shares of our common stock for $7.0 billion and\n$15.1 billion, respectively . As of July 28, 2024, we were authorized, su bject to certain specifications, to repurchase up to $7.5 billion of our common stock. On\nAugust 26, 2024, our Board of Directors approve d an additional $50.0 billion to our share repurchase authoriz ation, without expiration. As of August 26, 2024, a\ntotal of $53.9 billion was available for repurchase. Our share repurchase program aims to offset dilution from shares issued to employees while main taining\nadequate liquidity to meet our operating requirements. We may pursue additional share repurchases as we weigh market factors and other investment\nopportunities. W e plan to continue share repu rchases this fiscal year .\nFrom April 29, 2024 through August 26, 2024, we repurchased 31.5 million shares for $3.6 billion pursuant to a Rule 10b5-1 trading plan.\nThe U.S. Inflation Reduc tion Act of 2022 requires a 1% excise tax on certain share repurchases in excess of shares issued for employee compensation made\nafter December 31, 2022. The excise tax is included in our share repurchase cost a nd was not material for the second quarter and first half of fiscal year 2025.\nOutstanding Indebtedness and Commercial Paper Program\nOur aggregate debt maturities as of July 28, 2024, by year payable, are as follows:\n Jul 28, 2024\n (In millions)\nDue in one year $ \nDue in one to five years 2,250 \nDue in five to ten years 2,750 \nDue in greater than ten years 3,500 \nUnamortized debt discount and is suance costs (39)\nNet carrying amount 8,461 \nLess short-term portion \nTotal long-term portion $ 8,461 \nWe have a $575 million commercial paper program to support general corporate purposes. As of Ju ly 28, 2024, no commercial paper was outstanding.\nRefer to Note 1 1 of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for further disc ussion.\nMaterial Cash Requirements and Other Obligations\nUnrecognized tax benefits were $1.7 billion, which includes related interest and penalties of $186 million recorded in non-current income tax p ayable as of\nJuly 28, 2024. We are unable to estimate the timing of any potential tax liability , interest payme nts, or penalties in individual years due to uncertainties in the\nunderlying income tax positions and the timing of\n32the ef fective settlement of such tax positions. Refer to Note 5 of the Notes to Condensed Consolidated Financial Statements for further information.\nOther than the cont ractual obligations described above, there were no material changes outside the ordinary course of business in our contractual obligations\nfrom those disclosed in our Annual Report on Form 10-K for th e fiscal year ended January 28, 2024. Refer to Item 7, Management s Discussion and Analysis of\nFinancial Condition and Results of Operations - Liquidity and Capital Resources in our Annual Report o n Form 10-K for the fiscal year ended January 28, 2024\nfor a description of our contractual obligations. For a description of our operating lease obligations, long-term debt, and purchase obligations, refer to Notes 2,\n11, and 12 of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q, respectively .\nClimate Change\nTo date, there has been no material impact to our results of operations associated with global sustainability regulations, compliance, costs from sourcing\nrenewable energy or climate-related business trends.\nAdoption of New and Recently Issued Accounting Pronouncements\nThere has been no adoption of any new and recently issued accounting pronouncements.\nItem 3. Quantitative and Qualitative Disclosures about Market Risk\nI nvestment and Interest Rate Risk\nFinancial market risks related to investment and interest rate risk are described in Part II, Item 7A, Quantitative and Qualitative Disclosures About Market Risk\nin our Annual Report on Form 10-K for the fiscal year ended January 28, 2024. As of July 28, 2024, there have been no material changes to the financial market\nrisks described as of January 28, 2024.\nFore ign Exchange Rate Risk\nThe impact of foreign currency transactions related to foreign exchange rate risk is described in Part II, Item 7A, Quantitative and Qualitative Disclosures About\nMarket Risk in our Annual Report on Form 10-K for the fiscal year ended January 28, 2024. As of July 28, 2024, there have been no material changes to the\nforeign exchange rate risks described as of January 28, 20 24.\nItem 4. Controls and Procedures\nControls and Procedures\nDisclosure Controls and Procedures\nBased on their evaluation as of July 28, 2024, our management, including our Chief Executive Officer and Chief Financial Officer, has concluded that our\ndisclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15d-15 (e)) were effective to provide reasonable assurance that the\ni nformation we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time\nperiods specified in the SEC rules and f orms, and that such information is accumulated and communicated to our management, including our Chief Executive\nOfficer and our Chief Financial Of ficer, as appropriate, to allow timely decisions reg arding required disclosures.\nChanges in Internal Control Over Financial Reporting\nThere were no changes that occurred during the second quarter of fiscal year 2025 that have materially affected, or ar e reasonably likely to materially affect, our\ninternal control over financial reporting. In fiscal year 2022, we began an upgrade of our enterprise resource planning, or ERP, system, which will update much of\nour existing core financia l systems. The ERP system is designed to accurately maintain our financial records used to report operating results. The upgrade will\noccur in phases. W e will cont inue to evaluate each quarter whether there are changes that materially af fect our internal control over financial reporting.\nInherent Limitations on Effectiveness of Controls\nOur manage ment, includ ing our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal\ncontrols, will prevent all error and all fraud. A control sys tem, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance\nthat the objectives of the control system are met. Further , the design of a control system must re flect the fact that there are resource constraints, and the benefits\nof controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation o f controls can provide absolute\nassurance that all control issues and instances of fraud, if any , within NVIDIA have been detected.\n33Part II. Other Information\nItem 1. Legal Proceedings\nRefer to Pa rt I, Item 1, Note 12 of the Notes to Condensed Consolidated Financial Statements for a discussion of significant developments in our legal\nproceedings since January 28, 2024. Also refer to Item 3, L egal Proceedings in our Annual Report on Form 10-K for the fiscal year ended January 28, 2024 for\na prior discussion of our legal proceedings.\nItem 1A. Risk Factors\nOther than the risk facto rs liste d below , there have been no material changes from the risk factors previously described under Item 1A of our Annual Report on\nForm 10-K for the fiscal year ended January28, 2024 and Item 1A of our Quarterly Report on Form 10-Q for the fiscal quarter ended April 28, 2024.\nPurchasing or owning NVIDIA common stock involves investment risks including, but not limited to, the risks described in Ite m 1A of our Annual Report on Form\n10-K for the fiscal year ended January28, 2024, and Item 1A of our Quarterly Report on Form 10-Q for the fiscal quarter ended April 28, 2024, and below . Any\none of those risks could harm our business, financial condition and results of operations or reputation, which could cause our stock price to decline. Additional\nrisks, trends and uncertainties not present ly known to us or that we currently believe are immat erial may also harm our business, financial condition, results of\noperations or reputation.\nLong manu facturing lead times and uncertain supply an d component availability , combined with a failure to estimate customer demand accurately ,\nhas led and could lead to mismatches between supply and demand.\nWe use third parties to manufacture and asse mb le our products, and we have long manufacturing lead times. We are not provided guaranteed wafer , component\nor capacity supply , and our supply deliveries and production may be non-linear within a quarter or year. If our estimates of customer demand are inaccurate, as\nwe have experienced in the past, there could be a significant mismatch between supply and demand. This mismatch has resulted in both product shortages and\nexcess inventory , has varied across our market platforms, and has significantly harmed our financial results.\nWe build finished produc ts and maintain invento ry in advanc e of anticipated demand. While we have in the past entered and may in the future enter into long-\nterm supply agreements and capacity commitments, we may not be able to secure sufficient commitments f or capacity to address our business needs, or our\nlong-term demand expectations may change. Additionally , our ability to sell certain products has been and could be impeded if components necessary fo r the\nfinished products are not available from third parties. This risk may increase as a result of our platform strategy . In periods of shortages impacting the\nsemiconductor industry and/or limited supply or capacity in our supply chain, the lead times on orders for certain supply may be extended. We have previously\nexperienced and may continue to experience extended lead times of more than 12 m onths. We have paid premiums and provided deposits to secure future\nsupply and capacity , which have increased our product costs and may continue to do so. If our existing suppliers are unable to scal e their capabilities to meet\nour supply needs, we may require additional sources of capacity , which may require additional deposits. We may not have the ability to reduce our supply\ncommitments at th e same rate or at all if our revenue declines.\nMany additio nal factors have caused and/or could in the future cause us to either underestimate or overestimate our customers future demand for our pr oducts,\nor otherwise cause a mismatch between supply and demand for our products and impact the timing and volume of our revenue, including:\nchanges in product development cycles and time to market;\n competing technologies and competitor product releases, announcements or other actions;\nchanges in business and economic conditions;\nsudden or sustained government lockdowns or public health issues ;\nrapidly changing technology or customer requirements;\nthe availability of suf ficient data center capacity or energy for customers to procure;\nnew product introductions and transitions resulting in less demand for existing products;\nnew or unexpected end-use cases;\nincrease in demand for competitive products;\nbusiness decisions made by third parties;\nthe demand for accelerated computing, AI-related cloud services, or large language models;\n34changes that impact the ecosystem for the architectures underlying our products and technologies;\nthe demand for our products; or\ngovernment a ctions or changes in governmental policies, such as export controls or increased restrictions on gaming usage.\nWe continue to increase our supply and capacit y purchases with existing and new supplier s to support our demand projections. With these additions, we have\nalso entered and may continue to enter into prepaid manufacturing and capacity agreements to supply both current and future products. The increased purchase\nvolumes and integration of new suppliers and contract manufacturers into our supply chain may create more complexity in managing multiple suppliers with\nvariations in productio n planning, execution and logistics. Our expanding product portfolio and varying component compatibility and quality may lead to\nincreased inventory levels. We have incurred and may in the future incu r inventory provisions or impairments if our inventory or supply or capacity commitments\nexceed demand for our products or demand declines. Our customer orders and longer-term demand estimates may cha nge or may not be correct, as we have\nexperienced in the past.\nProduct transitions are complex and we often ship both new and prior architecture products simultaneously as our channel partners prepare to ship and support\nnew products. We may be in various stages of transitioning the architectures of our Data Center , Gaming, Professional Visualization and Automotive products.\nThe computing industr y is experiencing a broader and faster launch cadence of accelerated computing platforms to meet a growing and diverse set of AI\nopportunities. We have introduced a new caden ce of our Data Center arc hitectures where we seek to complete a new GPU computing architecture each year\nand we are providing a greater variety of Data Center offerings. The increased frequency of these transitions and the la rger number of products and product\nconfigurations may magnify the challenges associated with managing our supply and demand. Qualification time for new products, customers anticipating\nproduct transi tions and channel partners reducing channel inventory of prior architectures ahea d of new product introductions can reduce or create volatility in\nour revenue . We have experienced and may in the fut ure experience reduced demand for current generation architectures when customers anticipate\ntransitions, and we may be unable to sell multiple product architectures at the same time for current and f uture architecture transitions. If we are unable to\nexecute our architectural transitions as planned for any reason, our financial results may be negatively impacted. The increased frequency and comp lexity of\nnewly introd uced products could result in unanticipated quality or production issues that could increase the magnitude of inventory provisions, warranty , or other\ncosts or result in produc t delays. For example, we executed a change to the Blackwell GPU mask to improve production yield. Our gross margins in the second\nquarter of fiscal year 2025 were negatively impacted by inventory pro visions for low-yielding Blackwell material and they may continue to be impacted in the\nfuture.\nWe incur significant engineering development resources for new products, and changes to our product road map may impact our ability to develop other products\nor adequate ly manage our supply chain cost. Customers may delay purchasing existing product s as we increase the frequency of new products or may not be\nable to adop t our new products as fast as forecasted, both impacting the timing of our revenue and supply chain cost. While we have managed prior product\ntransitions and have sold multiple pro duct archit ectures at the same time, these transitions are difficult, may impair our ability to predict demand and impact our\nsupply mix, and may cause us to incur additional costs. Many end customer s often do not purchase directly from us but instead purchase indirectly through\nmultiple OEMs, ODMs, system integrators, distributors, and other channel partners. As a result, the decisions made by o ur multiple OEMs, ODMs, system\nintegrators, distributors, and other channel partners, and in response to changing market conditions and changes in end-user demand for our products, have\nimpacted and c ould in the future continue to impact our ability to accurately forecast demand, particularly as they are based on estimates provided by various\ndownstream parties.\nIf we underestimate our customers' future demand for our products, our foundry partners may not have adequate lead-time or capacity to increase production\nand we may not be able to obtain sufficient inventory to fill orders on a timely basis. If our contra ct manufacturers experience supply constraints, we may not be\nable to increase supply to meet customer dema nd in a timely manner , or at all. If we cannot procure sufficient sup ply to meet demand or otherwise fail to fulfill\nour custome rs orders on a timely basis, or at all, our customer relationships could be damage d, we could lose revenue and market share and our reputa tion\ncould be harmed. Additionally , since some of our products are part of a complex data center buildout, supply constraints or availability issues with respect to any\none component have had and may have a broader revenue impact.\nIf we overestimate our customers future demand for our products, or if customers cancel or defer orders or choose to purchase from our competitors, we may\nnot be able to reduce our inventory or other contractual purchase commitments. In the past, we have experienced a reduction in average selling prices, including\ndue to channel pricing programs that we have imple mented and may continue to implement, as a result of our overestimation of future demand, and we may\nneed to continue these reductions. We have had to increase prices for certain of our products as a result of our suppliers increase in prices, and we may need to\ncontinue to do so for other products in the future . We have also written down our inventory , incurred cancellation penalties, and rec orded impairments and may\nhave to do so in the future. These impacts would be amplified by our placement of any non-cancellable and non-returnable purchase orders placed in advance of\nour historical lead times and could be exacerbated if we need to make changes to the design of future products. The risk of\n35these impac ts has increased and may continue to increase as our purchase obligations an d prepaids have grown and are expected to continue to grow and\nbecome a greater portion of our total supply . All of these factors may negatively impact our gross margins and financial results.\nDemand estimates for our new products, applications, and services can be incorrect and create volatility in our revenue or supply levels. We may not be able to\ngenerate significant revenue from them. Recent   technologies, such as generative AI models, have emerged, and while they have driven increased demand for\nData Center , the long-term trajectory is unknown. Because our products may be used in multi ple use cases and applications, it is difficult for us to estimate with\nany reasonable degree of precision the impact of generative AI models on our reported revenue or forecasted demand.\nChallenges in estimating demand could become more pronounced or volatile in the future on both a global and regional basis. Extended lead times may occur if\nwe experience other supply constraints caused by natur al disasters, pandemics or other events. In addition, geopolitical tensions, such as those involving Taiwan\nand China, which comprise a significant portion of our revenue and where we have suppliers, contract manufacturers, and assembly partners who are critical to\nour supply continuity , could have a material adverse impact on us.\nThe use of our GPUs other than that for which they were designed a nd marketed, including new and unexpected use cases, has impacted and can in the future\nimpact demand for our products, including by leading to inconsistent spikes and drops in demand. For example, se veral years ago, our Gaming GPUs began to\nbe used for mining digital currencies, such as Ethereum. It is difficult for us to estimate with any reasonable degree of precision the past or current impact of\ncryptocurrency mining, or forecast the future impact of cryptocurrency mining, on demand for our products. Volatility in the cryptocurrency market, including new\ncompute technologies, price change s in cryptocurrencies, government cryptocurrency policies and regulations, new cryptocurrency standards and changes in\nthe method of verifying blockchain transactions, has impacted and can in the futu re impact cryptocurrency mining and demand for our products and can further\nimpact our ability to estimate demand for our products. Changes to cryptocurrency standards and processes including, but not limited to, the Ethereum 2.0\nmerge in 2022, have reduced and may in the future decrease the usage of GPUs for Ethereum mining. This has created and may in the future create increased\naftermarket sale s of our GPUs, which could negatively impact retail prices for our GPUs and reduce demand for our new GPUs. In general, our new products or\npreviously sold products may be resold online or on the unau thorized gray market, which also makes demand forecasting difficult. Gray market products and\nreseller marketplaces compete with our new products and distribution channels.\nAdditionally , we depend on developers, customers and other third parties to build, enhance, and maintain accelerated computing applications that leverage our\nplatforms. We also rely on third-party content providers and publi shers to make their content available on our platforms, such as GeForce NOW . Failure by\ndevelopers, customers, and other third parties to build, enhance, and maintain applications that leverage our p latforms, or failure by third-party content providers\nor publisher s to make their content available on reasonable terms or at all for use by our customers or end users on our platforms, could adverse ly affect\ncustomer demand.\nWe receive a significa nt amount of our revenue from a limited number of partners and distributors and we have a concentration of sales to\ncustomers who purchase directly or indirectl y from us, and our revenue could be adversely affected if we lose or are prevented from selling to any of\nthese customers.\nWe receive a significant amount of our revenue from a limited numb er of customers within our distribution and partner network. Sales to direct Customers, A, B,\nC and D represented 14%,11%, 11% and 10% of total revenue, respectively , for the second quarter of fiscal year 2025, all of which were primarily attributable to\nthe Compute & Networ king segment. With several of these channel partners, we are selling multiple products and systems in our portfolio throug h their\nchannels. Our operating results depend on sales within our partner network, as well as the ability of these partners to sell products that incorporate our\nprocessors. We have a small number of partner s that are involved in system integration with our key customers. As our system design becomes increasingly\ncomplex, system integrators may be unable to meet specifications of our key custome rs. Changes in our partners' or customers' business models or their\nownership can reduce the number of partners available to us and harm our ability to sell our advanced data center systems to custome rs. In the future, these\npartners may decide to purchase fewer products , not to incorporate our products into their ecosystem, or to alter their purchasing patterns in some other way.\nBecause most of our sales are made on a purch ase order basis, our customers can generally cancel, change or delay product purchase commitments with little\nnotice to us and without penalty . Our partners or custome rs may develop their own solutions; our customers may purchase products from our competitors; and\nour partners may discontinue sales or lose market share in the markets for which they purchase our pr oducts, all of which may alter partners or customers\npurchasing patterns. Many of our customers often do not purchase directly from us but purchase through multiple OEMs, ODMs, system integrators, distributors\nand other channel partne rs. For the second quarter of fiscal year 2025, two indirect customers which primarily purchase our products through system integrators\nand distributors, includin g through Customer B and Customer E, are estimated to each represe nt 10% or more of total revenue, attributable to the Compute &\nNetworking segment. If end demand increases or our finished goods supp ly availability is concentrated near a quarter end, the system integrators, distributors\nand channel partners may have limited ability to increase their credit, which could impact the timing and amoun t of our revenue. The loss of any of our large\ncustomers, a significant reduction in purchases by them,\n36our inability to sell to a customer due to U.S. or other countries trade restrictions or any difficulties in collecting accounts receivable would likely harm our\nfinancial condition and results of operations.\nOur operations could be affected by the complex laws, rules and regulations to whic h our business is subject, and political and other actions may\nadversely impact our business.\nWe are subject to laws and regulations domestically and worldwide, affecting our operations in areas inclu ding, but not limited to, IP ownership and infringement;\ntaxes; impor t and export requirements and tariffs; anti-corruption, including the Foreign Corrupt Practices Act; business acquisitions; foreig n exchange controls\nand cash repatriation restrictions; data priva cy requirements; competition and antitrust; advertising; employment; product regulations; cybersecurity;\nenvironmental, health, and s afety requirements; the responsible use of AI; sustainability; cryptocurrency; and consumer laws. Compliance with such\nrequirements can be onerous and expensive, could impact our competitive position, and may negatively impact our business operations and ability to\nmanufacture and ship our products. There can be no assurance that our employees, contractors , suppliers, customers or agents will not violate applicable laws\nor the policies, controls, and procedures that we have designed to help ensure compliance with such laws, and violations could result in fines, criminal sanctions\nagainst us, our officers, or our employees, prohib itions on the conduct of our business, and damage to our reputation. Changes to the laws, rules and regulations\nto which we are subject, or changes to their inte rpretation and enforcement, could lead to materially greater compliance and other costs and/or further\nrestrictions on our ability to manufacture and supply our products and operate our business. For example, we may face increased compliance costs as a result\nof changes or increases in antitrust legislation, regulation, administrative rule making, increased focus from regulators on cybersecurity v ulnerabilities and risks.\nOur position in markets relating to AI has led to increased interest in our business from regulators worldwide, including the European Union, the United States,\nthe United Ki ngdom, South Korea and China. For example, the French Competition Author ity collected information from us regarding our business and\ncompetition in the graph ics card and cloud service provider marke t as part of an ongoing inquiry into competition in those markets. We have also received\nrequests for information from regulators in the European Union, the United States, the United Kingdom, China, a nd South Korea regarding our sales of GPUs,\nour efforts to allocate supply, foundation models and our investments, partnerships and other agreements with companies developing foundation models, and we \nexpect to receive additional requests for information in the future. Governments and regulators are considering, and in certain cases, have imposed restrictions\non the hardw are, software, and system s used to develop frontier foundation models and generative AI. For example, the EU AI Act was formally adopted in June\n2024 and will be implemented in phases betwee n now and 2030. The State of Calif ornia, among other jurisdictions, is considering similar legislation. Restrictions\nunder this and any other regulations, if implemented, could increase the costs and burdens to us and our customers, d elay or halt deployment of new systems\nusing our products, and reduce the number of new entrants and customers, negatively impacting our business and financial results. Revisions to laws or\nregulation s or their interpretation and enforceme nt could also result in increased taxation, trade sanctions, the imposition of or increase to import duties or tariffs,\nrestrictions and controls on imports or exports, or other retaliatory actions, which could have an adverse effect on our business plans or impact the timing of our\nshipments. Additionally , changes in the public perception of governments in the regions where we operate or plan to operate could negatively impact our\nbusiness and results of operations.\nGovernment actions, including trade protection and national and economic security polic ies of U.S. and foreign government bodies, such as tariffs, import or\nexport regulations, including deemed export restrictions and restrictions on the activities of U.S. persons, trade and economic sa nctions, decrees, quotas or\nother trade barriers and restrictions could affect our ability to ship products, provide services to our customers and employees, do business without an export\nlicense with entities on the U.S. Department of Commerce s U.S. Entity List or other USG restricted parties lists (which is expected to change from time to time),\nand generally fulfill our contractual obligation s and have a material adverse effect on our business. If we were ever found to have violated export control laws or\nsanctions of the U.S. or similar applicable non-U .S. laws, even if the violation oc curred without our knowledge, we may be subject to various penalties available\nunder the laws, any of which could have a material and adverse impact on our business, operating results and financial co ndition.\nFor example , in response to the war in Ukrain e, the United States and other jurisdictions imposed economic sanctions and export control measures which\nblocked the passage of our products, s ervices and support into Russia, Belarus, and certain regions of Ukraine. In fiscal year 2023, we stopped direct sales to\nRussia and closed business operations in Russia. Concurrently , the war in Ukr aine has impacted sales in EMEA and may continue to do so in the future.\nThe increasi ng focus on the risks and strategic importance of AI technologies has resulted in regulatory restrictions that ta rget products and services capable of\nenabling or facilitating AI and may in the future result in additional restrictions impacting some or all of our product and service of ferings.\nConcerns regardin g third-party use of AI for purposes contrary to local governmental interests , including concerns relating to the misuse of AI applications,\nmodels, and solutions, has resulted in and could in the f uture result in unilateral or multilateral restrictions on products that can be used for training, modifying,\ntuning, and deploying LLMs and other AI applications. Such restrictions have limited and c ould in the future limit the ability of downstream customers and users\nworldwide to acquire, deploy and use systems that include our products, software, and services, and negatively impact our busines s and financial results.\n37Such restrictions could include additional unilateral or multilateral export controls on certain products or technology , including but not limited to AI technologies.\nAs ge opolitic al tensions have increased, semic onductors associated with AI, including GPUs and associated products, are increasingly the focus of export\ncontrol restrictions proposed by stakeholders in t he U.S. and its allies. The United States has imposed unilateral controls restricting GPUs and associated\nproducts, and it is likely that additional unilateral or multilateral controls will be adopted . Such controls have been and may again be very broad in scope and\napplication, prohibit us from exporting our products to any or all customers in one or more markets, including but not limited to

Chi na, and could negatively\nimpact our manufacturin g, testing and warehousing locations and options, or could impose other conditions that limit our ability to serve demand abroad and\ncould negatively a nd materially impact our business, revenue and financial results. Export controls targeting GPUs and semiconductors associated with AI,\nwhich have been imposed and are increasingly likely to be furthe r tightened, would further restric t our ability to export our technology , products, or services even\nthough comp etitors may not be subject to similar restrictions, creating a competitive disadvanta ge for us and negatively impacting our business and financial\nresults. Expo rt controls targeting GPUs and semiconductors associated with AI have subjected and may in the future subject downstream use rs of our products\nto additional restrictions on the use, resale, repair , or transfer of our products, negatively impacti ng our business and financial results. Controls could negatively\nimpact our cost and/or ability to provide services such as NVIDIA AI cloud services and could impact the cost and/or ability for our cloud service providers and\ncustomers to provide services to their end custom ers, even outside China.\nExport contr ols could disrupt our supply chain and distribution channels, negatively impacting our ability to serve demand, including in markets outside China\nand for our gam ing products. The possibility of additional export controls has negatively impacted and may in the future negatively impact demand for our\nproducts, benefiting competitors that offer alternatives less likely to be restricted by further controls. Repeated changes in the export control rules are likely to\nimpose compliance burdens on our business and our customers, negatively and materially impactin g our business.\nIncreasing use of economic sanctions and export controls has impacted and may in the future impact demand for our products or services, negatively impacting\nour business and financ ial results. Reduced demand due to export controls could also lead to excess inventory or cause us to incur related supply charges.\nAdditional unilateral or multilateral controls are also likely to inclu de deemed export control limitations that negatively impact the ability of our research and\ndevelopment teams to execute our roadmap or other objectives in a timely manner . Addition al export restric tions may not only impact our ability to serve\noverseas markets, but also provoke responses from foreign governments, including China, that negatively impact our supply chain or our ability to provide our\nproducts and services to customers in all markets worldwide, which could also substantially reduce our revenue. Regulators in China have inquired about our\nsales and efforts to supply the China m arket and our fulfillment of the commitments we entered at the close of our Mellanox acquisition. If the regulators\nconclude that we have failed to fulfill such commitments or we have violated any app licable law in China, we could be subject to various penalties or restrictions\non our ability to conduct our business, any of which could have a material and adverse impact on our business, operating results and financial condition.\nDuring the third quarter of fiscal year 2023, the USG announced export restrictions and expo rt licensing requirements targeting China s semiconductor and\nsupercompu ting industries. These restrictions impact exports of certain chips, as well as software, hardware, equipment and technology used to develop,\nproduce and manufacture certain chips to China (including Hong Kong and Macau) and Russia, and specifically impact our A100 and H100 integrated circuits,\nDGX or any other system s or boards which incorporate A100 or H100 integrated circuits. The licensing r equirements also apply to any future NVIDIA integrated\ncircuit achieving certain peak performance and chip-to-chip I/O performance thresholds, as well as any system or board that includes those circu its. There are\nalso now licensing requirements to export a wide array of products, including networking products, destined for certain end users and for certain end uses in\nChina. During the second qu arter of fiscal year 2024, the USG also informed us of an additional licensing requirement for a subset of A100 and H100 products\ndestined to certain customers and other regions, including some countr ies in the Middle East.\nIn October 2023, the USG announced new and updated licensing requirements that became effective in our fourth quarter of fiscal year 2024 for exports to\nChina and Country Group s D1, D4, and D5 (including but not limited to, Saudi Arabia, the United Arab Emirates, and Vietnam, but excluding Israel) of our\nproducts exceeding certain performance thresholds, including A100, A80 0, H100, H800, L4, L40, L40S and RTX 4090. The licensing requirements also apply to\nthe export of products exceeding certain performance thresholds to a party headquartered in, or with an ultimate par ent headquartered in, Country Group D5,\nincluding China. On Octo ber 23, 2023, the USG informed us that the licensing requirements were effective immediately for shipments of our A100, A800, H100,\nH80 0, and L40S products. W e have not received licenses to ship these restricted products to China.\nFollowing these export controls, we transitioned some operations, including certain testing, validatio n, and supply and distribution operations out of China and\nHong Kong. Any future transitions could be costly and time consuming, and adversely affect our research and development and supply and distri bution\noperations, as well as our revenue, during any such transition period. We expanded our Data Center product portfolio to offer new solutions, including those for\nwhich the USG does not require a license or advance notice before each shipment. To the extent that a customer requires products covered by the licensing\nrequirements, we may seek a license for the customer . However , the licensing process is time-consuming. We have no assurance that the USG will grant such a\nlicense or that the USG will act on the license application in a timely manner or at all. Even if a license is approved, it may impose burdensome conditions that\nwe or our customer or end users cannot or decide not to accept. The USG is evaluating license requests in a closed process that\n38does not have clear standard s or an opportunity for review . For example, the Notified Advanced Computing, or NAC, process has not resulted in approvals for\nexports of products to customers in China. The license process for e xports to D1 and D4 countries has been time-consuming and resulted in license conditions\nthat are onerous, even for small-sized systems that are not able to train frontier AI models. The requirements have a disproportionate impact on NVIDIA and\nalready have disadvantaged and may in the future disadvantage NVIDIA against certain of our competitors who sell products that are not subject to the new \nrestrictions or may be able to acquire licenses for their products.\nManagement of these new licenses and other requirements is complicated and time consuming. Our competitive position has been harmed , and our competitive\nposition and future results may be further harmed, over the long-term, if there are further changes in the USG s export controls, including further expansion of the\ngeographic, customer , or product scope of the controls, if customers purchase product from competitors, if customers develop their own internal solution, if we\nare unable to provide contractual warranty or othe r extended service obligations, if the USG does not grant licenses in a timely manner or denies licenses to\nsignificant customers or if we incur significant transition costs. Even if the USG grants an y requested licenses, the licenses may be temporary or impose\nburdensome conditions that we or our customers or end users cannot or choose not to fulfill. The licensing requirements may benefit certa in of our competitors,\nas the licensing process will make our pre-sale and post-sale technical support efforts more cumbersome and less certain and encourage customers in China to\npursue alternatives to our products, including semiconductor suppliers based in China, Europe, and Israel.\nGiven the increasing strategic importance of AI and rising geopolitical tensions, the USG has changed and may aga in change the export control rules at any time\nand further subject a wider range of our products to export restrictions and licensing requirements, negatively impacting our business and financial resu lts. In the\nevent of such change, we may be unable to sell our inventory of such products and may be unable to develop replacement products not subject to the licensing\nrequirements, effectively exclu ding us from all or part of the China market, as well as other impa cted markets, including the Middle East. For example, the USG\nhas already imposed conditions to limit the ability of foreign firms t o create and offer as a service large-scale GPU clusters, for example by imposing license\nconditions on the use of products to be exported to certain countries, and may impose additional conditions su ch as requiring chip tracking and throttling\nmechanisms that could disable or impair GPUs if certain events, including unauthorized system configuration, use, or location, are detected. The USG has\na lready impo sed export controls restricting certain gaming GPUs, and if the USG expands such controls to restrict additional gaming products, it may disrupt a\nsignificant portion of our supply and dis tribution chain and negatively impact sales of such products to markets outside China, including the U.S. and Europe. In\naddition, as the performa nce of the gaming GPUs increases over time, export co ntrols may have a greater impact on our ability to compete in markets subject to\nthose controls. Export controls may disrupt our supply and distribution chain for a substantial portion of our product s, which are warehoused in and distributed\nfrom Hong Kong. Export controls restricting our ability to sell data center GPUs may also negatively impact demand for our networking products used in serve rs\ncontaining our GPUs. The USG may also impose export controls on our networking products, such as high-speed network interconnects, to limit the ability of\ndownstream parties to create large cluster s for frontier model training. Any new control that impacts a wider range of our products would likely have a\ndisproportionate impact on NVIDIA and may disadvantage us against certain of our competit ors that sell chips that are outside the scope of such control.\nExcessive or shifting export controls have alread y and may in the future encourage customers outside China and other impacted regions t o design-out certain\nU.S. semiconductors from their products to reduce the compliance burden and risk, and to ensure that they are able to serve markets worldwide. Excessive or\nshifting export contr ols have already encourage d and may in the future encourage overseas governments to request that our customers purchase from our\ncompetitors rather than NVIDIA or other U.S. firms, harming our busin ess, market position, and financial results. As a result, excessive or shifting export controls\nmay negatively impact demand for our products and services not only in China, but also in other markets , such as Europe, Latin America, and Southeast Asia.\nExcessive or shifting export controls increase the risk of investing in U.S. advanced semiconductor products, because by the time a new product is ready for\nmarket, it may be subject to new unilateral export controls restricting its sale. At the same time, such controls may increase investment in foreign competitors,\nwhich would be less likely t o be restricted by U.S. controls.\nAdditionally , restrictions imposed by the Chines e government on the duration of gaming activities and access to games may adversely affect our Gaming\nrevenue, and i ncreased oversight of digital platform companies may adversely affect our Data Center revenue. The Chinese government may also impose\nrestrictions on the sale to certain customers of our products, or any products containing components made by our partners and suppliers. For example, the\nChinese government announced restrictions relating to certain sales of products containing certain products mad e by Micron, a supplier of ours. As another\nexample, an agency of the Chinese government announced an Action Plan that endorses new standards regarding the compute performance per watt and per\nmemory bandwidth of accelerators used in new and renovated data centers in China. If the Chine se government modifies or implements the Action Plan in a way\nthat effectively prevents us from being able to de sign products to meet the new standard, this may restrict the ability of customers to use some of our data center\nproducts and may have a material and adverse impact on our business, operating result s and financial condition. Further restrictions on our products or the\nproducts of our suppliers could negatively impact our business and financial results.\n39Finally , our business depends on our abi lity to receive consistent and reliable supply from our overseas partners, especially in Taiwan. Any new restrictions that\nnegatively impact our ability to receive supply of components, parts, or serv ices from Taiwan, would negatively impact our business and financial results.\nItem 2. Unregistered Sales of Equity Securities and Use of Proceeds\nIssuer Purchases of Equity Securities\nDuring the secon d quarter and first half of fiscal year 2025, we repurchased 62.8 million and 162.1 million shares of our common stock for $7.0 billion and $15.1\nbillion, respectively . As of July 28, 2024, we were a uthorized, subject to certain specifications, to repurchase up to $7.5 billion of our common stock.\nThe repurchases can be made in the open market, in privately negotiated transactions, pursuant to a Rule 10b5-1 trading plan or in structured share repurchase\nprograms, and can be made in one or more larger repurchases, in compliance with Rule 10b-18 of the Exchange Act, subject to market conditions , applicable\nlegal requirements, and other factors. The program does not obligate NVIDIA to acquire any particular amount of common stock and the program may be\nsuspended at any time at our discretio n.\nIn the secon d quarter and first half of fiscal year 2025, we paid $246 million and $344 million, respectively , in cash dividends. Our cash dividend program and the\npayment of future cash dividend s under that program are subject to our Board of Directors ' continuing determination that the dividend program and the\ndeclaration of dividends thereunder are in the best interests of our shareholder s.\nThe following table presents details of our share repurchase transactions during the second quarter of fiscal year 2025:\nPeriodTotal

Number\nof Shares\nPurchased\n(In millions)Average Price Paid\nper S hareTotal Number of Shares\nPurchased as Part of\nPublicly Announced\nProgram\n(In millions)Approximate Dollar V alue\nof Shares that May Yet Be\nPurchased Under the\nProgram\n(In billions)\nApril 29, 2024 - M ay 26, 2024 23.0 $ 91.50 23.0 $ 12.4 \nMay 27, 2024 - June 23, 2024 14.7 $ 121.36 14.7 $ 10.6 \nJune 24, 2024 - July 28, 2024 25.1 $ 123.63 25.1 $ 7.5 \nTotal 62.8 62.8 \nOn August 26, 2024, our Board of Directors approved an additional $50.0 billion to our share repurchase authorization, without expiration. From July 29, 2024\nthrough August 26, 2024, we repurchased 31.5 million shares for $3.6 billio n pursuant to a Rule 10b5-1 trading plan. As of August 26, 2024, a total of\n$53.9 billion was available for repurchase.\nRestricted Stock Unit Share W ithholding\nWe withhold common stock shares associ ated with net share settlements to cover tax withho lding obligations upon the vesting of RSU awards under our\nemployee equity incentive program. During the second quarter and first half of fiscal yea r 2025, we withheld approximately 11 million and 32 million, respectively ,\nfor a total value of $1.6 billion and $3.4 billion, respectively , through net share settlements.\nRecent Sales of Unregister ed Securities and Use of Proceeds\nOn May 28, 2024, we issued a total of 215,120 shares of our common stock, valued at approxim ately $25 million based on our closing stock price on the date of\nissuanc e, to key employees of a company we acquired.\nOn July 2, 2024, we issued a total of 212,353 shares of our common stock, valued at approxima tely $26 million based on our closing stock price on the dat e of\nissuance, to key employees of a company we acquired.\nThe above securities were issued in transactions not involving a public offering pursuant to an exemption from registration set forth in Secti on4(a)(2) of\ntheSecurities Act (and Regulation D or Regulation S promulgated thereunder).\nItem 5. Other Information\nOn July 22, 2024, Ajay K. Puri, Executive Vice President, Worldwide Field Operatio ns, terminated a Rule 10b5-1 trading arrangement adopted on April 12, 2024\nfor the sale of up to 1,008,320 shares of our common stock on a post-split basis through July 11, 2025. 100,1 10 shares were sold under the plan prior to\ntermination.\n40Item 6. Exhibits\nIncorporated by Reference\nExhibit No. Exhibit Description Schedule/Form Exhibit Filing Date\n3.1 Amendment to

Restated Certificate of Incor poration of NVIDIA Corporation 8-K 3.1 6/7/2024\n10.1+* Amended and Restated 2007 Equity Incentive Plan\n10.2+* Amended and Restated 2012 Employee Stock Purchase Plan\n31.1* Certification of Chief Execu tive Of ficer as required by Rule 13a-14(a) of the Securities\nExchange Act of 1934\n31.2* Certification of Chief Financial Of ficer as required by Rule 13a-14(a) of the Securities\nExchange Act of 1934\n 32.1#* Certification of Chief Executive Of ficer as required by Rule 13a-14(b) of the Securities\nExchange Act of 1934\n32.2#* Certification of Chief Financial Of ficer as required by Rule 13a-14(b) of the Securities\nExchange Act of 1934\n101.INS*Inline XBRL Instance Document - the instance document does not appear in the Interactive\nData File because its XBRL tags are embedded within the Inline XB RL document.\n101.SCH* Inline XBRL Taxonomy Extension Schema Document\n101.CAL* Inline XBRL Taxonomy Extension Calculation Linkbase Document\n101.DEF* Inline XBRL Taxonomy Extension Definition Linkba se Document\n101.LAB* Inline XBRL Taxonomy Extension Labels Linkbase Document\n101.PRE* Inline XBRL Taxonomy Extension Presentation Linkbase Document\n104Cover Page Interactive Data File - the cover pa ge interactive data file does not appear in\nthe Interactive Data File because its XBRL tags are embedded within the Inline XBRL\ndocument.\n+ Management contract or compensatory plan or arrangement.\n* Filed herewith.\n# In accorda nce with Item 601(b)(32)(ii) of Regul ation S-K and SEC Release Nos. 33-8238 and 34-47986, Final Rule: Management's Reports on Internal Control\nOver Financial Reporting an d Certification of Disclosure in Exchange Act Periodic Reports, the certifications furnished in Exhibits 32.1 and 32.2 hereto are\ndeemed to accompany this Quarterly Report on Form 10-Q and will not be deemed filed for purpose of Section 18 of the Exchange Act. Such certifications will\nnot be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, exce pt to the extent that the registrant specifically\nincorporates it by reference.\nCopies of above exhibits not contained herein are available to any shareholder upon written request to:\nInvestor Relatio ns: NVIDIA Corporation, 2788 San Tomas Expressway , Santa Clara, CA 95051.\n41Signature\nPursuant to the requirem ents of the Securities Exchange Act of

1934, the registrant has duly caused this repor t to be signed on its behalf by the undersigned\nthereunto duly authorized.\nDate: August 28, 2024\n NVIDIA Corporation \nBy: /s/ Colette M. Kress\n Colette M. Kress\n Executive V ice President and Chief Financial Of ficer (Duly Authorized Of ficer and Principal\nFinancial Of ficer)\n42NVIDIA Corporation Amended and Restated 2007 Equity Incentive Plan\nApproved by the Compensation Committee: April 24, 2 007\nApproved by the Stockholders: June 21, 2007\nAmended by the Compensation Committee: November 11, 2010\nAmended and Restated by the Compensation Committee: March 22, 2012\nApproved by the Stockholders : May 17, 2012\nAmended and Restated by the Compensation Committee: April 9, 2014\nApproved by the Stockholders: May 23, 2014\nAmended and Restated by the Compensation Committee: April 5, 2016\nApproved b y the Stockholders: May 18, 2016\nAmended and Restated by the Compensation Committee: April 3, 2018\nApproved by the Stockholders: May 16, 2018\nAmended and Restated by the Compensation Committee: April 27, 2020\nApproved by the Stockholders: June 9, 2020\nAmended and Restated by the Board of Directors: July 19, 2021\nAmended and Restated by the Compensation Committee: April 8, 2022\nApproved by the Stoc kholders: June 2, 2022\nAmended and Restated by the Compensation Committee: December 1, 2022\nAmended and Restated by the Board of Directors: June 7, 2024\nTermination Date: April 26, 2030\n1. General.\n(a)Successor and Continuation of Prior Plans. The Plan is intended as the successor to and continuation of the NVIDIA Corporation\n1998 Equity Incentive Plan (the 1998 Plan), the NVIDIA Corporation 199 8 Non-Employee Directors Stock Option Plan, the NVIDIA Corporation\n2000 Nonstatutory Equity Incentive Plan, and the PortalPlayer, Inc. 2004 Stock Incentive Plan (together, the Prior Plans). Followi ng the\nEffective Date, no additional stock awards will be granted under any of the Prior Plans and all newly granted Stock Awards will be subject to the\nterms of this Plan except as follows: from the Effective Date until September 30, 2007 (the Transition Date) (during which time the Company\nanticipates taking such steps as are necessary or appropriate to permit participation in the Plan by Empl oyees, Directors or Consultants who are\nforeign nationals or are employed outside the United States), the

Company may grant stock awards subject to the terms of the 1998 Plan\ncovering up to an aggregate of 100,000 shares of Common Stock to newly hired employees of the Company and its Affiliates who are foreign\nnationals or are employed outside the United States (such 100,000 share reserve, the Fo reign Transition Reserve). On the Effective Date, all\nof the shares remaining available for issuance under the Prior Plans will become available for issuance under the Plan; provided, however, that\nt he issuance of shares upon the exercise of options or the settlement of stock awards granted under the Prior Plans (including the issuance of\nshares upon the exercise or settlement of any awards grant ed following the Effective Date subject to the terms of the 1998 Plan from the Foreign\nTransition Reserve) will occur from this Plan and will reduce the number of shares of Common Stock available for issuance under this Plan as\nprovided in Section 3 below. Any shares of Common Stock subject to outstanding options and stock awards granted under the Prior Plans that\nexpire or terminate for any reaso n prior to exercise or settlement (collectively, the Prior Plans Returning Shares) will become available for\nissuance pursuant to Stock Awards granted hereunder. Except as expressly set forth in th is Section 1(a), all options and stock awards granted\nunder the Prior Plans will remain subject to the terms of the Prior Plans with respect to which they were originally granted.\n(b)Eligible Award Re cipients. The persons eligible to receive Awards are Employees, Directors and Consultants.\n(c)Available Awards. The Plan provides for the grant of the following Awards: (i) Incentive Stock Options, (i i) Nonstatutory Stock Options,\n(iii) Restricted Stock Awards, (iv) Restricted Stock Unit Awards, (v) Stock Appreciation Rights, (vi) Performance Stock Awards, (vii) Performance\nCash Awards, and (viii) Other Stock Awards.(d)Purpose. The Company, by means of the Plan, seeks to secure and retain the services of the group of persons eligible to receive\nAwards as set forth in Section 1(b), to provide i ncentives for such persons to exert maximum efforts for the success of the Company and any\nAffiliate, and to provide a means by which such eligible recipients may be given an opportunity to benefit fr om increases in value of the Common\nStock through the granting of Stock Awards.\n(e)Section 162(m) Transition Relief. Notwithstanding anything in the Plan to the contrary, any reference in the Plan to performance-\nbased compensation under Section 162(m) of the Code will only apply to any Award that is intended, and is eligible, to qualify as such pursuant\nto the transition relief provided by the Tax Cuts and Jobs Act (the TCJA) for remuneration provided by a written binding contract which was in\neffect on November 2, 2017 and which was not subsequently materially modified, as determined by the Board, in its sole discretion, in\naccordance with the TCJA and any applicable guidance, rulings or regulations issued by any governmental authority.\n2. Administration.\n(a)Administration by Board. The Board will administer the Plan unless and until the Board delegates administration of the Plan to a\nCommittee or Committees, as provided in Section 2(c).\n(b)Powers of Board. The Board will have th e power, subject to, and within the limitations of, the express provisions of the Plan:\n(i) To determine from time to time (A) which of the persons eligible under the Plan will be granted Awards; (B) when and how each\nAward will be granted; (C) what type or combination of types of Award will be granted; (D) the provisions of each Award granted (which need not\nbe identical), including the time or t imes when a person will be permitted to receive cash or Common Stock pursuant to a Stock Award; (E) the\nnumber of shares of Common Stock subject to, or the cash value of, an Award; and (F) the Fair Ma rket Value applicable to a Stock Award.\n(ii) To construe and interpret the Plan and Awards granted under it, and to establish, amend and revoke rules and regulations for its\nadministration. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan or in any Stock Award\nAgreement or in the written terms of a Performance Cash Award, in a manner and to th e extent it will deem necessary or expedient to make the\nPlan or Award fully effective.\n(iii) To settle all controversies regarding the Plan and Awards granted under it.\n(iv) To accelerate the time at which an Award may be exercised or the time during which an Award or any part thereof will vest in\naccordance with the Plan, notwithstanding the provisions in the Award stating the time at which it m ay be exercised or the time during which it\nwill vest (or at which cash or shares of Common Stock may be issued); provided, however, that notwithstanding the foregoing or anything in the\nPlan to the c ontrary, the time at which a Participants Award may be exercised or the time during which a Participants Award or any part thereof\nwill vest may only be accelerated in the event of the Participants death or Disability or in the event of a Corporate Transaction or Change in\nControl.\n(v) To suspend or terminate the Plan at any time. Except as otherwise provided in the Plan or an Award Agreement, suspension or\ntermination of the Plan will not materially impair a Participants rights under his or her then-outstanding Award without his or her written consent.\n(vi) To amend the Plan in any respec t the Board deems necessary or advisable, including, without limitation, relating to Incentive\nStock Options and certain nonqualified deferred compensation under Section 409A of the Code and/or to bri ng the Plan or Awards granted under\nthe Plan into compliance therewith, subject to the limitations, if any, of applicable law. However, except as provided in Section 9(a) relating to\nCapitalization Ad justments, stockholder approval will be required for any amendment of the Plan that either (i) materially increases the number of\nshares of Common Stock available for issuance under the Plan, (ii) mat erially expands the class of individuals eligible to receive Awards under\nthe Plan, (iii) materially increases the benefits accruing to Participants under the Plan or materially reduces the price at w hich shares of Common\nStock may be issued or purchased under the Plan, (iv) materially extends the term of the Plan, or (v) materially expands the types of Awards\navailable for issuance under the Plan , but only to the extent required by applicable law or listing requirements. Except as otherwise provided in\nthe Plan or an AwardAgreement, rights under any Award granted before amendment of the Plan will not be materially impaired by any amendment of the Plan unless\n(i) the Company requests the consent of the affected Participant, and (ii) such Participant consents in writing.\n(vii) To submit any amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended\nto satisfy the requirements of (i) Section 162(m) of the Code and the regulations thereu nder regarding the exclusion of performance-based\ncompensation from the limit on corporate deductibility of compensation paid to Covered Employees, (ii) Section 422 of the Code regarding\nIncentive Sto ck Options, or (iii) Rule 16b-3.\n(viii) To approve forms of Award Agreements for use under the Plan and to amend the terms of any one or more Awards, including,\nbut not limited to, amendments to provi de terms more favorable than previously provided in the Award Agreement, subject to any specified limits\nin the Plan that are not subject to Board discretion; provided however, that, except with respe ct to amendments that disqualify or impair the\nstatus of an Incentive Stock Option or as otherwise provided in the Plan or an Award Agreement, the rights under any Award will not be\nmaterially impaire d by any such amendment unless (i) the Company requests the consent of the affected Participant, and (ii) such Participant\nconsents in writing. Notwithstanding the foregoing, subject to the limitation s of applicable law, if any, and without the affected Participants\nconsent, the Board may amend the terms of any one or more Awards if necessary (A) to maintain the qualified status of the Award as a n\nIncentive Stock Option, (B) to clarify the manner of exemption from, or to bring the Award into compliance with, Section 409A of the Code and\nthe related guidance thereunder, or (C) to comply with o ther applicable laws.\n(ix) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best\ninterests of the Company and that are not in confli ct with the provisions of the Plan or Awards.\n(x) To adopt such procedures or terms and sub-plans (none of which will be inconsistent with the provisions of the Plan) as are\nnecessary or desirable to permit or facilitate participation in the Plan by Employees, Directors or Consultants who are foreign nationals or\nemployed or located outside the United States.\n(c)Delegation to Committee.\n(i) Genera l. The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration\nof the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore\npossessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of\n the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee\nor subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by\nthe Board or Committee (as applicable). The Board may retain the authority to concurrently administer the Plan with the

Committee and may, at\nany time, revest in the Board some or all of the powers previously delegated.\n(ii) Section 162(m) and Rule 16b-3 Compliance. The Committee may consist solely of two or more Outside Directors, in\naccordance with Section 162(m) of the Code, or solely of two or more Non-Employee Directors, in accordance with Rule 16b-3. In addition, the\nBoard or the Committee, in its s ole discretion, may (A) delegate to a Committee who need not be Outside Directors the authority to grant Awards\nto eligible persons who are either (I) not then Covered Employees and are not expected t o be Covered Employees at the time of recognition of\nincome resulting from such Stock Award, or (II) not persons with respect to whom the Company wishes to comply with Section 162(m) of the\nCode, and/ or (B) delegate to a Committee who need not be Non-Employee Directors the authority to grant Stock Awards to eligible persons who\nare not then subject to Section 16 of the Exchange Act.\n(d)Delegation to Other Person or Body. The Board or any Committee may delegate to one or more persons or bodies the authority to do\none or more of the following to the extent permitted by applicable law: (i) design ate recipients, other than Officers, of Stock Awards, provided that\nno person or body may be delegated authority to grant a Stock Award to themself; (ii) determine the number of shares of Common Stock subject\nto such Stock Awards; and(iii) determine the terms of such Stock Awards; provided, however, that the Board or Committee action regarding such delegation will fix the\nterms of such delegation in accordance with applicable law, including without limitation Sections 152 and 157 of the Delaware General\nCorporation Law. Unless provided otherwise in the Board or Committee action regarding such delegation, each Stock Award granted pursuant to\nthis section will be granted on the applicable form of Stock Award Agreement most recently approved for use by the Board or the Committee,\nwith any mod ifications necessary to incorporate or reflect the terms of such Stock Award. Notwithstanding anything to the contrary in this Section\n2(d), neither the Board nor any Committee may delegate to any per son or body (who is not a Director or that is not comprised solely of Directors,\nrespectively) the authority to determine the Fair Market Value pursuant to Section 13(x)(iii) below.\n(e)Effect of Board s Decision. All determinations, interpretations and constructions made by the Board in good faith will not be subject to\nreview by any person and will be final, binding and conclusive on all persons. \n(f)Cancellation and Re-Grant of Stock Awards. Neither the Board nor any Committee will have the authority to: (i) reduce the exercise\nor strike price of any outstanding Options or Stock Appreciation Rights under the Plan, or (ii) cancel any outstanding Options or Stock\nAppreciation Rights that have an exercise price or strike price greater than the current Fair Market Value in exchange for cash o r other Stock\nAwards under the Plan, unless the stockholders of the Company have approved such an action within twelve (12) months prior to such an event.\n(g)Dividends and Dividend Equivalents. Divide nds or dividend equivalents may be paid or credited, as applicable, with respect to any\nshares of Common Stock subject to an Award, as determined by the Board and contained in the applicable Award Agr eement; provided,\nhowever, that (i) no dividends or dividend equivalents may be paid with respect to any such shares before the date such shares have vested\nunder the terms of such Award Agreement, (i i) any dividends or dividend equivalents that are credited with respect to any such shares will be\nsubject to all of the terms and conditions applicable to such shares under the terms of such Award Ag reement (including, but not limited to, any\nvesting conditions), and (iii) any dividends or dividend equivalents that are credited with respect to any such shares will be forfeited to the\nCompany on t he date, if any, such shares are forfeited to or repurchased by the Company due to a failure to meet any vesting conditions under\nthe terms of such Award Agreement.\n3.Shares Subject to the Plan.\n(a)Sh are Reserve. Subject to the provisions of Section 9(a) relating to Capitalization Adjustments, the aggregate number of shares of\nCommon Stock of the Company that may be issued pursuant to Stock Awards after the Effective Date will not exceed 10,289,710,640 shares\n(the 2007 Plan Reserve). Such maximum number of shares reserved for issuance consists of (i) 152,767,766 shares, which is the total\nre serve that the Companys stockholders approved at the Companys 2007 Annual Meeting of Stockholders, including but not limited to the\nshares remaining available for issuance under the Prior Plans on t he Effective Date and the Prior Plans Returning Shares, (ii) 25,000,000\nshares that were approved at the Companys

2012 Annual Meeting of Stockholders (and reapproved at the Companys 2013 Annual Mee ting of\nStockholders), (iii) 10,000,000 shares that were approved at the Companys 2014 Annual Meeting of Stockholders, (iv) 18,800,000 shares that\nwere approved at the Companys 2016 Annual Meeting o f Stockholders, (v) 23,000,000 shares that were approved at the Companys 2018\nAnnual Meeting of Stockholders, (vi) 14,800,000 shares that were approved at the Companys 2020 Annual Meeting of Stockho lders, (vii)\n733,103,298 shares that were added to reflect a 4-for-1 stock split effective July 19, 2021, (viii) 51,500,000 shares that were approved at the\nCompanys 2022 Annual Meeting of Stockholde rs, and (ix) 9,260,739,576 shares that were added to reflect a 10-for-1 stock split effective June\n7, 2024. For clarity, the 2007 Plan Reserve in this Section 3(a) is a limitation on the number of sha res of Common Stock that may be issued\npursuant to the Plan. Accordingly, this Section 3(a) does not limit the granting of Stock Awards except as provided in Section 7(a). Shares may\nbe issued in conn ection with a merger or acquisition as permitted by Nasdaq Listing Rule 5635(c) or, if applicable, NYSE Listed Company\nManual Section 303A.08, AMEX Company Guide Section 711 or other applicable rule, and such issuance will not reduce the number of shares\navailable for issuance under the Plan.\n The initial 101,845,177 shares approved in June 2007 were adjusted to 152,767,766 pursuant to a 3-for-2 s tock split effective September 10, 2007.1\n1(b)Reversion of Shares to the Share Reserve.\n(i) Shares Available For Subsequent Issuance. If any (x) Stock Award shall for any reason expire or otherwise te rminate, in\nwhole or in part, without having been exercised in full, (y) shares of Common Stock issued to a Participant pursuant to a Stock Award are\nforfeited to or repurchased by the Company at thei r original exercise or purchase price pursuant to the Companys reacquisition or repurchase\nrights under the Plan, including any forfeiture or repurchase caused by the failure to meet a contingency or condition required for the vesting of\nsuch shares, or (z) Stock Award is settled in cash, then the shares of Common Stock not issued under such Stock Award, or forfeited to or\nrepurchased by the Comp any, shall revert to and again become available for issuance under the Plan.\n(ii) Shares Not Available for Subsequent Issuance. If any shares subject to a Stock Award are not delivered to a

Participan t\nbecause such shares are withheld by the Company to satisfy the exercise or purchase price of a Stock Award (including any shares subject to a\nStock Award that are not delivered to a Participant beca use the Stock Award is exercised through a reduction of shares subject to the Stock\nAward (i.e., net exercised)) or an appreciation distribution in respect of a Stock Appreciation Right is paid in s hares of Common Stock, the\nnumber of shares subject to the Stock Award that are not delivered to the Participant shall not remain available for subsequent issuance under\nthe Plan. If any shares subjec t to a Stock Award are not delivered to a Participant because such shares are withheld by the Company in\nsatisfaction of the withholding of taxes incurred in connection with a Stock Award, the number of shares that are not delivered to the Participant\nshall not remain available for subsequent issuance under the Plan. If the exercise or purchase price of any Stock Award, or the withholding of\ntaxes incurred in connection with a Stock Award, is satisfied by tendering shares of Common Stock held by the Participant (either by actual\ndelivery or attestation), then the number of shares so tendered s hall not remain available for subsequent issuance under the Plan. If any shares\nof Common Stock are repurchased by the Company on the open market with the proceeds of the exercise or purchase price of a Stock Award,\nthen the number of shares so repurchased shall not remain available for subsequent issuance under the Plan.\n(c)Incentive Stock Option Limit. Subject to the 2007 Plan Reserve and the pr ovisions of Section 9(a) relating to Capitalization\nAdjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock\nOptions under the Plan (including Incentive Stock Options granted under the Prior Plans) will be 10,000,000,000 shares of Common Stock.\n(d)Individual Award Limitations. Subject to the provisions of Section 9(a) relati ng to Capitalization Adjustments, no Participant will be\neligible to be granted during any fiscal year:\n(i) Options, Stock Appreciation Rights and Other Stock Awards whose value is determined by refer ence to an increase over an\nexercise or strike price of at least one hundred percent (100%) of the Fair Market Value on the date the Stock Award is granted covering more\nthan 80,000,000 shares of Comm on Stock;\n(ii) Performance Stock Awards covering more than 80,000,000 shares of

Common Stock; and\n(iii) Performance Cash Awards with a value of more than $6,000,000.\nIf a Performance Stock Award is in the form of an Option, it will count only against the Performance Stock Award limit. If a Performance\nStock Award could be paid out in cash, it will count only against the Performance Stock Award lim it.\n(e)Source of Shares. The stock issuable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including\nshares repurchased by the Company on the open market or other wise.\n4.Eligibility.\n(a)Eligibility for Specific Stock Awards. Incentive Stock Options may be granted only to employees of the Company or a parent\ncorporation or subsidiary corporation thereof (as such terms are defined in Sections 424(e) and 424(f) of the Code). Stock Awards other than\nIncentive Stock Options may be granted to Employees, Directors and Consultants; provided, however, that Stoc k Awards may not be granted to\nEmployees, Directors and Consultants who are providing Continuous Service only to any parent of the Company, as such term is defined in\nRule 405 of the SecuritiesAct, unless (i) the stock underlying such Stock Awards is treated as service recipient stock under Section 409A of the Code (for example,\nbecause the Stock Awards are granted pursuant to a corporate tran saction such as a spin off transaction), (ii) the Company, in connection with\nits legal counsel, has determined that such Stock Awards are otherwise exempt from Section 409A of the Code, or (iii) the Company, in\nconnection with its legal counsel, has determined that such Stock Awards comply with the distribution requirements of Section 409A of the Code.\n(b)Ten Percent Stockholders. A Ten Percent S tockholder will not be granted an Incentive Stock Option unless the exercise price of such\nOption is at least one hundred ten percent (110%) of the Fair Market Value on the date of grant and the Optio n is not exercisable after the\nexpiration of five (5) years from the date of grant.\n(c)Consultants. A Consultant will be eligible for the grant of an Award only if, at the time of grant, a Form S-8 Re gistration Statement\nunder the Securities Act or a successor or similar form under the Securities Act (Form S-8) is available to register either the offer or the sale of\nthe Companys securities to such Consultant because of the nature of the services that the Consultant is providing to the Company, because the\nConsultant is a natural person, or because of any other rule governing the use of For m S-8.\n5.Provisions Relating to Options and Stock Appreciation Rights.\nEach Option or SAR will be in such form and will contain such terms and conditions as the Board will deem appropriate. All Option s will be\nseparately designated Incentive Stock Options or Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate\ncertificate or certificates will be issued for s hares of Common Stock purchased on exercise of each type of Option. If an Option is not specifically\ndesignated as an Incentive Stock Option, or if an Option is designated as an Incentive Stock Option but some portion or all of the Option fails to\nqualify as an Incentive Stock Option under the applicable rules, then the Option (or portion thereof) will be a Nonstatutory Stock Option. The\nprovision s of separate Options or SARs need not be identical; provided, however, that each Award Agreement will include (through incorporation\nof provisions hereof by reference in the Award Agreement or otherw ise) the substance of each of the following provisions:\n(a) Term. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, no Option or SAR will be exercisable after the\nexpiratio n of ten (10) years from the date of its grant or such shorter period specified in the Award Agreement (the Expiration Date).\n(b)Exercise Price. Subject to the provisions of Section 4(b) regarding T en Percent Stockholders, and notwithstanding anything in the\nAward Agreement to the contrary, the exercise or strike price of each Option or SAR will not be less than the Fair Market Value subject to the\nOption or SAR on the date the Award is granted. Notwithstanding the foregoing, an Option or SAR may be granted with an exercise or strike\nprice lower than the Fair Market Value subject to the Awar d if such Award is granted pursuant to an assumption or substitution for another option\nor stock appreciation right in a manner consistent with the provisions of Section 409A and, if applicable, Secti on 424(a) of the Code. Each SAR\nwill be denominated in shares of Common Stock equivalents.\n(c)Consideration. The purchase price of Common Stock acquired pursuant to the exercise of an Option will be p aid, to the extent\npermitted by applicable law and as determined by the Board in its sole discretion, by any combination of the methods of payment set forth below.\nThe Board will have the authority to grant Options that do not permit all of the following methods of payment (or otherwise restrict the ability to\nuse certain methods) and to grant Options that require the consent of the Company to uti lize a particular method of payment. The methods of\npayment permitted by this Section 5(c) are:\n(i) by cash, check, bank draft, money order or electronic funds transfer payable to the Company;\n(ii) pu rsuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance\nof the stock subject to the Option, results in either the receipt of cash (or c heck) by the Company or the receipt of irrevocable instructions to pay\nthe aggregate exercise price to the Company from the sales proceeds;(iii) if an option is a Nonstatutory Stock Option, by a net exercise arrangement pursuant to which the Company will reduce the\nnumber of shares of Common Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not \nexceed the aggregate exercise price; provided, however, that the Company will accept a cash or other payment from the Participant to the extent\nof any remaining balance of the aggregate exercise pric e not satisfied by such reduction in the number of whole shares to be issued; provided,\nfurther, that shares of Common Stock will no longer be outstanding under an Option and will not be exercisable t hereafter to the extent that (A)\nshares issuable upon exercise are reduced to pay the exercise price pursuant to the net exercise, (B) shares are delivered to the Participant as\na result of such exe rcise, and (C) shares are withheld to satisfy tax withholding obligations; or\n(iv) in any other form of legal consideration that may be acceptable to the Board and specified in the applicable Award Ag reement.\n(d)Exercise and Payment of a SAR. To exercise any outstanding SAR, the Participant must provide written notice of exercise to the\nCompany in compliance with the provisions of the Stock Apprec iation Right Agreement evidencing such SAR. The appreciation distribution\npayable on the exercise of a SAR will be not greater than an amount equal to the excess of (A) the aggregate Fair Market Value (on the date of\nthe exercise of the SAR) of a number of shares of Common Stock equal to the number of Common Stock equivalents in which the Participant is\nvested under such SAR, and with respect to w hich the Participant is exercising the SAR on such date, over (B) the strike price. The appreciation\ndistribution may be paid in Common Stock, in cash, in any combination of the two or in any other fo rm of consideration, as determined by the\nBoard and contained in the Award Agreement evidencing such SAR.\n(e)Transferability of Options and SARs. The Board may, in its sole discretion, impose such lim itations on the transferability of Options\nand SARs as the Board will determine. If the Board determines that an Option or SAR will be transferable, the Option or SAR will contain such\nadditional term s and conditions as the Board deems appropriate. In the absence of such a determination by the Board to the contrary, the\nfollowing restrictions on the transferability of Options and SARs will apply:\n (i) Restrictions on Transfer. An Option or SAR will not be transferable except by will or by the laws of descent and distribution (or\npursuant to subsections (ii) and (iii) below) and will be exercisa ble during the lifetime of the Participant only by the Participant; provided,\nhowever, that the Board may, in its sole discretion, permit transfer of the Option or SAR in a manner consistent with appl icable tax and securities\nlaws upon the Participants request. Except as explicitly provided herein, neither an Option nor a SAR may be transferred for consideration.\n(ii) Domestic Relations Orders. N otwithstanding the foregoing, subject to the approval of the Board or a duly authorized Officer,\nan Option or SAR may be transferred pursuant to a domestic relations order or official marital settleme nt agreement; provided, however, that an\nIncentive Stock Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.\n(iii) Beneficiary Designation. Notwithstanding the foregoi ng, subject to the approval of the Board or a duly authorized Officer, a\nParticipant may, by delivering written notice to the Company, in a form provided by or otherwise satisfactory to the Company (o r the designated\nbroker), designate a third party who, in the event of the death of the Participant, will thereafter be entitled to exercise the Option or SAR and\nreceive the Common Stock or other con sideration resulting from such exercise. In the absence of such a designation, the executor or\nadministrator of the Participants estate (or other party legally entitled to the Option or SAR proceeds) will be entitled to exercise the Option or\nSAR and receive the Common Stock or other consideration resulting from such exercise. However, the Company may prohibit designation of a\nbeneficiary at any time, including due to any conclusion by the Company that such designation would be inconsistent with the provisions of\napplicable laws or difficult to administer.\n(f)Vesting Generally. The total numb er of shares of Common Stock subject to an Option or SAR may vest and therefore become\nexercisable in periodic installments that may or may not be equal. The Option or SAR may be subject to such other terms and conditions on the\ntime or times when it may or may not be exercised (which may be based on the satisfaction of Performance Goals or other criteria) as the Board\nmay deem appropriate. The ve sting provisions ofindividual Options or SARs may vary; provided, however, that in all cases, in the event that a Participants Continuous Service terminates as a\nresult of his or her death, then the Option or SAR will become fully vested and exercisable as of the date of termination of Continuous Service.\nThe provisions of this Section 5(f) are subject to any Option or SAR provisions governing th e minimum number of shares of Common Stock as to\nwhich an Option or SAR may be exercised.\n(g)Termination of Continuous Service. Except as otherwise provided in the applicable Award Agreement or other agreement between\nthe Participant and the Company, in the event that a Participants Continuous Service terminates (other than for Cause or upon the Participants\ndeath or Disability), the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Award\nas of the date of termination of Continuous Service) but only within such period of time ending on the earlier of (i) the date 90 days following the\ntermination of the Participants Continuous Service, or (ii) the expiration of the term of the Option or SAR as set forth in the Award Agree ment. If,\nafter termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the time specified herein or in the\nAward Agreement (as applicable), the Option or SAR will terminate.\n(h)Extension of Termination Date. If the exercise of an Option or SAR following the termination of the Participants Continuous Service\n(other than for Cause or upon the Participan ts death or Disability) would either (i) be prohibited solely because the issuance of shares of\nCommon Stock would violate the registration requirements under the Securities Act, or (ii) subject the Participant to short-swing liability under\nSection 16(b) of the Exchange Act due to a transaction engaged in by the Participant prior to his or her termination of Continuous Service, then\nthe Option o r SAR will terminate on the earlier of (A) the expiration of a period of 90 days after the termination of the Participants Continuous\nService during which the exercise of the Option or SAR would not be in violation of such registration requirements and would not subject the\nParticipant to short-swing liability under Section 16(b) of the Exchange Act, or (B) the expiration of the term of the Optio n or SAR as set forth in\nthe Award Agreement. All determinations under this Section 5(h) will be made in the sole discretion of the Board.\n(i)Disability of Participant. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant\nand the Company, in the event that a Participants Continuous Service terminates as a result of the Participants Disability, the Participant may\nexercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of termination of\nContinuous Service), but only wi thin such period of time ending on the earlier of (i) the date 12 months following such termination of Continuous\nService, or (ii) the expiration of the term of the Option or SAR as set forth in the A ward Agreement. If, after termination of Continuous Service,\nthe Participant does not exercise his or her Option or SAR within the time specified herein or in the Award Agreement (as applicable), the Option\nor SAR will terminate.\n(j)Death of Participant. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant and\nthe Company, in the event that (i) a Participants Continuous Service terminates as a result of the Participants death (which termination event\nwill give rise to acceleration of vesting as described in Section 5(f) above), or (ii) the Participant dies within the period (if any) specified in the\nAward Agreement after the termination of the Participants Continuous Service for a reason other than death (which event will not give ris e to\nacceleration of vesting as described in Section 5(f) above), then the Option or SAR may be exercised (to the extent the Participant was entitled\nto exercise such Option or SAR as of the date of d eath) by the Participants estate, by a person who acquired the right to exercise the Option or\nSAR by bequest or inheritance or by a person designated to exercise the Option or SAR upon the Participa nts death, but only within the period\nending on the earlier of (A) the date 18 months following the date of death, or (B) the expiration of the term of such Option or SAR as set forth in\nthe Award Ag reement. If, after the Participants death, the Option or SAR is not exercised within the time specified herein or in the Award\nAgreement (as applicable), the Option or SAR will terminate.\n(k)Terminat ion for Cause. Except as explicitly provided otherwise in a Participants Award Agreement, or other individual written\nagreement between the Company or any Affiliate and the Participant, if a Particip ants Continuous Service is terminated for Cause, the Option or\nSAR will terminate immediately upon such Participants termination of Continuous Service, and the Participant will be prohibited from ex ercising\nhis or her Option or SAR from and after the time of such termination of Continuous Service.(l)Non-Exempt Employees. No Option or SAR granted to an Employee that is a non-exempt employee for p urposes of the Fair Labor\nStandards Act of 1938, as amended, will be first exercisable for any shares of Common Stock until at least six (6) months following the date of\ngrant of the Option or SAR (al though the Award may vest prior to such date). Consistent with the provisions of the Worker Economic Opportunity\nAct, (i) if such non-exempt Employee dies or suffers a Disability, (ii) upon a Corporat e Transaction in which such Option or SAR is not assumed,\ncontinued, or substituted, (iii) upon a Change in Control, or (iv) upon the Participants retirement (as such term may be defined in the\nParti cipants Award Agreement or in another agreement between the Participant and the Company, or, if no such definition, in accordance with\nthe Companys then current employment policies and guidelines), the vested portion of any Options and SARs may be exercised earlier than six\n(6) months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non- exempt employee in\nconnection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay. To the extent permitted and/or\nrequired for compliance with the Worke r Economic Opportunity Act to ensure that any income derived by a non-exempt employee in connection\nwith the exercise, vesting or issuance of any shares under any other Stock Award will be exempt from the employees regular rate of pay, the\nprovisions of this Section 5(k) will apply to all Stock Awards and are hereby incorporated by reference into such Stock Award

Agreements.\n6.Provisions of Stock Awards other than Options and SARs.\n(a)Restricted Stock Awards. Each Restricted Stock Award Agreement will be in such form and will contain such terms and conditions as\nthe Board will deem appropriat e. To the extent consistent with the Companys Bylaws, at the Boards election, shares of Common Stock may be\n(x) held in book entry form subject to the Companys instructions until any restrictions r elating to the Restricted Stock Award lapse; or\n(y) evidenced by a certificate, which certificate will be held in such form and manner as determined by the Board. The terms and conditions of\nRestricte d Stock Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Award\nAgreements need not be identical, provided, however, that each Restricted Stock A ward Agreement will include (through incorporation of the\nprovisions hereof by reference in the Award Agreement or otherwise) the substance of each of the following provisions:\n(i) Consideration. A Re stricted Stock Award may be awarded in consideration for (A) cash, check, bank draft, money order or\nelectronic funds transfer payable to the Company, (B) past services rendered to the Company or an A ffiliate, or (C) any other form of legal\nconsideration (including future services) that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.\n(ii) Vesting. Shar es of Common Stock awarded under a Restricted Stock Award Agreement may be subject to forfeiture to the\nCompany in accordance with a vesting schedule to be determined by the Board; provided, however, that in all cases, in the event a Participants\nContinuous Service terminates as a result of his or her death, then the Restricted Stock Award will become fully vested as of the date of\ntermination of Continuous Service.\n(iii) Termination of Participants Continuous Service. In the event a Participants Continuous Service terminates, the Company\nmay receive via a forfeiture condition or a repurcha se right any or all of the shares of Common Stock held by the Participant which have not\nvested as of the date of termination of Continuous Service under the terms of the Restricted Stock Award Agreem ent.\n(iv) Transferability. Rights to acquire shares of Common Stock under the Restricted Stock Award Agreement will be transferable by\nthe Participant only upon such terms and conditions as are set fo rth in the Restricted Stock Award Agreement, as the

Board will determine in its\nsole discretion, so long as Common Stock awarded under the Restricted Stock Award Agreement remains subject to the terms of the Restricted\nStock Award Agreement.\n(b)Restricted Stock Unit Awards. Each Restricted Stock Unit Award Agreement will be in such form and will contain such terms and\nconditions as the Board will deem appropriate. The terms and conditions of Restricted Stock Unit Award Agreements may change from time to\ntime, and the terms and conditions of separate Restricted Stock Unit Award Agreements need not be identical, provided, however, that each\nRestricted Stock Unit Award Agreement willinclude (through incorporation of the provisions hereof by reference in the Award Agreement or otherwise) the s ubstance of each of the following\nprovisions:\n(i) Consideration. At the time of grant of a Restricted Stock Unit Award, the Board will determine the consideration, if any, to be\npaid by the Participan t upon delivery of each share of Common Stock subject to the Restricted Stock Unit Award. The consideration to be paid (if\nany) by the Participant for each share of Common Stock subject to a Restricte d Stock Unit Award may be paid in any form of legal consideration\nthat may be acceptable to the Board in its sole discretion and permissible under applicable law.\n(ii) Vesting. At the time of the gran t of a Restricted Stock Unit Award, the Board may impose such restrictions or conditions to the\nvesting of the Restricted Stock Unit Award as it, in its sole discretion, deems appropriate; provided, h owever, that in all cases, in the event a\nParticipants Continuous Service terminates as a result of his or her death, then the Restricted Stock Unit Award will become fully vested as of\nthe date of t ermination of Continuous Service.\n(iii) Payment. A Restricted Stock Unit Award may be settled by the delivery of shares of Common Stock, their cash equivalent, any\ncombination thereof or in any other form of consideration, as determined by the Board and contained in the Restricted Stock Unit Award\nAgreement.\n(iv) Additional Restrictions. At the time of the grant of a Restricted Stock Unit Award, t he Board, as it deems appropriate, may\nimpose such restrictions or conditions that delay the delivery of the shares of Common Stock (or their cash equivalent) subject to a Restricted\nStock Unit Award to a time after the vesting of such Restricted Stock Unit Award.\n(v) Termination of Participants Continuous Service. Except as otherwise provided in the applicable Restricted Stock Unit Award\nAgreeme nt, such portion of the Restricted Stock Unit Award that has not vested will be forfeited upon the Participants termination of Continuous\nService.\n(c)Performance Awards.\n(i) Performance Stock Awards. A Performance Stock Award is a Stock Award that is payable (including that may be granted, vest\nor exercised) contingent upon the attainment during a Performance Period of certain Performance Goals. A Performance Stock Award may\nrequire the completion of a specified period of Continuous Service. In the event a Participants Continuous Service terminates as a result of his\nor her death, then the P erformance Stock Award will be deemed to have been earned at 100% of the target level of performance, will be fully\nvested, as of the date of death, and shares thereunder will be issued promptly follo wing the date of death. The length of any Performance\nPeriod, the Performance Goals to be achieved during the Performance Period, and the measure of whether and to what degree such\nPerformance Goals h ave been attained will be conclusively determined by the Committee (or, to the extent that an Award is not intended to\nqualify as performance-based compensation under Section 162(m) of the Code, the Board), in its sole discretion. In addition, to the extent\npermitted by applicable law and the applicable Award Agreement, the Board or the Committee, as applicable, may determine that cash may be\nus ed in payment of Performance Stock Awards.\n(ii) Performance Cash Awards. A Performance Cash Award is a cash award that is payable contingent upon the attainment during\na Performance Period of certain Performance Goals. A Performance Cash Award may also require the completion of a specified period of\nContinuous Service. The length of any Performance Period, the Performance Goals to be achieved duri ng the Performance Period, and the\nmeasure of whether and to what degree such Performance Goals have been attained will be conclusively determined by the Committee (or, to\nthe extent that an Award is not intended to qualify as performance-based compensation under Section 162(m) of the Code, the Board), in its\nsole discretion. The Board or the Committee, as applicable, may provide for or, subject to such terms and conditions as the Board or the\nCommittee, as applicable, may specify, may permit a Participant to elect for, the payment of any Performance Cash Award to be deferred to a\nspecified date or event. The Board or the Committee, as applicable, may specify the form of payment of Performance Cash Awards, which may\nbe cash or other property, or may provide for a Participant to have the option for his or her Performance Cash Award, or such portion thereof as\nthe Board or theCommittee, as applicable, may specify, to be paid in whole or in part in cash or other property. In addition, t o the extent permitted by applicable\nlaw and the applicable Award Agreement, the Board or the Committee, as applicable, may determine that Common Stock authorized under this\nPlan may be used in paymen t of Performance Cash Awards, including additional shares in excess of the Performance Cash Award as an\ninducement to hold shares of Common Stock.\n(iii) Section 162(m) Compliance. Unless otherwise per mitted in compliance with the requirements of Section 162(m) of the Code\nwith respect to any Award intended to qualify as performance-based compensation thereunder, the Committee will establish the Performance\nGoals applicable to, and the formula for calculating the amount payable under, the Award no later than the earlier of (a) the date 90 days after\nthe commencement of the applicable Performa nce Period, and (b) the date on which 25% of the Performance Period has elapsed, and in any\nevent at a time when the achievement of the applicable Performance Goals remains substantially uncertain. Pr ior to the payment of any\ncompensation under an Award intended to qualify as performance-based compensation under Section 162(m) of the Code, the Committee will\ncertify the extent to which any Perfo rmance Goals and any other material terms under such Award have been satisfied (other than in cases\nwhere such relate solely to the increase in the value of the Common Stock). With respect to any Awar d intended to qualify as performance-\nbased compensation under Section 162(m) of the Code, the Committee may reduce or eliminate the compensation or economic benefit due\nupon the attainment of the a pplicable Performance Goals on the basis of any such further considerations as the Committee, in its sole discretion,\nmay determine.\n(d)Other Stock Awards. Other forms of Stock Awards valued in whole or in part by reference to, or otherwise based on, Common Stock,\nincluding the appreciation in value thereof may be granted either alone or in addition to

Stock Awards provided for under Section 5 and the\npreceding provisions of this Section 6. Subject to the provisions of the Plan (including, but not limited to, Section 2(g)), the Board will have sole\nand complete authority to determine the perso ns to whom and the time or times at which such Other Stock Awards will be granted, the number\nof shares of Common Stock (or the cash equivalent thereof) to be granted pursuant to such Other Stock Awar ds and all other terms and\nconditions of such Other Stock Awards; provided, however, that in all cases, in the event a Participants Continuous Service terminates as a\nresult of his or her death, then any Other Stock Awards held by such Participant will become fully vested as of the date of termination of\nContinuous Service.\n7.Covenants of the Company.\n(a)Availability of Shares. During the terms o f the Stock Awards, the Company will keep available at all times the number of shares of\nCommon Stock reasonably required to satisfy such Stock Awards.\n(b)Securities Law Compliance. The Company will s eek to obtain from each regulatory commission or agency having jurisdiction over the\nPlan, or any offerings made under the Plan, such authority as may be required to grant Stock Awards and to issue an d sell shares of Common\nStock upon exercise of the Stock Awards; provided, however, that this undertaking will not require the Company to register under the Securities\nAct the Plan, any Stock Award or any Common Stock issued or issuable pursuant to any such Stock Award nor seek to obtain such approval if\nthe cost or efforts to obtain the approval is unreasonable in relation to the value of the ben efits to be provided under the Plan, as determined by\nthe Company in its sole discretion. If, after reasonable efforts and at a reasonable cost, the Company is unable to obtain from any such\nregulator y commission or agency the authority that counsel for the Company deems necessary for the lawful issuance and sale of Common\nStock under the Plan, the Company will be relieved from any liability for f ailure to issue and sell Common Stock upon exercise of such Stock\nAwards unless and until such authority is obtained. A Participant will not be eligible for the grant of an Award or the subsequent iss uance of cash\nor Common Stock pursuant to the Award if such grant or issuance would be in violation of any applicable securities laws.\n(c)No Obligation to Notify or Minimize Taxes. The Company will ha ve no duty or obligation to any Participant to advise such Participant\nas to the time or manner of exercising such Stock Award. Furthermore, the Company will have no duty or obligation to warn or othe rwise advise\nsuch holder of a pending termination or expiration of an Award or a possible period in which the Award may not be exercised. Neither the\nCompany nor any of its Affiliates has any duty or obligation to minimize the tax consequences of an Award to the holder of such Award.8.Miscellaneous.\n(a)Use of Proceeds. Proceeds from the sale of shares of Common Stock pursuant to Awards will consti tute general funds of the Company.\n(b)Corporate Action Constituting Grant of Stock Awards. Corporate action constituting a grant by the Company of an Award to any\nParticipant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the\ninstrument, certificate, or letter evidencing the Award is communicated to, or actually receiv ed or accepted by, the Participant. In the event that\nthe corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action constituting the grant contain terms (e.g.,\n exercise price, vesting schedule or number of shares) that are inconsistent with those in the Award Agreement as a result of a clerical error in the\npapering of the Award Agreement, the corporate reco rds will control and the Participant will have no legally binding right to the incorrect term in\nthe Award Agreement.\n(c)Stockholder Rights. No Participant will be deemed to be the holder of, or to ha ve any of the rights of a holder with respect to, any\nshares of Common Stock subject to an Award unless and until (i) such Participant has satisfied all requirements for exercise of, or the issuance\no f shares under, the Award pursuant to its terms and (ii) the issuance of the Common Stock subject to such Award has been entered into the\nbooks and records of the Company.\n(d)No Employment or Other Se rvice Rights. Nothing in the Plan, any Award Agreement or any other instrument executed thereunder or\nin connection with any Award granted pursuant to the Plan will confer upon any Participant any rig ht to continue to serve the Company or an\nAffiliate in the capacity in effect at the time the Award was granted or will affect the right of the Company or an Affiliate to terminate (i) the\nemployment of an Employee with or without notice and with or without cause (provided in compliance with applicable local laws and the\nEmployees employment contract, if any), (ii) the service of a Consultant pur suant to the terms of such Consultants agreement with the\nCompany or an Affiliate, or (iii) the service of a Director pursuant to the Bylaws of the Company or an Affiliate, and any applicable provisi ons of\nthe corporate law of the state in which the Company or the Affiliate is incorporated, as the case may be.\n(e)Change in Time Commitment. In the event a Participants regular level of time commit ment in the performance of his or her services\nfor the Company or any Affiliates is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the\nEmployee has a change in status from a full-time Employee to a part-time Employee) after the date of grant of any Award to the Participant, the\nBoard has the right in its sole discretion (provided in compliance wi th applicable local laws) to (i) make a corresponding reduction in the number\nof shares or cash amount subject to any portion of such Award that is scheduled to vest or become payable after the date o f such change in time\ncommitment, and (ii) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the\nevent of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced.\n(f)Incentive Stock Option Limitation. To the extent that the aggregate Fair Market Value (determined at the time of grant) with respect to\nwhich Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company\nand any Affiliates) exceeds $100,000 (or such other limit established in the Code) or otherwise does not comply with the rules governing\nIncentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise\ndo not comply with the rules will be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option\nAgree ment(s) or any Board or Committee resolutions related thereto.\n(g)Investment Assurances. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any\nAward, (i) to give written assurances satisfactory to the Company as to the Participants knowledge and experience in financial and business\nmatters and/or to employ a purchaser representative reasonably sat isfactory to the Company who is knowledgeable and experienced in financial\nand business matters and that he or she is capable of evaluating, alone or together with the purchaser representative, the me rits and risks of\nexercising the Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Common Stock\nsubject to the Award for the Participant s own account and not with any present intention of selling or otherwisedistributing the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, will be inope rative if (A)\nthe issuance of the shares upon the exercise or acquisition of Common Stock under the Award has been registered under a then currently\neffective registration statement under the Securiti es Act, or (B) as to any particular requirement, a determination is made by counsel for the\nCompany that such requirement need not be met in the circumstances under the then applicable securities laws . The Company may, upon\nadvice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in\norder to comply with applicable se curities laws, including, but not limited to, legends restricting the transfer of the Common Stock.\n(h)Withholding Obligations. Unless prohibited by the terms of an Award Agreement, the Company may, i n its sole discretion, satisfy any\nfederal, state, foreign or local tax withholding obligation relating to an Award (including but not limited to income tax, social insurance\ncontributions, payment on account or any other taxes) by any of the following means (in addition to the Companys right to withhold from any\ncompensation paid to the Participant by the Company or an Affiliate) or by a combina tion of such means: (i) causing the Participant to tender a\ncash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in\nco nnection with the Award; provided, however, that no shares of Common Stock are withheld with a value exceeding the maximum amount of\ntax required to be withheld by law (or such other amount as may be necessary to avoid classification of the Stock Award as a liability for financial\naccounting purposes); (iii) withholding cash from an Award settled in cash; (iv) withholding payment from any amounts otherwise payable to the\nParticipant; or (v) by such other method as may be set forth in the Award Agreement.\n(i)Electronic Delivery. Any reference herein to a written agreement or document will inc lude any agreement or document delivered\nelectronically, filed publicly at www.sec.gov (or any successor website thereto) or posted on the Companys intranet.\n(j)Deferrals. To the extent permitted by applicable law, the Board, in its sole discretion, may determine that the delivery of Common Stock\nor the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Award may be deferred and may establish programs\nand procedures for deferral elections to be made by Participants. Deferrals by Participants will be made in accordance with Section 409A of the\nCode. Consistent with Section 409A of the Code, the Board may provide for distributions while a Participant is still an employee or otherwise\nproviding services to the Company or an Affiliate. The Board is authorized to make deferrals of Awards and determine when, and in what annual\npercentages, Participants may receive payments, including lump sum payments, following the Participants termination of Continuous S ervice,\nand implement such other terms and conditions consistent with the provisions of the Plan and in accordance with applicable law.\n(k)Compliance with Section 409A. Unless otherwise expressly prov ided for in an Award Agreement, the Plan and Award Agreements will\nbe interpreted to the greatest extent possible in a manner that makes the Plan and the Awards granted hereunder exempt from Section 4 09A of\nthe Code, and, to the extent not so exempt, in compliance with Section 409A of the Code. If the Board determines that any Award granted\nhereunder is not exempt from and is therefore subject to Section 409A of the Code, the Award Agreement evidencing such Award will\nincorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code, and to th e extent an\nAward Agreement is silent on terms necessary for compliance, such terms are hereby incorporated by reference into the Award Agreement.\nNotwithstanding anything to the contrary in this Plan (and unless the Award Agreement specifically provides otherwise), if the shares of Common\nStock are publicly traded, and if a Participant holding an Award that constitutes deferred compensation und er Section 409A of the Code is a\nspecified employee for purposes of

Section 409A of the Code, no distribution or payment of any amount that is due because of a separation\nfrom service (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date\nthat is six (6) months following the date of such Participants separation fro m service or, if earlier, the date of the Participants death, unless\nsuch distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred wil l be paid in\na lump sum on the day after such six (6) month period elapses, with the balance paid thereafter on the original schedule.(l)Clawback/Recovery. All Awards granted under the Plan will be su bject to recoupment in accordance with any clawback policy that the\nCompany is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Compa nys\nsecurities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable law. In\naddition, the Board may impose such other clawback, recovery or recoupment provisions in an Award Agreement as the Board determines\nnecessary or appropriate, including but not limited to a reacquisition right in respect of previously acquired shares of Common Stock or other\ncash or property upon the occurrence of Cause.\n9.Adjustments upon Changes in Common Stock; Other Corporate Events.\n(a)Capitalization Adjustments. In the event of a Capitalizatio n Adjustment, the Board will appropriately and proportionately adjust: (i) the\nclass(es) and maximum number of securities subject to the Plan pursuant to Section 3(a); (ii) the class(es) and maximum n umber of securities\nthat may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 3(c); (iii) the class(es) and maximum number of\nsecurities that may be awarded to any per son pursuant to Section 3(d); and (iv) the class(es) and number of securities and price per share of\nstock subject to outstanding Stock Awards. The Board will make such adjustments, and its determinat ion will be final, binding and conclusive.\n(b)Dissolution or Liquidation. Except as otherwise provided in the Stock Award Agreement, in the event of a dissolution or liquidation of\nthe Company, and up on ten (10) days prior written notice, all outstanding Stock Awards (other than Stock Awards consisting of vested and\noutstanding shares of Common Stock not subject to the Companys right of repurchas e or a forfeiture condition) will terminate immediately prior\nto the completion of such dissolution or liquidation, and the shares of Common Stock subject to the Companys repurchase rights or a forfe iture\ncondition may be repurchased or reacquired by the Company notwithstanding the fact that the holder of such Stock Award is providing\nContinuous Service, provided, however, that the Board may, in its sole discretion, cause some or all Stock Awards to become fully vested,\nexercisable and/or no longer subject to repurchase or forfeiture (to the extent such Stock Awards have not previously expire d or terminated)\nbefore the dissolution or liquidation is completed but contingent on its completion.\n(c)Corporate Transaction.\n(i) Stock Awards May Be Assumed. Except as otherwise stated in the Stock Award Agreement, in the event of a Corporate\nTransaction, any surviving corporation or acquiring corporation (or the surviving or acquiring corporations parent company) may assume or\ncontinue any or all Stock Awards outstanding under the Plan or may substitute similar stock awards for Stock Awards outstanding under the Plan\n(including but not limited to, awards to acquire the same consideration paid to the stockholders of the Company pursuant to the Corporate\nTransaction), and any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to Stock Award s\nmay be assigned by the Company to the successor of the Company (or the successors parent company, if any), in connection with such\nCorporate Transaction. A surviving corporation or acquiring corpor ation (or its parent) may choose to assume or continue only a portion of a\nStock Award or substitute a similar stock award for only a portion of a Stock Award.\n(ii) Stock Awards Not Assumed Held by Cu rrent Participants. Except as otherwise stated in the Stock Award Agreement\n(including an option and stock award agreement subject to the terms of the Prior Plans, which terms remain applicable as to outstanding options\nand stock awards thereunder), in the event of a Corporate Transaction in which the surviving corporation or acquiring corporation (or its parent\ncompany) does not assume or continu e any or all outstanding Stock Awards or substitute similar stock awards for such outstanding Stock\nAwards, then with respect to Stock Awards that have not been assumed, continued or substituted and t hat are held by Participants whose\nContinuous Service has not terminated prior to the effective time of the Corporate Transaction (referred to as the Current Participants), the\nvesting of such Stock Awards (and, if applicable, the time at which such Stock Awards may be exercised) will (contingent upon the effectiveness\nof the Corporate Transaction) be accelerated in full to a date prior to the e ffective time of such Corporate Transaction as the Board will determine\n(or, if the Board will not determine such a date, to the date that is five business (5) days prior to the effective time of the Corporate Transaction),\nand such StockAwards will terminate if not exercised (if applicable) at or prior to the effective time of the Corporate Transaction, and any reacquisition or\nrepurchase rights held by the Company with respect to such Stock Awards will lapse (contingent upon the effectiveness of the Corporate\nTransaction).\n(iii) Stock Awards Not Assumed Held by Persons other than Current Par ticipants. Except as otherwise stated in the Stock\nAward Agreement (including an option and stock award agreement subject to the terms of the Prior Plans, which terms remain applicable as to\noutstandi ng options and stock awards thereunder), in the event of a Corporate Transaction in which the surviving corporation or acquiring\ncorporation (or its parent company) does not assume or continue any or all outstanding Stock Awards or substitute similar stock awards for such\noutstanding Stock Awards, then with respect to Stock Awards that have not been assumed, continued or substituted and that are h eld by\npersons other than Current Participants, the vesting of such Stock Awards (and, if applicable, the time at which such Stock Award may be\nexercised) will not be accelerated and such Stock Awards (other than a Stock Award consisting of vested and outstanding shares of Common\nStock not subject to the Companys right of repurchase), upon advance written notice by the Company of at least five (5) business days to the\nholders of such Stock Awards, will terminate if not exercised (if applicable) prior to the effective time of the Corporate Transaction; provided,\nhowever, that any reacquisition or repurchase rights held by the Company with respect to such Stock Awards will not terminate and may\ncontinue to be exercised notwithstanding the Corporate Transaction.\n(d)Change in Control.\n(i) Sto ck Awards May Be Assumed. Except as otherwise stated in the Stock Award Agreement, in the event of a Change in\nControl, any surviving corporation or acquiring corporation (or the surviving or acquirin g corporations parent company) may assume or continue\nany or all Stock Awards outstanding under the Plan or may substitute similar stock awards for Stock Awards outstanding under the Plan\n(including but not limited to, awards to acquire the same consideration paid to the stockholders of the Company pursuant to the Change in\nControl), and any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to Stock Awards may be\nassigned by the Company to the successor of the Company (or the successors parent company, if any), in connection with such Change in \nControl. A surviving corporation or acquiring corporation (or its parent) may choose to assume or continue only a portion of a Stock Award or\nsubstitute a similar stock award for only a portion of a Stock Award.\n(ii) Stock Awards Not Assumed Held by Current Participants. Except as otherwise stated in the Stock Award Agreement\n(including an option and stock award agreement subject to the terms of the Prior Plans, which terms remain applicable as to outstanding options\nand stock awards thereunder), in the event of a Change in Control in which the surviving corporation or acquiring corporation (or its parent\ncompany) does not assume or continue any or all outstanding Stock Awards or substitute similar stock awards for such outstanding Stock\nAwards, then with respect to Stock Awards that have not been assumed, continued or substituted and that are held by Current Participants, the\nvesting of such Stock Awards (and, if applicable, the time at which such Stock Awards may be exercised) will (contingent upon the effectiveness\nof the Change in Control) be accelerated in full to a date prior to the effective time of such Change in Control as the Board will determine (or, if\nthe Board will n ot determine such a date, to the date that is five business (5) days prior to the effective time of the Change in Control), and such\nStock Awards will terminate if not exercised (if applicable) at or prior to the effective time of the Change in Control, and any reacquisition or\nrepurchase rights held by the Company with respect to such Stock Awards will lapse (contingent upon the effectiveness of the Change in\nControl).\n(iii) Stock Awards Not Assumed Held by Persons other than Current Participants. Except as otherwise stated in the

Stock\nAward Agreement (including an option and stock award agr eement subject to the terms of the Prior Plans, which terms remain applicable as to\noutstanding options and stock awards thereunder), in the event of a Change in Control in which the surviving corpora tion or acquiring\ncorporation (or its parent company) does not assume or continue any or all outstanding Stock Awards or substitute similar stock awards for such\noutstanding Stock Awards, then with re spect to Stock Awards that have not been assumed, continued or substituted and that are held by\npersons other than Current Participants, the vesting of such Stock Awards (and, if applicable, the time at which such Stock Award may be\nexercised) will not be accelerated and such Stock Awards (other than a Stock Award consisting of vestedand outstanding shares of Common Stock not subject to the Compan ys right of repurchase), upon advance written notice by the Company of at\nleast five (5) business days to the holders of such Stock Awards, will terminate if not exercised (if applicable) prior to th e effective time of the\nChange in Control; provided, however, that any reacquisition or repurchase rights held by the Company with respect to such Stock Awards will\nnot terminate and may continue to b e exercised notwithstanding the Change in Control.\n(iv) Additional Provisions. A Stock Award may be subject to additional acceleration of vesting and exercisability upon or after a\nChange in Control a s may be provided in the Stock Award Agreement for such Stock Award or as may be provided in any other written\nagreement between the Company or any Affiliate and the Participant. A Stock Award may ves t as to all or any portion of the shares subject to the\nStock Award (i) immediately upon the occurrence of a Change in Control, whether or not such Stock Award is assumed, continued, or substituted\nby a surviving or acquiring entity in the Change in Control, and/or (ii) in the event a Participants Continuous Service is terminated, actually or\nconstructively, within a designated period following t he occurrence of a Change in Control, but in the absence of such provision, no such\nacceleration will occur.\n10.Termination or Suspension of the Plan.\n(a)Plan Term. Unless sooner terminated by the Boa rd pursuant to Section 2, the Plan will automatically terminate on the day before the\ntenth (10th) anniversary of the earlier of (i) the date the Plan is adopted by the Board or a duly authorized Comm ittee, or (ii) the date the Plan is\napproved by the stockholders of the Company. The Board may suspend the Plan at anytime. No Awards may be granted under the Plan while\nthe Plan is suspended or after it is terminated.\n11.Effective Date of Plan.\nThis Plan will become effective on the Effective Date.\n12.Choice of Law.\nThe law of the State of Delaware will govern all questions concerning the constru ction, validity and interpretation of this Plan, without regard\nto that states conflict of laws rules.\n13.Definitions.\nAs used in the Plan, the following definitions will apply to the capitalized ter ms indicated below:\n(a)Affiliate means, at the time of determination, any parent or subsidiary of the Company as such terms are defined in Rule 405 of the\nSecurities Act. The Board will have the authority to determine the time or times at which parent or subsidiary status is determined within the\nforegoing definition.\n(b)Award means a Stock Award or a Performance Cash Award.\n(c)Award Agreement means a written agreement between the Company and a Participant evidencing the terms and conditions of an\nAward.\n(d)Board means the Board of Directors of the Company.\n(e)Capitalization A djustment means any change that is made in, or other events that occur with respect to, the Common Stock subject\nto the Plan or subject to any Stock Award after the Effective Date without the receipt of consideration by the Company through merger,\nconsolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, stock split, liquidating\ndivide nd, combination of shares, exchange of shares, change in corporate structure or any similar equity restructuring transaction, as that term is\nused in Financial Accounting Standards Board Accounting St andards Codification Topic 718 (or any successor thereto). Notwithstanding the\nforegoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment .\n(f)Cause means (i) if a Participant is party to an agreement with the Company or an Affiliate that relates to equity awards and contains a\ndefinition of Cause, the definition of Cause in the a pplicable agreement, or (ii) if a Participant is not party to any such agreement, such\nParticipants termination because of (A) any willful, material violation by theParticipant of any law or regulati on applicable to the business of the Company or an Affiliate, the Participants conviction for, or guilty plea to, a\nfelony or a crime involving moral turpitude, or any willful perpetration by the Par ticipant of a common law fraud, (B) the Participants commission\nof an act of personal dishonesty that involves personal profit in connection with the Company or any other entity having a business rel ationship\nwith the Company, (C) any material breach by the Participant of any provision of any agreement or understanding between the Company or an\nAffiliate and the Participant regarding the terms of the Participants service as an Employee, Officer, Director or Consultant to the Company or an\nAffiliate, including without limitation, the willful and continued failure or refusal of the Participant to perform the material duties required of such\nParticipant as an Employee, Officer, Director or Consultant of the Company or an Affiliate, other than as a result of having a Disability, or a\nbreach of any applicable invention assignment and confidentiality agreement or similar agreement between the Company or an Affiliate and the\nParticipant, (D) the Participants disregard of the policies of th e Company or an Affiliate so as to cause loss, damage or injury to the property,\nreputation or employees of the Company or an Affiliate, or (E) any other misconduct by the Participant that is material ly injurious to the financial\ncondition or business reputation of, or is otherwise materially injurious to, the Company or an Affiliate.\n(g) Change in Control means the occurrence, in a single trans action or in a series of related transactions, of any one or more of the\nfollowing events:\n(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company represent ing more than 50%\nof the combined voting power of the Companys then outstanding securities other than by virtue of a merger, consolidation or similar transaction.\nNotwithstanding the foregoing, a Cha nge in Control will not be deemed to occur (A) on account of the acquisition of securities of the Company by\nan investor, any affiliate thereof or any other Exchange Act Person that acquires the Compa nys securities in a transaction or series of related\ntransactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities, or (B) solely because\n the level of Ownership held by any Exchange Act Person (the Subject Person) exceeds the designated percentage threshold of the\noutstanding voting securities as a result of a repurchase or other acqu isition of voting securities by the Company reducing the number of shares\noutstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acqu isition of voting\nsecurities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that,\nassuming the repurchase or other acquisiti on had not occurred, increases the percentage of the then outstanding voting securities Owned by the\nSubject Person over the designated percentage threshold, then a Change in Control will be deemed to occur;\n(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and,\nimmediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior\nthereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting\npower of the surviving Entity in such merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power\nof the parent of the surviving Entit y in such merger, consolidation or similar transaction, in each case in substantially the same proportions as\ntheir Ownership of the outstanding voting securities of the Company immediately prior to s uch transaction;\n(iii) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of\nthe Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the\nCompany and its Subsidiaries to an Entity, more than 50% of the combined voting power of the voting securities of which are Owned by\nstockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company\nimmediately prior to su ch sale, lease, license or other disposition; or\n(iv) individuals who, on the date this Plan is adopted by the Board, are members of the Board (the Incumbent Board) cease for\nany reason to constitut e at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for\nelection) of any new Board member was approved orrecommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of this Plan, be\nconsidered as a member of

the Incumbent Board.\nFor purposes of determining voting p ower under the term Change in Control, voting power will be calculated by assuming the conversion of\nall equity securities convertible (immediately or at some future time) into shares entitled to vote , but not assuming the exercise of any warrant or\nright to subscribe to or purchase those shares. In addition, (A) the term Change in Control will not include a sale of assets, merger or other\ntransac tion effected exclusively for the purpose of changing the domicile of the Company, and (B) the definition of Change in Control (or any\nanalogous term) in an individual written agreement between the Co mpany or any Affiliate and the Participant will supersede the foregoing\ndefinition with respect to Awards subject to such agreement; provided, however, that if no definition of Change in Control or an y analogous term\nis set forth in such an individual written agreement, the foregoing definition will apply; provided, further, that no Change in Control will be deemed\nto occur upon announcement or co mmencement of a tender offer or upon a potential takeover or upon stockholder approval of a merger or other\ntransaction, in each case without a requirement that the Change in Control actually occur.\nI f required for compliance with Section 409A of the Code, in no event will a Change in Control be deemed to have occurred if such\ntransaction is not also a change in the ownership or effective control of the Company or a change in the ownership of a substantial portion of\nthe assets of the Company as determined under Treasury Regulation Section 1.409A-3(i)(5) (without regard to any alternative definition\nthereunder). The Board may, in its sole discretion and without a Participants consent, amend the definition of Change in Control to conform to\nthe definition of Change in Control under Section 409A of the Code and the regulations thereunder.\n(h)Code means the Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.\n(i)Committee me ans a committee of one (1) or more Directors to whom authority has been delegated by the Board in accordance with\nSection 2(c).\n(j)Common Stock means the common stock of the Company.\n(k)Company me",

"result": "### Financial Analysis of Nvidia's 10-K Report\n\n#### Overview\nNvidia has demonstrated significant growth in revenue and profitability, driven primarily by its Compute &

Networking segment, which has seen explosive demand due to advancements in AI and data center technologies. The company's financial health appears robust, with strong liquidity and manageable debt levels.\n\n#### Key Financial Metrics\n\n1. **Revenue Growth**\n   - **Total Revenue**: For the second quarter of fiscal year 2025, Nvidia reported total revenue of $30.04 billion, a 122% increase from $13.51 billion in the same quarter of the previous year.\n   - **Segment Performance**:\n   - **Compute & Networking**: Revenue surged by 154% year-over-year to $26.45 billion.\n   - **Graphics**: Revenue increased by 16% year-over-year to $3.59 billion.\n   - **Year-to-Date Revenue**: For the first half of fiscal year 2025, total revenue reached $56.08 billion, up 171% from $20.70 billion in the prior year.\n\n2. **Profitability**\n   - **Gross Profit Margin**: The gross profit margin improved significantly to 75.1% for the second quarter and 76.6% for the first half of fiscal year 2025, compared to 70.1% and 68.2% in the same periods of the previous year.\n   - **Operating Income**: Operating income for the second quarter was $18.64 billion, a 174% increase from $6.80 billion year-over-year. The operating margin also improved to 62% from 50.3%.\n   - **Net Income**: Net income for the second quarter was $16.56 billion, representing a net margin of 55.2%, up from 45.7% in the previous year.\n\n3. **Operating Expenses**\n   - **Total Operating Expenses**: Operating expenses decreased as a percentage of revenue, with R&D expenses at 10.3% and SG&A at 2.8% for the second quarter, down from 15.1% and 4.7%, respectively, in the prior year.\n   - **R&D Investment**: Despite the decrease in percentage terms, R&D expenses increased in absolute terms, reflecting Nvidia's commitment to innovation.\n\n4. **Liquidity**\n   - **Cash and Cash Equivalents**: As of July 28, 2024, Nvidia had $8.56 billion in cash and cash equivalents, and $26.24 billion in marketable securities, totaling $34.80 billion in liquid assets.\n   - **Operating Cash Flow**: Net cash provided by operating activities was $29.83 billion for the first half of fiscal year 2025, significantly up from $9.26 billion in the prior year.\n\n5. **Solvency**\n   - **Debt Levels**: Nvidia's total long-term debt stood at $8.46 billion, with no short-term debt. The company has a manageable debt-to-equity ratio, indicating a strong solvency position.\n   - **Interest Coverage**: The interest expense was minimal at $61 million for the second quarter, suggesting that Nvidia can comfortably cover its interest obligations.\n\n#### Financial Ratios\n- **Gross Margin**: 75.1% (Q2 FY2025) vs. 70.1% (Q2 FY2024)\n- **Operating Margin**: 62% (Q2 FY2025) vs. 50.3% (Q2 FY2024)\n- **Net Profit Margin**: 55.2% (Q2 FY2025) vs. 45.7% (Q2 FY2024)\n- **Current Ratio**: Not explicitly provided, but liquidity appears strong with significant cash reserves.\n- **Debt-to-Equity Ratio**: Not explicitly provided, but manageable given the low level of debt relative to equity.\n\n#### Trends and Insights\n- **Strong Demand for AI Solutions**: The growth in the Compute & Networking segment is largely attributed to the increasing demand for AI and data center solutions, particularly for Nvidia's GPU products.\n- **Investment in R&D**: Nvidia continues to invest heavily in R&D, which is crucial for maintaining its competitive edge in the rapidly evolving tech landscape.\n- **Shareholder Returns**: Nvidia has been active in returning capital to shareholders through dividends and share repurchases, indicating confidence in its cash flow generation.\n\n#### Conclusion\nNvidia's financial performance in the latest quarter reflects a strong growth trajectory, driven by robust demand for its products in AI and data centers. The company maintains a solid liquidity position and profitability metrics, positioning it well for future growth. Executive decision-making should focus on sustaining this momentum through continued investment in innovation and strategic capital allocation.",

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Computer\nVision and Pattern Recognition conference, NVIDIA won the Autonomous Grand Challenge in the End-to- End Driving at Scale category , highlighting the\nimportance of generative AI in building applications for physical AI deployments in autonomous vehicle development.\nFinancial Information by Business Segment and Geographic Data\nRefer to Note 14 of the Notes to the Condensed Consolidated Financial Statements for disclosure regarding segment information.\nCritical Accounting Policies and Estimates\nR efer to Part II, Item 7, \"Critical Accounting Policies and Estimates\" of our Annual Report on Form 10-K for the fiscal year ended January 28, 2024. There have\nbeen no material changes to our Critical Accounting Policies and Estimates.\n27Results of Operations\nThe following table sets forth, for the periods indicated, certain items in our Condensed Cons olidated Statements of Income expressed as a p ercentage of\nrevenue.\n Three Months Ended Six Months Ended\n Jul 28, 2024 Jul 30, 2023 Jul 28, 2024 Jul 30, 2023\nRevenue 100.0 % 100.0 % 100.0 % 100.0 %\n Cost of revenue 24.9 29.9 23.4 31.8 \nGross profit 75.1 70.1 76.6 68.2 \nOperating expenses \n Research and development 10.3 15.1 10.4 18.9 \n Sales, general and administrative 2.8 4.7 2.9 6.1 \nTotal operating expenses 13.1 19.8 13.3 25 .0 \nOperating income 62.0 50.3 63.3 43.2 \n Interest income 1.5 1.4 1.4 1.6 \n Interest expense (0.2) (0.5) (0.2) (0.6)\n Other , net 0.6 0.4 0.5 0.2 \nOther income (expense), net 1.9 1.3 1.7 1.2 \nIncome before income tax 63.9 51.6 65.0 44.4 \nIncome tax expense 8.7 5.9 8.9 4.6 \nNet income 55.2 % 45.7 % 56.1 % 39.8 %\nRevenue\nRevenue by Reportable Segments\nThree Months Ended Six Months Ended \n Jul 28, 2024 Jul 30, 2023$\nChange%\nChangeJul 28, 2024 Jul 30, 2023$\nChange%\nChange\n ($ in millions)\nCompute & Networking $ 26,446 $ 10,402 $ 16,044 154 %$ 49,121 $ 14,862 $ 34,259 231 %\nGraphics 3,5 94 3,105 489 16 % 6,963 5,837 1,126 19 %\nTotal $ 30,040 $ 13,507 $ 16,533 122 %$ 56,084 $ 20,699 $ 35,385 171 %\nOperating Income by Reportable Segments\nThree Months Ended Six Months Ended\n Jul 28, 202 4 Jul 30, 2023$\nChange%\nChangeJul 28, 2024 Jul 30, 2023$\nChange%\nChange\n ($ in millions)\nCompute & Networking $ 18,848 $ 6,728 $ 12,120 180 %$ 35,896 $ 8,887 $ 27,009 304

%\nGraphics 1,369 1,211 158 13 %$ 2,609 2,258 351 16 %\nAll Other (1,575) (1,139) (436) 38 %$ (2,954) (2,204) (750) 34 %\nTotal $ 18,642 $ 6,800 $ 11,842 174 %$ 35,551 $ 8,941 $ 26,610 298 %\nCompute & Networking revenue The increa se in the second quarter and first half of fiscal year 2025 compared to the second quarter and first half of fiscal year\n2024 was due to strengt h in Data Center computing and networking for accelerat ed computing and AI solutions. Revenue from GPU computing grew 166% year-\non-year and 257% compared to the first half of fiscal year 2024, was driven by demand for our Hopper GPU architecture computin g platform for training and\ninferencing of large language models, recomm endation engines, and generative AI applications. Networking was also up 114% year-on-year and 159%\ncompared to the first half of last year driven by both InfiniBand and Ethernet for AI revenue.\n28Graphics revenue The increase in the second quarter and first half of fiscal year 2025 compared to the second quarter and first half of fiscal year 2024 was led\nby higher sales of our GeForce R TX 40 Series GPUs.\nReportable segment operating income The increase in the second quarter and first half of fiscal year 2025 compa red to the second quarter and first half of\nfiscal year 2024 in Compute & Networking and Graphics operating income was driven by higher revenue.\nAll Other operating loss The incre ase in the second quarter and first half of fiscal year 2025 compared to the second quarter and first half of fiscal year 2024\nwas due to an increase in stock-based compensation expense reflecting employee growth and c ompensation increases.\nConcentration of Revenue\nRevenue by geographic region is designated based on the billing location even if the revenue may be attributable to end customers, such as enterprises and\ngamers in a different location. Revenue from sales to customers outside of the United States accounted for 57% and 53% of total revenue for the second quarter\nand first half of fiscal year 2025, r espectively , and 55% and 59% of total revenue for the second quarter and first half of fiscal year 2024, respectively .\nWe refer to customers who purchase products directly from NVIDIA as direct cus tomers, such as add-in board manufacturers, distributors, ODMs, OEMs, and\nsystem integ rators. We have certain customers that may purchase products directly from NVIDIA and may use either internal re sources or third-party system\nintegrators to complete their build. We also have indirect customers, who purchase products through our direct customers; indirect customers include cloud\nservice provide rs, consumer internet companies, enterprises, and public sector entities.\nSales to direct customers which represented 10% or more of total revenue, all of which were primarily attributable to the Comp ute & Networking segment, are\npresented in the following table:\n Three Months Ended Six Months Ended\n Jul 28, 2024 Jul 28, 2024\nCustomer A 14 % 14 %\nCustomer B 11 % *\nCustomer C 11 % *\nCustomer D 10 % 10 %\nCustomer E * 10 %\n* Less than 10% of total revenue\nFor the second quarter of fiscal year 2025, two indirect customers which primarily purchase our products through system integrators and distrib utors, including\nthrough Customer B and Customer E, are estimated to each represent 10% or more of total revenue attributable to the Compute & Networking segment.\nFor the first half of fiscal year 2025, an indirect customer which primarily purchases our products from system integrators and distributors, including from\nCustomer E, is estimated to represent 10% or more of total revenue, attributable to the Compute & Networking segment.\nIndirect customer revenue is an estimation based upon multiple factors including customer purchase order information, product specifications, internal sales data\n and other sources. Actual indirect customer revenue may dif fer from our estimates.\nWe have experienced periods where we receive a significant amount of our revenue from a limited number of customers, and this trend may continue.\nGross Profit and Gross Margin\nGross profit consists of total net revenue less cost of revenue.\nOur overall gross margi n increased to 75.1% and 76.6% for the second quart er and first half of fiscal year 2025, respectively , from 70.1% and 68.2% for the\nsecond quarter and first half of fiscal year 2024, respectively . The increases in the second quarter and first half of fiscal year 2025 compared to the second\nquarter and first half of fiscal year 2024 were primarily due to strong Data Center revenue growth of 154% and 234% for the second quarter and first half of\n 2025, respectively .\nProvisions for inventory and excess inventory purchase obligations totaled $908 million and $1.3 billion for the second quarter and first half of fiscal year 2025,\nrespectively , and were primarily due to low-yielding Blackwell material. Sales of previously reserved inventory and settlements of excess inventory purchase\nobligations resulted in a provision release of $85 millio n and $199 million for the second quarter and first half of fiscal year 2025, respectively . The net effect on\nour\n29gross margin was an unfavorable impact of 2.7% and 2.0% in the second quarter and first half of fiscal year 2025, respectively .\nProvisions for inventory and excess inventory purchase obligations totaled $576 million and $709 million for the second quarter and first half of fiscal year 2024,\nrespectively . Sales of previously reserved invent ory and settlements of excess inventory purchase obligations resulted in a provision release of $84 million and\n$134 million for the seco nd quarter and first half of fiscal year 2024, respectively . The net effect on our gross margin was an unfavorable impact of 3.6% and\n2.8% in the second quarter and first half of fiscal year 2024, re spectively .\nWe expect our Data Center mix to continue to shift to new products in the second half of fiscal year 2025. For fiscal year 2025, we expect gross margins to be in\nthe mid-70% range.\nOperat ing Expenses\n Three Months Ended Six Months Ended\n Jul 28, 2024 Jul 30, 2023$\nChange%\nChange Jul 28, 2024 Jul 30, 2023$\nChange%\nChange\n ($ in millions)\nResearch and development\nexpenses $ 3,090 $ 2,04 0 $1,050 51 %$ 5,810 $ 3,916 $1,894 48 %\n% of net revenue 10.3 % 15.1 % 10.4 % 18.9 %\nSales, general and administrative\nexpenses 842 622 220 35 % 1,618 1,253 365 29 %\n% of net revenue 2.8 % 4.7 % 2.9 % 6.1 %\nTotal operating expenses $ 3,932 $ 2,662 $1,270 48 %$ 7,428 $ 5,169 $2,259 44 %\n% of net revenue 13.1 % 19.8 % 13.3 % 25.0 %\nThe increases in research and development expenses for the second q uarter and first half of fiscal year 2025 were driven by 35% and 34% increase in\ncompensation and benefits, including stock-bas ed compensation, reflecting employee growth and compensation increases, and 118% and 117% increase in\ncompute and infrastructure investments, respectively .\nThe increases in sales, general and administrative expenses for the second quarter and first half of fiscal year 20 25 was primarily driven by compensation and\nbenefits, including stock-based compensation, reflecting employee growth and compensation increases.\nFor fiscal year 2025, we expect operating expenses to g row in the mid to upper 40% range as we work on developing our next generation of products.\nOther Income (Expense), Net\nThree Months Ended Six Months Ended\n Jul 28, 2024 Jul 30, 2023$\nChange Jul 28, 2 024 Jul 30, 2023$\nChange\n ($ in millions)\nInterest income $ 444 $ 187 $ 257 $ 803 $ 338 $ 465 \nInterest expense (61) (65) 4 (125) (131) 6 \nOther , net 189 59 130 264 42 222 \nOther income (expense), ne t $ 572 $ 181 $ 391 $ 942 $ 249 $ 693 \nThe increas es in interest income for the second quarter and first half of fiscal year 2025 was due to higher cash, cash equivalents, and publicly-held debt\nsecu rity balances.\nInterest expense is comprised of coupon interest and debt discount amortization related to our notes.\nOther , net consists of realized or unrealized gains and losses from investments in privately-held equity securities, publicly-held equity securities, and the impact\nof changes in foreign currency rates. The change in Other , net, compared to the second quarter and first half of fis cal year 2024 was primarily driven by an\nincrease in fair value of our privately-held and publicly-held equity securities. Refer to Note 6 and 7 of the Notes to Condensed Consolidated Financial\nStatem ents in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information regarding our investments in privately-held and publicly-held equity\nsecurities.\n30Income T axes\nWe recognized i ncome tax expense of $2.6 billion and $5.0 billion for the second quarter and first half of fiscal year 2025, respectively , and $793 million and\n$958 million for the second quarter and first half of fiscal year 2024, respectively . Income tax expense as a percentage of income before income tax was 13.6%\nand 13.7% for the second quarter and first half of fiscal year 2025, respectively , and 11.4% and 10.4% for the second quarter and first half of fiscal year 2024,\nrespectively .\nThe effective tax rate increased primarily due to a lower percentage of tax benefits from the foreign-derived intang ible income deduction relative to the increase\nin income before income tax.\nGiven our current and anticipated future earnings, we believe that we may release the valuation allowance associated with c ertain state deferred tax assets in\nthe near term, which would decrease our income tax expense for the period the release is recor ded. The timing and amount of the valuation allowance release\ncould vary based on our assessment of all available evidence.\nRefer to Note 5 of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for addition al information.\nLiquidity and Capital Resources\n Jul 28, 2024 Jan 28, 2024\n (In millions)\nCash and cash equivalents $ 8,563 $ 7,280 \nMarketable securities 26,237 18,704 \nCash, cash equivalents and mar ketable securities $ 34,800 $ 25,984 \n Six Months Ended\nJul 28, 2024 Jul 30, 2023\n (In millions)\nNet cash provided by operating activities $ 29,833 $ 9,259 \nNet cash used in investing activities $ (8, 877) $ (1,287)\nNet cash used in financing activities $ (19,665) $ (5,479)\nOur investm ent policy requires the purchase of high-rated fixed income securities, the diversi fication of investment types a nd credit exposures, and certain\nmaturity limits on our portfolio.\nCash provided by operating activities increased in the first half of fiscal year 2025 compared to the first half of fiscal year 2024 due to growth in revenue, partially\noffset by higher tax paym ents. Our accounts receivable balance at the end of the first half of fiscal year 2025 reflects the strong revenue growth, partially offse t\nby $2.8 billion from customer payments received prior to the invoice due date.\nCash used in investing activities increased in the first half of fiscal year 2025 compared to the first half of fiscal year 2024, primarily driven by net purchases of\nmarketable securities, and acquisition of land and buildings.\nCash used in financing activities increased in the first half of fiscal year 2025 compared to the first half of fiscal year 2024, mainly due to higher share\nrepurchases and higher tax payments related to RSUs.\nLiquidity\nOur primary sources of liquidity include cash, cash equivalents, and m arketable securities, and the cash generated by our operations. As of July 28, 2024, we\nhad $34.8 billion in cash, cash equivalents, and marketable securities. We believe that we have sufficient liqui dity to meet our operating requirements for at least\nthe next twelve months, and for the foreseeable future, including our future supply obligations and share repurchases. We continuously evaluate our liquidity and\ncapital resources, including our access to external capital, to ensure we can finance future capital requirements.\nOur marketable securities consist of publicly-he ld equity securities, debt securities issued by the U.S. government and its agencies, highly rated corporations\nand financial institutions, and foreign government entities, as well as certificates of deposit issued by hig hly rated financial institutions. Our corporate debt\nsecurities are publicly traded. These marketable securities are primarily denominated in U.S. dollars. Refer to Note 6 of the Notes to Condensed Co nsolidated\nFinancial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information.\n31Except for approximately $1.4 billion of cash, cash equivalents, and marketable se curities held outside the U.S. for which we have not accrued any related\nforeign or state taxes if we repatriate these amounts to the U.S., substantially all of our cash, cash equivalents and marketab le securities held outside the U.S.\nas of July 28, 2024 are available for use in the U.S. without incurring additional U.S. federal income taxes.\nPayment from customers, per our standard paym ent term s, is generally due shortly after delivery of products, availability of software licenses or commencement\nof services.\nCapital Return to Shareholders\nDuring the second quarter and first half of fisca l year 2025, we paid $246 million and $344 million, respectively , in quarterly cash dividends.\nOur cash dividend program and the payment of future cash dividends under that program are subject to our Board of Directors' continuing determination that the\ndividend program and the declaration of dividends thereunder are in the best interests of our shareholders.\nOn June 7, 2024, we increased our qua rterly cash dividend to $0.01 per share on a post-Stock Split basis to all shareholders of record on June 11, 2024. Our\nquarterly cash dividend was paid on June 28, 2024.\nDuring the second quarter and first half of fiscal year 2025, we repurchased 62.8 million and 162.1 million shares of our common stock for $7.0 billion and\n$15.1 billion, respectively . As of July 28, 2024, we were authorized, su bject to certain specifications, to repurchase up to $7.5 billion of our common stock. On\nAugust 26, 2024, our Board of Directors approve d an additional $50.0 billion to our share repurchase authoriz ation, without expiration. As of August 26, 2024, a\ntotal of $53.9 billion was available for repurchase. Our share repurchase program aims to offset dilution from shares issued to employees while main taining\nadequate liquidity to meet our operating requirements. We may pursue additional share repurchases as we weigh market factors and other investment\nopportunities. W e plan to continue share repu rchases this fiscal year .\nFrom April 29, 2024 through August 26, 2024, we repurchased 31.5 million shares for $3.6 billion pursuant to a Rule 10b5-1 trading plan.\nThe U.S. Inflation Reduc tion Act of 2022 requires a 1% excise tax on certain share repurchases in excess of shares issued for employee compensation made\nafter December 31, 2022. The excise tax is included in our share repurchase cost a nd was not material for the second quarter and first half of fiscal year 2025.\nOutstanding Indebtedness and Commercial Paper Program\nOur aggregate debt maturities as of July 28, 2024, by year payable, are as follows:\n Jul 28, 2024\n (In millions)\nDue in one year $ \nDue in one to five years 2,250 \nDue in five to ten years 2,750 \nDue in greater than ten years 3,500 \nUnamortized debt discount and is suance costs (39)\nNet carrying amount 8,461 \nLess short-term portion \nTotal long-term portion $ 8,461 \nWe have a $575 million commercial paper program to support general corporate purposes. As of Ju ly 28, 2024, no commercial paper was outstanding.\nRefer to Note 1 1 of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for further disc ussion.\nMaterial Cash Requirements and Other Obligations\nUnrecognized tax benefits were $1.7 billion, which includes related interest and penalties of $186 million recorded in non-current income tax p ayable as of\nJuly 28, 2024. We are unable to estimate the timing of any potential tax liability , interest payme nts, or penalties in individual years due to uncertainties in the\nunderlying income tax positions and the timing of\n32the ef fective settlement of such tax positions. Refer to Note 5 of the Notes to Condensed Consolidated Financial Statements for further information.\nOther than the cont ractual obligations described above, there were no material changes outside the ordinary course of business in our contractual obligations\nfrom those disclosed in our Annual Report on Form 10-K for th e fiscal year ended January 28, 2024. Refer to Item 7, Management s Discussion and Analysis of\nFinancial Condition and Results of Operations - Liquidity and Capital Resources in our Annual Report o n Form 10-K for the fiscal year ended January 28, 2024\nfor a description of our contractual obligations. For a description of our operating lease obligations, long-term debt, and purchase obligations, refer to Notes 2,\n11, and 12 of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q, respectively .\nClimate Change\nTo date, there has been no material impact to our results of operations associated with global sustainability regulations, compliance, costs from sourcing\nrenewable energy or climate-related business trends.\nAdoption of New and Recently Issued Accounting

Pronouncements\nThere has been no adoption of any new and recently issued accounting pronouncements.\nItem 3. Quantitative and Qualitative Disclosures about Market Risk\nI nvestment and Interest Rate Risk\nFinancial market risks related to investment and interest rate risk are described in Part II, Item 7A, Quantitative and Qualitative Disclosures About Market Risk\nin our Annual Report on Form 10-K for the fiscal year ended January 28, 2024. As of July 28, 2024, there have been no material changes to the financial market\nrisks described as of January 28, 2024.\nFore ign Exchange Rate Risk\nThe impact of foreign currency transactions related to foreign exchange rate risk is described in Part II, Item 7A, Quantitative and Qualitative Disclosures About\nMarket Risk in our Annual Report on Form 10-K for the fiscal year ended January 28, 2024. As of July 28, 2024, there have been no material changes to the\nforeign exchange rate risks described as of January 28, 20 24.\nItem 4. Controls and Procedures\nControls and Procedures\nDisclosure Controls and Procedures\nBased on their evaluation as of July 28, 2024, our management, including our Chief Executive Officer and Chief Financial Officer, has concluded that our\ndisclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15d-15 (e)) were effective to provide reasonable assurance that the\ni nformation we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time\nperiods specified in the SEC rules and f orms, and that such information is accumulated and communicated to our management, including our Chief Executive\nOfficer and our Chief Financial Of ficer, as appropriate, to allow timely decisions reg arding required disclosures.\nChanges in Internal Control Over Financial Reporting\nThere were no changes that occurred during the second quarter of fiscal year 2025 that have materially affected, or ar e reasonably likely to materially affect, our\ninternal control over financial reporting. In fiscal year 2022, we began an upgrade of our enterprise resource planning, or ERP, system, which will update much of\nour existing core financia l systems. The ERP system is designed to accurately maintain our financial records used to report operating results. The upgrade will\noccur in phases. W e will cont inue to evaluate each quarter whether there are changes that materially af fect our internal control over financial reporting.\nInherent Limitations on Effectiveness of Controls\nOur manage ment, includ ing our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal\ncontrols, will prevent all error and all fraud. A control sys tem, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance\nthat the objectives of the control system are met. Further , the design of a control system must re flect the fact that there are resource constraints, and the benefits\nof controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation o f controls can provide absolute\nassurance that all control issues and instances of fraud, if any , within NVIDIA have been detected.\n33Part II. Other Information\nItem 1. Legal Proceedings\nRefer to Pa rt I, Item 1, Note 12 of the Notes to Condensed Consolidated Financial Statements for a discussion of significant developments in our legal\nproceedings since January 28, 2024. Also refer to Item 3, L egal Proceedings in our Annual Report on Form 10-K for the fiscal year ended January 28, 2024 for\na prior discussion of our legal proceedings.\nItem 1A. Risk Factors\nOther than the risk facto rs liste d below , there have been no material changes from the risk factors previously described under Item 1A of our Annual Report on\nForm 10-K for the fiscal year ended January28, 2024 and Item 1A of our Quarterly Report on Form 10-Q for the fiscal quarter ended April 28, 2024.\nPurchasing or owning NVIDIA common stock involves investment risks including, but not limited to, the risks described in Ite m 1A of our Annual Report on Form\n10-K for the fiscal year ended January28, 2024, and Item 1A of our Quarterly Report on Form 10-Q for the fiscal quarter ended April 28, 2024, and below . Any\none of those risks could harm our business, financial condition and results of operations or reputation, which could cause our stock price to decline. Additional\nrisks, trends and uncertainties not present ly known to us or that we currently believe are immat erial may also harm our business, financial condition, results of\noperations or reputation.\nLong manu facturing lead times and uncertain supply an d component availability , combined with a failure to estimate customer demand accurately ,\nhas led and could lead to mismatches between supply and demand.\nWe use third parties to manufacture and asse mb le our products, and we have long manufacturing lead times. We are not provided guaranteed wafer , component\nor capacity supply , and our supply deliveries and production may be non-linear within a quarter or year. If our estimates of customer demand are inaccurate, as\nwe have experienced in the past, there could be a significant mismatch between supply and demand. This mismatch has resulted in both product shortages and\nexcess inventory , has varied across our market platforms, and has significantly harmed our financial results.\nWe build finished produc ts and maintain invento ry in advanc e of anticipated demand. While we have in the past entered and may in the future enter into long-\nterm supply agreements and capacity commitments, we may not be able to secure sufficient commitments f or capacity to address our business needs, or our\nlong-term demand expectations may change. Additionally , our ability to sell certain products has been and could be impeded if components necessary fo r the\nfinished products are not available from third parties. This risk may increase as a result of our platform strategy . In periods of shortages impacting the\nsemiconductor industry and/or limited supply or capacity in our supply chain, the lead times on orders for certain supply may be extended. We have previously\nexperienced and may continue to experience extended lead times of more than 12 m onths. We have paid premiums and provided deposits to secure future\nsupply and capacity , which have increased our product costs and may continue to do so. If our existing suppliers are unable to scal e their capabilities to meet\nour supply needs, we may require additional sources of capacity , which may require additional deposits. We may not have the ability to reduce our supply\ncommitments at th e same rate or at all if our revenue declines.\nMany additio nal factors have caused and/or could in the future cause us to either underestimate or overestimate our customers future demand for our pr oducts,\nor otherwise cause a mismatch between supply and demand for our products and impact the timing and volume of our revenue, including:\nchanges in product development cycles and time to market;\n competing technologies and competitor product releases, announcements or other actions;\nchanges in business and economic conditions;\nsudden or sustained government lockdowns or public health issues ;\nrapidly changing technology or customer requirements;\nthe availability of suf ficient data center capacity or energy for customers to procure;\nnew product introductions and transitions resulting in less demand for existing products;\nnew or unexpected end-use cases;\nincrease in demand for competitive products;\nbusiness decisions made by third parties;\nthe demand for accelerated computing, AI-related cloud services, or large language models;\n34changes that impact the ecosystem for the architectures underlying our products and technologies;\nthe demand for our products; or\ngovernment a ctions or changes in governmental policies, such as export controls or increased restrictions on gaming usage.\nWe continue to increase our supply and capacit y purchases with existing and new supplier s to support our demand projections. With these additions, we have\nalso entered and may continue to enter into prepaid manufacturing and capacity agreements to supply both current and future products. The increased purchase\nvolumes and integration of new suppliers and contract manufacturers into our supply chain may create more complexity in managing multiple suppliers with\nvariations in productio n planning, execution and logistics. Our expanding product portfolio and varying component compatibility and quality may lead to\nincreased inventory levels. We have incurred and may in the future incu r inventory provisions or impairments if our inventory or supply or capacity commitments\nexceed demand for our products or demand declines. Our customer orders and longer-term demand estimates may cha nge or may not be correct, as we have\nexperienced in the past.\nProduct transitions are complex and we often ship both new and prior architecture products simultaneously as our channel partners prepare to ship and support\nnew products. We may be in various stages of transitioning the architectures of our Data Center , Gaming, Professional Visualization and Automotive products.\nThe computing industr y is experiencing a broader and faster launch cadence of accelerated computing platforms to meet a growing and diverse set of AI\nopportunities. We have introduced a new caden ce of our Data Center arc hitectures where we seek to complete a new GPU computing architecture each year\nand we are providing a greater variety of Data Center offerings. The increased frequency of these transitions and the la rger number of products and product\nconfigurations may magnify the challenges associated with managing our supply and demand. Qualification time for new products, customers anticipating\nproduct transi tions and channel partners reducing channel inventory of prior architectures ahea d of new product introductions can reduce or create volatility in\nour revenue . We have experienced and may in the fut ure experience reduced demand for current generation architectures when customers anticipate\ntransitions, and we may be unable to sell multiple product architectures at the same time for current and f uture architecture transitions. If we are unable to\nexecute our architectural transitions as planned for any reason, our financial results may be negatively impacted. The increased frequency and comp lexity of\nnewly introd uced products could result in unanticipated quality or production issues that could increase the magnitude of inventory provisions, warranty , or other\ncosts or result in produc t delays. For example, we executed a change to the Blackwell GPU mask to improve production yield. Our gross margins in the second\nquarter of fiscal year 2025 were negatively impacted by inventory pro visions for low-yielding Blackwell material and they may continue to be impacted in the\nfuture.\nWe incur significant engineering development resources for new products, and changes to our product road map may impact our ability to develop other products\nor adequate ly manage our supply chain cost. Customers may delay purchasing existing product s as we increase the frequency of new products or may not be\nable to adop t our new products as fast as forecasted, both impacting the timing of our revenue and supply chain cost. While we have managed prior product\ntransitions and have sold multiple pro duct archit ectures at the same time, these transitions are difficult, may impair our ability to predict demand and impact our\nsupply mix, and may cause us to incur additional costs. Many end customer s often do not purchase directly from us but instead purchase indirectly through\nmultiple OEMs, ODMs, system integrators, distributors, and other channel partners. As a result, the decisions made by o ur multiple OEMs, ODMs, system\nintegrators, distributors, and other channel partners, and in response to changing market conditions and changes in end-user demand for our products, have\nimpacted and c ould in the future continue to impact our ability to accurately forecast demand, particularly as they are based on estimates provided by various\ndownstream parties.\nIf we underestimate our customers' future demand for our products, our foundry partners may not have adequate lead-time or capacity to increase production\nand we may not be able to obtain sufficient inventory to fill orders on a timely basis. If our contra ct manufacturers experience supply constraints, we may not be\nable to increase supply to meet customer dema nd in a timely manner , or at all. If we cannot procure sufficient sup ply to meet demand or otherwise fail to fulfill\nour custome rs orders on a timely basis, or at all, our customer relationships could be damage d, we could lose revenue and market share and our reputa tion\ncould be harmed. Additionally , since some of our products are part of a complex data center buildout, supply constraints or availability issues with respect to any\none component have had and may have a broader revenue impact.\nIf we overestimate our customers future demand for our products, or if customers cancel or defer orders or choose to purchase from our competitors, we may\nnot be able to reduce our inventory or other contractual purchase commitments. In the past, we have experienced a reduction in average selling prices, including\ndue to channel pricing programs that we have imple mented and may continue to implement, as a result of our overestimation of future demand, and we may\nneed to continue these reductions. We have had to increase prices for certain of our products as a result of our suppliers increase in prices, and we may need to\ncontinue to do so for other products in the future . We have also written down our inventory , incurred cancellation penalties, and rec orded impairments and may\nhave to do so in the future. These impacts would be amplified by our placement of any non-cancellable and non-returnable purchase orders placed in advance of\nour historical lead times and could be exacerbated if we need to make changes to the design of future products. The risk of\n35these impac ts has increased and may continue to increase as our purchase obligations an d prepaids have grown and are expected to continue to grow and\nbecome a greater portion of our total supply . All of these factors may negatively impact our gross margins and financial results.\nDemand estimates for our new products, applications, and services can be incorrect and create volatility in our revenue or supply levels. We may not be able to\ngenerate significant revenue from them.

Recent technologies, such as generative AI models, have emerged, and while they have driven increased demand for\nData Center , the long-term trajectory is unknown. Because our products may be used in multi ple use cases and applications, it is difficult for us to estimate with\nany reasonable degree of precision the impact of generative AI models on our reported revenue or forecasted demand.\nChallenges in estimating demand could become more pronounced or volatile in the future on both a global and regional basis. Extended lead times may occur if\nwe experience other supply constraints caused by natur al disasters, pandemics or other events. In addition, geopolitical tensions, such as those involving Taiwan\nand China, which comprise a significant portion of our revenue and where we have suppliers, contract manufacturers, and assembly partners who are critical to\nour supply continuity , could have a material adverse impact on us.\nThe use of our GPUs other than that for which they were designed a nd marketed, including new and unexpected use cases, has impacted and can in the future\nimpact demand for our products, including by leading to inconsistent spikes and drops in demand. For example, se veral years ago, our Gaming GPUs began to\nbe used for mining digital currencies, such as Ethereum. It is difficult for us to estimate with any reasonable degree of precision the past or current impact of\ncryptocurrency mining, or forecast the future impact of cryptocurrency mining, on demand for our products. Volatility in the cryptocurrency market, including new\ncompute technologies, price change s in cryptocurrencies, government cryptocurrency policies and regulations, new cryptocurrency standards and changes in\nthe method of verifying blockchain transactions, has impacted and can in the futu re impact cryptocurrency mining and demand for our products and can further\nimpact our ability to estimate demand for our products. Changes to cryptocurrency standards and processes including, but not limited to, the Ethereum 2.0\nmerge in 2022, have reduced and may in the future decrease the usage of GPUs for Ethereum mining. This has created and may in the future create increased\naftermarket sale s of our GPUs, which could negatively impact retail prices for our GPUs and reduce demand for our new GPUs. In general, our new products or\npreviously sold products may be resold online or on the unau thorized gray market, which also makes demand forecasting difficult. Gray market products and\nreseller marketplaces compete with our new products and distribution channels.\nAdditionally , we depend on developers, customers and other third parties to build, enhance, and maintain accelerated computing applications that leverage our\nplatforms. We also rely on third-party content providers and publi shers to make their content available on our platforms, such as GeForce NOW . Failure by\ndevelopers, customers, and other third parties to build, enhance, and maintain applications that leverage our p latforms, or failure by third-party content providers\nor publisher s to make their content available on reasonable terms or at all for use by our customers or end users on our platforms, could adverse ly affect\ncustomer demand.\nWe receive a significa nt amount of our revenue from a limited number of partners and distributors and we have a concentration of sales to\ncustomers who purchase directly or indirectl y from us, and our revenue could be adversely affected if we lose or are prevented from selling to any of\nthese customers.\nWe receive a significant amount of our revenue from a limited numb er of customers within our distribution and partner network. Sales to direct Customers, A, B,\nC and D represented 14%,11%, 11% and 10% of total revenue, respectively , for the second quarter of fiscal year 2025, all of which were primarily attributable to\nthe Compute & Networ king segment. With several of these channel partners, we are selling multiple products and systems in our portfolio throug h their\nchannels. Our operating results depend on sales within our partner network, as well as the ability of these partners to sell products that incorporate our\nprocessors. We have a small number of partner s that are involved in system integration with our key customers. As our system design becomes increasingly\ncomplex, system integrators may be unable to meet specifications of our key custome rs. Changes in our partners' or customers' business models or their\nownership can reduce the number of partners available to us and harm our ability to sell our advanced data center systems to custome rs. In the future, these\npartners may decide to purchase fewer products , not to incorporate our products into their ecosystem, or to alter their purchasing patterns in some other way.\nBecause most of our sales are made on a purch ase order basis, our customers can generally cancel, change or delay product purchase commitments with little\nnotice to us and without penalty . Our partners or custome rs may develop their own solutions; our customers may purchase products from our competitors; and\nour partners may discontinue sales or lose market share in the markets for which they purchase our pr oducts, all of which may alter partners or customers\npurchasing patterns. Many of our customers often do not purchase directly from us but purchase through multiple OEMs, ODMs, system integrators, distributors\nand other channel partne rs. For the second quarter of fiscal year 2025, two indirect customers which primarily purchase our products through system integrators\nand distributors, includin g through Customer B and Customer E, are estimated to each represe nt 10% or more of total revenue, attributable to the Compute &\nNetworking segment. If end demand increases or our finished goods supp ly availability is concentrated near a quarter end, the system integrators, distributors\nand channel partners may have limited ability to increase their credit, which could impact the timing and amoun t of our revenue. The loss of any of our large\ncustomers, a significant reduction in purchases by them,\n36our inability to sell to a customer due to U.S. or other countries trade restrictions or any difficulties in collecting accounts receivable would likely harm our\nfinancial condition and results of operations.\nOur operations could be affected by the complex laws, rules and regulations to whic h our business is subject, and political and other actions may\nadversely impact our business.\nWe are subject to laws and regulations domestically and worldwide, affecting our operations in areas inclu ding, but not limited to, IP ownership and infringement;\ntaxes; impor t and export requirements and tariffs; anti-corruption, including the Foreign Corrupt Practices Act; business acquisitions; foreig n exchange controls\nand cash repatriation restrictions; data priva cy requirements; competition and antitrust; advertising; employment; product regulations; cybersecurity;\nenvironmental, health, and s afety requirements; the responsible use of AI; sustainability; cryptocurrency; and consumer laws. Compliance with such\nrequirements can be onerous and expensive, could impact our competitive position, and may negatively impact our business operations and ability to\nmanufacture and ship our products. There can be no assurance that our employees, contractors , suppliers, customers or agents will not violate applicable laws\nor the policies, controls, and procedures that we have designed to help ensure compliance with such laws, and violations could result in fines, criminal sanctions\nagainst us, our officers, or our employees, prohib itions on the conduct of our business, and damage to our reputation. Changes to the laws, rules and regulations\nto which we are subject, or changes to their inte rpretation and enforcement, could lead to materially greater compliance and other costs and/or further\nrestrictions on our ability to manufacture and supply our products and operate our business. For example, we may face increased compliance costs as a result\nof changes or increases in antitrust legislation, regulation, administrative rule making, increased focus from regulators on cybersecurity v ulnerabilities and risks.\nOur position in markets relating to AI has led to increased interest in our business from regulators worldwide, including the European Union, the United States,\nthe United Ki ngdom, South Korea and China. For example, the French Competition Author ity collected information from us regarding our business and\ncompetition in the graph ics card and cloud service provider marke t as part of an ongoing inquiry into competition in those markets. We have also received\nrequests for information from regulators in the European Union, the United States, the United Kingdom, China, a nd South Korea regarding our sales of GPUs,\nour efforts to allocate supply, foundation models and our investments, partnerships and other agreements with companies developing foundation models, and we \nexpect to receive additional requests for information in the future. Governments and regulators are considering, and in certain cases, have imposed restrictions\non the hardw are, software, and system s used to develop frontier foundation models and generative AI. For example, the EU AI Act was formally adopted in June\n2024 and will be implemented in phases betwee n now and 2030. The State of Calif ornia, among other jurisdictions, is considering similar legislation. Restrictions\nunder this and any other regulations, if implemented, could increase the costs and burdens to us and our customers, d elay or halt deployment of new systems\nusing our products, and reduce the number of new entrants and customers, negatively impacting our business and financial results. Revisions to laws or\nregulation s or their interpretation and enforceme nt could also result in increased taxation, trade sanctions, the imposition of or increase to import duties or tariffs,\nrestrictions and controls on imports or exports, or other retaliatory actions, which could have an adverse effect on our business plans or impact the timing of our\nshipments. Additionally , changes in the public perception of governments in the regions where we operate or plan to operate could negatively impact our\nbusiness and results of operations.\nGovernment actions, including trade protection and national and economic security polic ies of U.S. and foreign government bodies, such as tariffs, import or\nexport regulations, including deemed export restrictions and restrictions on the activities of U.S. persons, trade and economic sa nctions, decrees, quotas or\nother trade barriers and restrictions could affect our ability to ship products, provide services to our customers and employees, do business without an export\nlicense with entities on the U.S. Department of Commerce s U.S. Entity List or other USG restricted parties lists (which is expected to change from time to time),\nand generally fulfill our contractual obligation s and have a material adverse effect on our business. If we were ever found to have violated export control laws or\nsanctions of the U.S. or similar applicable non-U .S. laws, even if the violation oc curred without our knowledge, we may be subject to various penalties available\nunder the laws, any of which could have a material and adverse impact on our business, operating results and financial co ndition.\nFor example , in response to the war in Ukrain e, the United States and other jurisdictions imposed economic sanctions and export control measures which\nblocked the passage of our products, s ervices and support into Russia, Belarus, and certain regions of Ukraine. In fiscal year 2023, we stopped direct sales to\nRussia and closed business operations in Russia. Concurrently , the war in Ukr aine has impacted sales in EMEA and may continue to do so in the future.\nThe increasi ng focus on the risks and strategic importance of AI technologies has resulted in regulatory restrictions that ta rget products and services capable of\nenabling or facilitating AI and may in the future result in additional restrictions impacting some or all of our product and service of ferings.\nConcerns regardin g third-party use of AI for purposes contrary to local governmental interests , including concerns relating to the misuse of AI applications,\nmodels, and solutions, has resulted in and could in the f uture result in unilateral or multilateral restrictions on products that can be used for training, modifying,\ntuning, and deploying LLMs and other AI applications. Such restrictions have limited and c ould in the future limit the ability of downstream customers and users\nworldwide to acquire, deploy and use systems that include our products, software, and services, and negatively impact our busines s and financial results.\n37Such restrictions could include additional unilateral or multilateral export controls on certain products or technology , including but not limited to AI technologies.\nAs ge opolitic al tensions have increased, semic onductors associated with AI, including GPUs and associated products, are increasingly the focus of export\ncontrol restrictions proposed by stakeholders in t he U.S. and its allies. The United States has imposed unilateral controls restricting GPUs and associated\nproducts, and it is likely that additional unilateral or multilateral controls will be adopted . Such controls have been and may again be very broad in scope and\napplication, prohibit us from exporting our products to any or all customers in one or more markets, including but not limited to Chi na, and could negatively\nimpact our manufacturin g, testing and warehousing locations and options, or could impose other conditions that limit our ability to serve demand abroad and\ncould negatively a nd materially impact our business, revenue and financial results. Export controls targeting GPUs and semiconductors associated with AI,\nwhich have been imposed and are increasingly likely to be furthe r tightened, would further restric t our ability to export our technology , products, or services even\nthough comp etitors may not be subject to similar restrictions, creating a competitive disadvanta ge for us and negatively impacting our business and financial\nresults. Expo rt controls targeting GPUs and semiconductors associated with AI have subjected and may in the future subject downstream use rs of our products\nto additional restrictions on the use, resale, repair , or transfer of our products, negatively impacti ng our business and financial results. Controls could negatively\nimpact our cost and/or ability to provide services such as NVIDIA AI cloud services and could impact the cost and/or ability for our cloud service providers and\ncustomers to provide services to their end custom ers, even outside China.\nExport contr ols could disrupt our supply chain and distribution channels, negatively impacting our ability to serve demand, including in markets outside China\nand for our gam ing products. The possibility of additional export controls has negatively impacted and may in the future negatively impact demand for our\nproducts, benefiting competitors that offer alternatives less likely to be restricted by further controls. Repeated changes in the export control rules are likely to\nimpose compliance burdens on our business and our customers, negatively and materially impactin g our business.\nIncreasing use of economic sanctions and export controls has impacted and may in the future impact demand for our products or services, negatively impacting\nour business and financ ial results. Reduced demand due to export controls could also lead to excess inventory or cause us to incur related supply charges.\nAdditional unilateral or multilateral controls are also likely to inclu de deemed export control limitations that negatively impact the ability of our research and\ndevelopment teams to execute our roadmap or other objectives in a timely manner . Addition al export restric tions may not only impact our ability to serve\noverseas markets, but also provoke responses from foreign governments, including China, that negatively impact our supply chain or our ability to provide our\nproducts and services to customers in all markets worldwide, which could also substantially reduce our revenue. Regulators in China have inquired about our\nsales and efforts to supply the China m arket and our fulfillment of the commitments we entered at the close of our Mellanox acquisition. If the regulators\nconclude that we have failed to fulfill such commitments or we have violated any app licable law in China, we could be subject to various penalties or restrictions\non our ability to conduct our business, any of which could have a material and adverse impact on our business, operating results and financial condition.\nDuring the third quarter of fiscal year 2023, the USG announced export restrictions and expo rt licensing requirements targeting China s semiconductor and\nsupercompu ting industries. These restrictions impact exports of certain chips, as well as software, hardware, equipment and technology used to develop,\nproduce and manufacture certain chips to China (including Hong Kong and Macau) and Russia, and specifically impact our A100 and H100 integrated circuits,\nDGX or any other system s or boards which incorporate A100 or H100 integrated circuits. The licensing r equirements also apply to any future

NVIDIA integrated\ncircuit achieving certain peak performance and chip-to-chip I/O performance thresholds, as well as any system or board that includes those circu its. There are\nalso now licensing requirements to export a wide array of products, including networking products, destined for certain end users and for certain end uses in\nChina. During the second qu arter of fiscal year 2024, the USG also informed us of an additional licensing requirement for a subset of A100 and H100 products\ndestined to certain customers and other regions, including some countr ies in the Middle East.\nIn October 2023, the USG announced new and updated licensing requirements that became effective in our fourth quarter of fiscal year 2024 for exports to\nChina and Country Group s D1, D4, and D5 (including but not limited to, Saudi Arabia, the United Arab Emirates, and Vietnam, but excluding Israel) of our\nproducts exceeding certain performance thresholds, including A100, A80 0, H100, H800, L4, L40, L40S and RTX 4090. The licensing requirements also apply to\nthe export of products exceeding certain performance thresholds to a party headquartered in, or with an ultimate par ent headquartered in, Country Group D5,\nincluding China. On Octo ber 23, 2023, the USG informed us that the licensing requirements were effective immediately for shipments of our A100, A800, H100,\nH80 0, and L40S products. W e have not received licenses to ship these restricted products to China.\nFollowing these export controls, we transitioned some operations, including certain testing, validatio n, and supply and distribution operations out of China and\nHong Kong. Any future transitions could be costly and time consuming, and adversely affect our research and development and supply and distri bution\noperations, as well as our revenue, during any such transition period. We expanded our Data Center product portfolio to offer new solutions, including those for\nwhich the USG does not require a license or advance notice before each shipment. To the extent that a customer requires products covered by the licensing\nrequirements, we may seek a license for the customer . However , the licensing process is time-consuming. We have no assurance that the USG will grant such a\nlicense or that the USG will act on the license application in a timely manner or at all. Even if a license is approved, it may impose burdensome conditions that\nwe or our customer or end users cannot or decide not to accept. The USG is evaluating license requests in a closed process that\n38does not have clear standard s or an opportunity for review . For example, the Notified Advanced Computing, or NAC, process has not resulted in approvals for\nexports of products to customers in China. The license process for e xports to D1 and D4 countries has been time-consuming and resulted in license conditions\nthat are onerous, even for small-sized systems that are not able to train frontier AI models. The requirements have a disproportionate impact on NVIDIA and\nalready have disadvantaged and may in the future disadvantage NVIDIA against certain of our competitors who sell products that are not subject to the new \nrestrictions or may be able to acquire licenses for their products.\nManagement of these new licenses and other requirements is complicated and time consuming. Our competitive position has been harmed , and our competitive\nposition and future results may be further harmed, over the long-term, if there are further changes in the USG s export controls, including further expansion of the\ngeographic, customer , or product scope of the controls, if customers purchase product from competitors, if customers develop their own internal solution, if we\nare unable to provide contractual warranty or othe r extended service obligations, if the USG does not grant licenses in a timely manner or denies licenses to\nsignificant customers or if we incur significant transition costs. Even if the USG grants an y requested licenses, the licenses may be temporary or impose\nburdensome conditions that we or our customers or end users cannot or choose not to fulfill. The licensing requirements may benefit certa in of our competitors,\nas the licensing process will make our pre-sale and post-sale technical support efforts more cumbersome and less certain and encourage customers in China to\npursue alternatives to our products, including semiconductor suppliers based in China, Europe, and Israel.\nGiven the increasing strategic importance of AI and rising geopolitical tensions, the USG has changed and may aga in change the export control rules at any time\nand further subject a wider range of our products to export restrictions and licensing requirements, negatively impacting our business and financial resu lts. In the\nevent of such change, we may be unable to sell our inventory of such products and may be unable to develop replacement products not subject to the licensing\nrequirements, effectively exclu ding us from all or part of the China market, as well as other impa cted markets, including the Middle East. For example, the USG\nhas already imposed conditions to limit the ability of foreign firms t o create and offer as a service large-scale GPU clusters, for example by imposing license\nconditions on the use of products to be exported to certain countries, and may impose additional conditions su ch as requiring chip tracking and throttling\nmechanisms that could disable or impair GPUs if certain events, including unauthorized system configuration, use, or location, are detected. The USG has\na lready impo sed export controls restricting certain gaming GPUs, and if the USG expands such controls to restrict additional gaming products, it may disrupt a\nsignificant portion of our supply and dis tribution chain and negatively impact sales of such products to markets outside China, including the U.S. and Europe. In\naddition, as the performa nce of the gaming GPUs increases over time, export co ntrols may have a greater impact on our ability to compete in markets subject to\nthose controls. Export controls may disrupt our supply and distribution chain for a substantial portion of our product s, which are warehoused in and distributed\nfrom Hong Kong. Export controls restricting our ability to sell data center GPUs may also negatively impact demand for our networking products used in serve rs\ncontaining our GPUs. The USG may also impose export controls on our networking products, such as high-speed network interconnects, to limit the ability of\ndownstream parties to create large cluster s for frontier model training. Any new control that impacts a wider range of our products would likely have a\ndisproportionate impact on NVIDIA and may disadvantage us against certain of our competit ors that sell chips that are outside the scope of such control.\nExcessive or shifting export controls have alread y and may in the future encourage customers outside China and other impacted regions t o design-out certain\nU.S. semiconductors from their products to reduce the compliance burden and risk, and to ensure that they are able to serve markets worldwide. Excessive or\nshifting export contr ols have already encourage d and may in the future encourage overseas governments to request that our customers purchase from our\ncompetitors rather than NVIDIA or other U.S. firms, harming our busin ess, market position, and financial results. As a result, excessive or shifting export controls\nmay negatively impact demand for our products and services not only in China, but also in other markets , such as Europe, Latin America, and Southeast Asia.\nExcessive or shifting export controls increase the risk of investing in U.S. advanced semiconductor products, because by the time a new product is ready for\nmarket, it may be subject to new unilateral export controls restricting its sale. At the same time, such controls may increase investment in foreign competitors,\nwhich would be less likely t o be restricted by U.S. controls.\nAdditionally , restrictions imposed by the Chines e government on the duration of gaming activities and access to games may adversely affect our Gaming\nrevenue, and i ncreased oversight of digital platform companies may adversely affect our Data Center revenue. The Chinese government may also impose\nrestrictions on the sale to certain customers of our products, or any products containing components made by our partners and suppliers. For example, the\nChinese government announced restrictions relating to certain sales of products containing certain products mad e by Micron, a supplier of ours. As another\nexample, an agency of the Chinese government announced an Action Plan that endorses new standards regarding the compute performance per watt and per\nmemory bandwidth of accelerators used in new and renovated data centers in China. If the Chine se government modifies or implements the Action Plan in a way\nthat effectively prevents us from being able to de sign products to meet the new standard, this may restrict the ability of customers to use some of our data center\nproducts and may have a material and adverse impact on our business, operating result s and financial condition. Further restrictions on our products or the\nproducts of our suppliers could negatively impact our business and financial results.\n39Finally , our business depends on our abi lity to receive consistent and reliable supply from our overseas partners, especially in Taiwan. Any new restrictions that\nnegatively impact our ability to receive supply of components, parts, or serv ices from Taiwan, would negatively impact our business and financial results.\nItem 2. Unregistered Sales of Equity Securities and Use of Proceeds\nIssuer Purchases of Equity Securities\nDuring the secon d quarter and first half of fiscal year 2025, we repurchased 62.8 million and 162.1 million shares of our common stock for $7.0 billion and $15.1\nbillion, respectively . As of July 28, 2024, we were a uthorized, subject to certain specifications, to repurchase up to $7.5 billion of our common stock.\nThe repurchases can be made in the open market, in privately negotiated transactions, pursuant to a Rule 10b5-1 trading plan or in structured share repurchase\nprograms, and can be made in one or more larger repurchases, in compliance with Rule 10b-18 of the Exchange Act, subject to market conditions , applicable\nlegal requirements, and other factors. The program does not obligate NVIDIA to acquire any particular amount of common stock and the program may be\nsuspended at any time at our discretio n.\nIn the secon d quarter and first half of fiscal year 2025, we paid $246 million and $344 million, respectively , in cash dividends. Our cash dividend program and the\npayment of future cash dividend s under that program are subject to our Board of Directors ' continuing determination that the dividend program and the\ndeclaration of dividends thereunder are in the best interests of our shareholder s.\nThe following table presents details of our share repurchase transactions during the second quarter of fiscal year 2025:\nPeriodTotal Number\nof Shares\nPurchased\n(In millions)Average Price Paid\nper S hareTotal Number of Shares\nPurchased as Part of\nPublicly Announced\nProgram\n(In millions)Approximate Dollar V alue\nof Shares that May Yet Be\nPurchased Under the\nProgram\n(In billions)\nApril 29, 2024 - M ay 26, 2024 23.0 $ 91.50 23.0 $ 12.4 \nMay 27, 2024 - June 23, 2024 14.7 $ 121.36 14.7 $ 10.6 \nJune 24, 2024 - July 28, 2024 25.1 $ 123.63 25.1 $ 7.5 \nTotal 62.8 62.8 \nOn August 26, 2024, our Board of Directors approved an additional $50.0 billion to our share repurchase authorization, without expiration. From July 29, 2024\nthrough August 26, 2024, we repurchased 31.5 million shares for $3.6 billio n pursuant to a Rule 10b5-1 trading plan. As of August 26, 2024, a total of\n$53.9 billion was available for repurchase.\nRestricted Stock Unit Share W ithholding\nWe withhold common stock shares associ ated with net share settlements to cover tax withho lding obligations upon the vesting of RSU awards under our\nemployee equity incentive program. During the second quarter and first half of fiscal yea r 2025, we withheld approximately 11 million and 32 million, respectively ,\nfor a total value of $1.6 billion and $3.4 billion, respectively , through net share settlements.\nRecent Sales of Unregister ed Securities and Use of Proceeds\nOn May 28, 2024, we issued a total of 215,120 shares of our common stock, valued at approxim ately $25 million based on our closing stock price on the date of\nissuanc e, to key employees of a company we acquired.\nOn July 2, 2024, we issued a total of 212,353 shares of our common stock, valued at approxima tely $26 million based on our closing stock price on the dat e of\nissuance, to key employees of a company we acquired.\nThe above securities were issued in transactions not involving a public offering pursuant to an exemption from registration set forth in Secti on4(a)(2) of\ntheSecurities Act (and Regulation D or Regulation S promulgated thereunder).\nItem 5. Other Information\nOn July 22, 2024, Ajay K. Puri, Executive Vice President, Worldwide Field Operatio ns, terminated a Rule 10b5-1 trading arrangement adopted on April 12, 2024\nfor the sale of up to 1,008,320 shares of our common stock on a post-split basis through July 11, 2025. 100,1 10 shares were sold under the plan prior to\ntermination.\n40Item 6. Exhibits\nIncorporated by Reference\nExhibit No. Exhibit Description Schedule/Form Exhibit Filing Date\n3.1 Amendment to Restated Certificate of Incor poration of NVIDIA Corporation 8-K 3.1 6/7/2024\n10.1+* Amended and Restated 2007 Equity Incentive Plan\n10.2+* Amended and Restated 2012 Employee Stock Purchase Plan\n31.1* Certification of Chief Execu tive Of ficer as required by Rule 13a-14(a) of the Securities\nExchange Act of 1934\n31.2* Certification of Chief Financial Of ficer as required by Rule 13a-14(a) of the Securities\nExchange Act of 1934\n 32.1#* Certification of Chief Executive Of ficer as required by Rule 13a-14(b) of the Securities\nExchange Act of 1934\n32.2#* Certification of Chief Financial Of ficer as required by Rule 13a-14(b) of the Securities\nExchange Act of 1934\n101.INS*Inline XBRL Instance Document - the instance document does not appear in the Interactive\nData File because its XBRL tags are embedded within the Inline XB RL document.\n101.SCH* Inline XBRL Taxonomy Extension Schema Document\n101.CAL* Inline XBRL Taxonomy Extension Calculation Linkbase Document\n101.DEF* Inline XBRL Taxonomy Extension Definition Linkba se Document\n101.LAB* Inline XBRL Taxonomy Extension Labels Linkbase Document\n101.PRE* Inline XBRL Taxonomy Extension Presentation Linkbase Document\n104Cover Page Interactive Data File - the cover pa ge interactive data file does not appear in\nthe Interactive Data File because its XBRL tags are embedded within the Inline XBRL\ndocument.\n+ Management contract or compensatory plan or arrangement.\n* Filed herewith.\n# In accorda nce with Item 601(b)(32)(ii) of Regul ation S-K and SEC Release Nos. 33-8238 and 34-47986, Final Rule: Management's Reports on Internal Control\nOver Financial Reporting an d Certification of Disclosure in Exchange Act Periodic Reports, the certifications furnished in Exhibits 32.1 and 32.2 hereto are\ndeemed to accompany this Quarterly Report on Form 10-Q and will not be deemed filed for purpose of Section 18 of the Exchange Act. Such certifications will\nnot be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, exce pt to the extent that the registrant specifically\nincorporates it by reference.\nCopies of above exhibits not contained herein are available to any shareholder upon written request to:\nInvestor Relatio ns: NVIDIA Corporation, 2788 San Tomas Expressway , Santa Clara, CA 95051.\n41Signature\nPursuant to the requirem ents of the Securities Exchange Act of 1934, the registrant has duly caused this repor t to be signed on its behalf by the undersigned\nthereunto duly authorized.\nDate: August 28, 2024\n NVIDIA Corporation \nBy: /s/ Colette M. Kress\n Colette M. Kress\n Executive V ice President and Chief Financial Of ficer (Duly Authorized Of ficer and Principal\nFinancial Of ficer)\n42NVIDIA Corporation Amended and Restated 2007 Equity Incentive Plan\nApproved by the Compensation Committee: April 24, 2 007\nApproved by the Stockholders: June 21, 2007\nAmended by the Compensation Committee: November 11, 2010\nAmended and Restated by the Compensation Committee: March 22, 2012\nApproved by the Stockholders : May 17, 2012\nAmended and Restated by the Compensation Committee: April 9, 2014\nApproved by the Stockholders: May 23, 2014\nAmended and Restated by the Compensation Committee: April 5, 2016\nApproved b y the Stockholders: May 18, 2016\nAmended and Restated by the Compensation Committee: April 3, 2018\nApproved by the Stockholders: May 16, 2018\nAmended and Restated by the Compensation Committee: April 27, 2020\nApproved by the Stockholders: June 9, 2020\nAmended and Restated by the Board of Directors: July 19, 2021\nAmended and Restated by the Compensation Committee: April 8, 2022\nApproved by the Stoc kholders: June 2, 2022\nAmended and Restated by the Compensation Committee: December 1, 2022\nAmended and Restated by the Board of Directors: June 7, 2024\nTermination Date: April 26, 2030\n1. General.\n(a)Successor and Continuation of Prior Plans. The Plan is intended as the successor to and continuation of the NVIDIA Corporation\n1998 Equity Incentive Plan (the 1998 Plan), the NVIDIA Corporation 199 8 Non-Employee Directors Stock Option Plan, the NVIDIA Corporation\n2000 Nonstatutory Equity Incentive Plan, and the PortalPlayer, Inc. 2004 Stock Incentive Plan (together, the Prior Plans). Followi ng the\nEffective Date, no additional stock awards will be granted under any of the Prior Plans and all newly granted Stock Awards will be subject to the\nterms of this Plan except as follows: from the Effective Date until September 30, 2007 (the Transition Date) (during which time the Company\nanticipates taking such steps as are necessary or appropriate to permit participation in the Plan by Empl oyees, Directors or Consultants who are\nforeign nationals or are employed outside the United States), the Company may grant stock awards subject to the terms of the 1998 Plan\ncovering up to an aggrega te of 100,000 shares of Common Stock to newly hired employees of the Company and its Affiliates who are foreign\nnationals or are employed outside the United States (such 100,000 share reserve, the Fo reign Transition Reserve). On the Effective Date, all\nof the shares remaining available for issuance under the Prior Plans will become available for issuance under the Plan; provided, however, that\nt he issuance of shares upon the exercise of options or the settlement of stock awards granted under the Prior Plans (including the issuance of\nshares upon the exercise or settlement of any awards grant ed following the Effective Date subject to the terms of the 1998 Plan from the Foreign\nTransition Reserve) will occur from this Plan and will reduce the number of shares of Common Stock available for issuance under this Plan as\nprovided in Section 3 below. Any shares of Common Stock subject to outstanding options and stock awards granted under the Prior Plans that\nexpire or terminate for any reaso n prior to exercise or settlement (collectively, the Prior Plans Returning Shares) will become available for\nissuance pursuant to Stock Awards granted hereunder. Except as expressly set forth in th is Section 1(a), all options and stock awards granted\nunder the Prior Plans will remain subject to the terms of the Prior Plans with respect to which they were originally granted.\n(b)Eligible Award Re cipients. The persons eligible to receive Awards are Employees, Directors and Consultants.\n(c)Available Awards. The Plan provides for the grant of the following Awards: (i) Incentive Stock Options, (i i) Nonstatutory Stock Options,\n(iii) Restricted Stock Awards, (iv) Restricted Stock Unit Awards, (v) Stock Appreciation Rights, (vi) Performance Stock Awards, (vii) Performance\nCash Awards, and (viii) Other Stock Awards.(d)Purpose. The Company, by means of the Plan, seeks to secure and retain the services of the group of persons eligible to receive\nAwards as set forth in Section 1(b), to provide i ncentives for such persons to exert maximum efforts for the success of the Company and any\nAffiliate, and to provide a means by which such eligible recipients may be given an opportunity to benefit fr om increases in value of the Common\nStock through the granting of Stock Awards.\n(e)Section 162(m) Transition Relief. Notwithstanding anything in the Plan to the contrary, any reference in the Plan to performance-\nbased compensation under Section 162(m) of the Code will only apply to any Award that is intended, and is eligible, to qualify as such pursuant\nto the transition relief provided by the Tax Cuts and Jobs Act (the TCJA) for remuneration provided by a written binding contract which was in\neffect on November 2, 2017 and which was not subsequently materially modified, as determined by the Board, in its sole discretion, in\naccordance with the TCJA and any applicable guidance, rulings or regulations issued by any governmental authority.\n2. Administration.\n(a)Administration by Board. The Board will administer the Plan unless and until the Board delegates administration of the Plan to a\nCommittee or Committees, as provided in Section 2(c).\n(b)Powers of Board. The Board will have th e power, subject to, and within the limitations of, the express provisions of the Plan:\n(i) To determine from time to time (A) which of the persons eligible under the Plan will be granted Awards; (B) when and how each\nAward will be granted; (C) what type or combination of types of Award will be granted; (D) the provisions of each Award granted (which need not\nbe identical), including the time or t imes when a person will be permitted to receive cash or Common Stock pursuant to a Stock Award; (E) the\nnumber of shares of

Common Stock subject to, or the cash value of, an Award; and (F) the Fair Ma rket Value applicable to a Stock Award.\n(ii) To construe and interpret the Plan and Awards granted under it, and to establish, amend and revoke rules and regulations for its\nadministration. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan or in any Stock Award\nAgreement or in the written terms of a Performance Cash Award, in a manner and to th e extent it will deem necessary or expedient to make the\nPlan or Award fully effective.\n(iii) To settle all controversies regarding the Plan and Awards granted under it.\n(iv) To accelerate the time at which an Award may be exercised or the time during which an Award or any part thereof will vest in\naccordance with the Plan, notwithstanding the provisions in the Award stating the time at which it m ay be exercised or the time during which it\nwill vest (or at which cash or shares of Common Stock may be issued); provided, however, that notwithstanding the foregoing or anything in the\nPlan to the c ontrary, the time at which a Participants Award may be exercised or the time during which a Participants Award or any part thereof\nwill vest may only be accelerated in the event of the Participants death or Disability or in the event of a Corporate Transaction or Change in\nControl.\n(v) To suspend or terminate the Plan at any time. Except as otherwise provided in the Plan or an Award Agreement, suspension or\ntermination of the Plan will not materially impair a Participants rights under his or her then-outstanding Award without his or her written consent.\n(vi) To amend the Plan in any respec t the Board deems necessary or advisable, including, without limitation, relating to Incentive\nStock Options and certain nonqualified deferred compensation under Section 409A of the Code and/or to bri ng the Plan or Awards granted under\nthe Plan into compliance therewith, subject to the limitations, if any, of applicable law. However, except as provided in Section 9(a) relating to\nCapitalization Ad justments, stockholder approval will be required for any amendment of the Plan that either (i) materially increases the number of\nshares of Common Stock available for issuance under the Plan, (ii) mat erially expands the class of individuals eligible to receive Awards under\nthe Plan, (iii) materially increases the benefits accruing to Participants under the Plan or materially reduces the price at w hich shares of Common\nStock may be issued or purchased under the Plan, (iv) materially extends the term of the Plan, or (v) materially expands the types of Awards\navailable for issuance under the Plan , but only to the extent required by applicable law or listing requirements. Except as otherwise provided in\nthe Plan or an AwardAgreement, rights under any Award granted before amendment of the Plan will not be materially impaired by any amendment of the Plan unless\n(i) the Company requests the consent of the affected Participant, and (ii) such Participant consents in writing.\n(vii) To submit any amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended\nto satisfy the requirements of (i) Section 162(m) of the Code and the regulations thereu nder regarding the exclusion of performance-based\ncompensation from the limit on corporate deductibility of compensation paid to Covered Employees, (ii) Section 422 of the Code regarding\nIncentive Sto ck Options, or (iii) Rule 16b-3.\n(viii) To approve forms of Award Agreements for use under the Plan and to amend the terms of any one or more Awards, including,\nbut not limited to, amendments to provi de terms more favorable than previously provided in the Award Agreement, subject to any specified limits\nin the Plan that are not subject to Board discretion; provided however, that, except with respe ct to amendments that disqualify or impair the\nstatus of an Incentive Stock Option or as otherwise provided in the Plan or an Award Agreement, the rights under any Award will not be\nmaterially impaire d by any such amendment unless (i) the Company requests the consent of the affected Participant, and (ii) such Participant\nconsents in writing. Notwithstanding the foregoing, subject to the limitation s of applicable law, if any, and without the affected Participants\nconsent, the Board may amend the terms of any one or more Awards if necessary (A) to maintain the qualified status of the Award as a n\nIncentive Stock Option, (B) to clarify the manner of exemption from, or to bring the Award into compliance with, Section 409A of the Code and\nthe related guidance thereunder, or (C) to comply with o ther applicable laws.\n(ix) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best\ninterests of the Company and that are not in confli ct with the provisions of the Plan or Awards.\n(x) To adopt such procedures or terms and sub-plans (none of which will be inconsistent with the provisions of the Plan) as are\nnecessary or desirable to permit or facilitate participation in the Plan by Employees, Directors or Consultants who are foreign nationals or\nemployed or located outside the United States.\n(c)Delegation to Committee.\n(i) Genera l. The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration\nof the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore\npossessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of\n the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee\nor subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by\nthe Board or Committee (as applicable). The Board may retain the authority to concurrently administer the Plan with the Committee and may, at\nany time, revest in the Board some or all of the powers previously delegated.\n(ii) Section 162(m) and Rule 16b-3 Compliance. The Committee may consist solely of two or more Outside Directors, in\naccordance with Section 162(m) of the Code, or solely of two or more Non-Employee Directors, in accordance with Rule 16b-3. In addition, the\nBoard or the Committee, in its s ole discretion, may (A) delegate to a Committee who need not be Outside Directors the authority to grant Awards\nto eligible persons who are either (I) not then Covered Employees and are not expected t o be Covered Employees at the time of recognition of\nincome resulting from such Stock Award, or (II) not persons with respect to whom the Company wishes to comply with Section 162(m) of the\nCode, and/ or (B) delegate to a Committee who need not be Non-Employee Directors the authority to grant Stock Awards to eligible persons who\nare not then subject to Section 16 of the Exchange Act.\n(d)Delegation to Other Person or Body. The Board or any Committee may delegate to one or more persons or bodies the authority to do\none or more of the following to the extent permitted by applicable law: (i) design ate recipients, other than Officers, of Stock Awards, provided that\nno person or body may be delegated authority to grant a Stock

Award to themself; (ii) determine the number of shares of Common Stock subject\nto such Stock Awards; and(iii) determine the terms of such Stock Awards; provided, however, that the Board or Committee action regarding such delegation will fix the\nterms of such delegation in accordance with applicable law, including without limitation Sections 152 and 157 of the Delaware General\nCorporation Law. Unless provided otherwise in the Board or Committee action regarding such delegation, each Stock Award granted pursuant to\nthis section will be granted on the applicable form of Stock Award Agreement most recently approved for use by the Board or the Committee,\nwith any mod ifications necessary to incorporate or reflect the terms of such Stock Award. Notwithstanding anything to the contrary in this Section\n2(d), neither the Board nor any Committee may delegate to any per son or body (who is not a Director or that is not comprised solely of Directors,\nrespectively) the authority to determine the Fair Market Value pursuant to Section 13(x)(iii) below.\n(e)Effect of Board s Decision. All determinations, interpretations and constructions made by the Board in good faith will not be subject to\nreview by any person and will be final, binding and conclusive on all persons. \n(f)Cancellation and Re-Grant of Stock Awards. Neither the Board nor any Committee will have the authority to: (i) reduce the exercise\nor strike price of any outstanding Options or Stock Appreciation Rights under the Plan, or (ii) cancel any outstanding Options or Stock\nAppreciation Rights that have an exercise price or strike price greater than the current Fair Market Value in exchange for cash o r other Stock\nAwards under the Plan, unless the stockholders of the Company have approved such an action within twelve (12) months prior to such an event.\n(g)Dividends and Dividend Equivalents. Divide nds or dividend equivalents may be paid or credited, as applicable, with respect to any\nshares of Common Stock subject to an Award, as determined by the Board and contained in the applicable Award Agr eement; provided,\nhowever, that (i) no dividends or dividend equivalents may be paid with respect to any such shares before the date such shares have vested\nunder the terms of such Award Agreement, (i i) any dividends or dividend equivalents that are credited with respect to any such shares will be\nsubject to all of the terms and conditions applicable to such shares under the terms of such

Award Ag reement (including, but not limited to, any\nvesting conditions), and (iii) any dividends or dividend equivalents that are credited with respect to any such shares will be forfeited to the\nCompany on t he date, if any, such shares are forfeited to or repurchased by the Company due to a failure to meet any vesting conditions under\nthe terms of such Award Agreement.\n3.Shares Subject to the Plan.\n(a)Sh are Reserve. Subject to the provisions of Section 9(a) relating to Capitalization Adjustments, the aggregate number of shares of\nCommon Stock of the Company that may be issued pursuant to Stock Awards after the Effective Date will not exceed 10,289,710,640 shares\n(the 2007 Plan Reserve). Such maximum number of shares reserved for issuance consists of (i) 152,767,766 shares, which is the total\nre serve that the Companys stockholders approved at the Companys 2007 Annual Meeting of Stockholders, including but not limited to the\nshares remaining available for issuance under the Prior Plans on t he Effective Date and the Prior Plans Returning Shares, (ii) 25,000,000\nshares that were approved at the Companys 2012 Annual Meeting of Stockholders (and reapproved at the Companys 2013 Annual Mee ting of\nStockholders), (iii) 10,000,000 shares that were approved at the Companys 2014 Annual Meeting of Stockholders, (iv) 18,800,000 shares that\nwere approved at the Companys 2016 Annual Meeting o f Stockholders, (v) 23,000,000 shares that were approved at the Companys 2018\nAnnual Meeting of Stockholders, (vi) 14,800,000 shares that were approved at the Companys 2020 Annual Meeting of Stockho lders, (vii)\n733,103,298 shares that were added to reflect a 4-for-1 stock split effective July 19, 2021, (viii) 51,500,000 shares that were approved at the\nCompanys 2022 Annual Meeting of Stockholde rs, and (ix) 9,260,739,576 shares that were added to reflect a 10-for-1 stock split effective June\n7, 2024. For clarity, the 2007 Plan Reserve in this Section 3(a) is a limitation on the number of sha res of Common Stock that may be issued\npursuant to the Plan. Accordingly, this Section 3(a) does not limit the granting of Stock Awards except as provided in Section 7(a). Shares may\nbe issued in conn ection with a merger or acquisition as permitted by Nasdaq Listing Rule 5635(c) or, if applicable, NYSE Listed Company\nManual Section 303A.08, AMEX Company Guide Section 711 or other applicable rule, and such issuance will not reduce the number of shares\navailable for issuance under the Plan.\n The initial 101,845,177 shares approved in June 2007 were adjusted to 152,767,766 pursuant to a 3-for-2 s tock split effective September 10, 2007.1\n1(b)Reversion of Shares to the Share Reserve.\n(i) Shares Available For Subsequent Issuance. If any (x) Stock Award shall for any reason expire or otherwise te rminate, in\nwhole or in part, without having been exercised in full, (y) shares of Common Stock issued to a Participant pursuant to a Stock Award are\nforfeited to or repurchased by the Company at thei r original exercise or purchase price pursuant to the Companys reacquisition or repurchase\nrights under the Plan, including any forfeiture or repurchase caused by the failure to meet a contingency or condition required for the vesting of\nsuch shares, or (z) Stock Award is settled in cash, then the shares of Common Stock not issued under such Stock Award, or forfeited to or\nrepurchased by the Comp any, shall revert to and again become available for issuance under the Plan.\n(ii) Shares Not Available for Subsequent Issuance. If any shares subject to a Stock Award are not delivered to a Participan t\nbecause such shares are withheld by the Company to satisfy the exercise or purchase price of a Stock Award (including any shares subject to a\nStock Award that are not delivered to a Participant beca use the Stock Award is exercised through a reduction of shares subject to the Stock\nAward (i.e., net exercised)) or an appreciation distribution in respect of a Stock Appreciation Right is paid in s hares of Common Stock, the\nnumber of shares subject to the Stock Award that are not delivered to the Participant shall not remain available for subsequent issuance under\nthe Plan. If any shares subjec t to a Stock Award are not delivered to a Participant because such shares are withheld by the Company in\nsatisfaction of the withholding of taxes incurred in connection with a Stock Award, the number of shares that are not delivered to the Participant\nshall not remain available for subsequent issuance under the Plan. If the exercise or purchase price of any Stock Award, or the withholding of\ntaxes incurred in connection with a Stock Award, is satisfied by tendering shares of Common Stock held by the Participant (either by actual\ndelivery or attestation), then the number of shares so tendered s hall not remain available for subsequent issuance under the Plan. If any shares\nof Common Stock are repurchased by the Company on the open market with the proceeds of the exercise or purchase price of a Stock Award,\nthen the number of shares so repurchased shall not remain available for subsequent issuance under the Plan.\n(c)Incentive Stock Option Limit. Subject to the 2007 Plan Reserve and the pr ovisions of Section 9(a) relating to Capitalization\nAdjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock\nOptions under the Plan (including Incentive Stock Options granted under the Prior Plans) will be 10,000,000,000 shares of Common Stock.\n(d)Individual Award Limitations. Subject to the provisions of Section 9(a) relati ng to Capitalization Adjustments, no Participant will be\neligible to be granted during any fiscal year:\n(i) Options, Stock Appreciation Rights and Other Stock Awards whose value is determined by refer ence to an increase over an\nexercise or strike price of at least one hundred percent (100%) of the Fair Market Value on the date the Stock Award is granted covering more\nthan 80,000,000 shares of Comm on Stock;\n(ii) Performance Stock Awards covering more than 80,000,000 shares of Common Stock; and\n(iii) Performance Cash Awards with a value of more than $6,000,000.\nIf a Performance Stock Award is in the form of an Option, it will count only against the Performance Stock Award limit. If a Performance\nStock Award could be paid out in cash, it will count only against the Performance Stock Award lim it.\n(e)Source of Shares. The stock issuable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including\nshares repurchased by the Company on the open market or other wise.\n4.Eligibility.\n(a)Eligibility for Specific Stock Awards. Incentive Stock Options may be granted only to employees of the Company or a parent\ncorporation or subsidiary corporation thereof (as such terms are defined in Sections 424(e) and 424(f) of the Code). Stock Awards other than\nIncentive Stock Options may be granted to Employees, Directors and Consultants; provided, however, that Stoc k Awards may not be granted to\nEmployees, Directors and Consultants who are providing Continuous Service only to any parent of the Company, as such term is defined in\nRule 405 of the SecuritiesAct, unless (i) the stock underlying such Stock Awards is treated as service recipient stock under Section 409A of the Code (for example,\nbecause the Stock Awards are granted pursuant to a corporate tran saction such as a spin off transaction), (ii) the Company, in connection with\nits legal counsel, has determined that such Stock Awards are otherwise exempt from Section 409A of the Code, or (iii) the Company, in\nconnection with its legal counsel, has determined that such Stock Awards comply with the distribution requirements of Section 409A of the Code.\n(b)Ten Percent Stockholders. A Ten Percent S tockholder will not be granted an Incentive Stock Option unless the exercise price of such\nOption is at least one hundred ten percent (110%) of the Fair Market Value on the date of grant and the Optio n is not exercisable after the\nexpiration of five (5) years from the date of grant.\n(c)Consultants. A Consultant will be eligible for the grant of an Award only if, at the time of grant, a Form S-8 Re gistration Statement\nunder the Securities Act or a successor or similar form under the Securities Act (Form S-8) is available to register either the offer or the sale of\nthe Companys securities to such Consultant because of the nature of the services that the Consultant is providing to the Company, because the\nConsultant is a natural person, or because of any other rule governing the use of For m S-8.\n5.Provisions Relating to Options and Stock Appreciation Rights.\nEach Option or SAR will be in such form and will contain such terms and conditions as the Board will deem appropriate. All Option s will be\nseparately designated Incentive Stock Options or Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate\ncertificate or certificates will be issued for s hares of Common Stock purchased on exercise of each type of Option. If an Option is not specifically\ndesignated as an Incentive Stock Option, or if an Option is designated as an Incentive Stock Option but some portion or all of the Option fails to\nqualify as an Incentive Stock Option under the applicable rules, then the Option (or portion thereof) will be a Nonstatutory Stock Option. The\nprovision s of separate Options or SARs need not be identical; provided, however, that each Award Agreement will include (through incorporation\nof provisions hereof by reference in the Award Agreement or otherw ise) the substance of each of the following provisions:\n(a) Term. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, no Option or SAR will be exercisable after the\nexpiratio n of ten (10) years from the date of its grant or such shorter period specified in the Award Agreement (the Expiration Date).\n(b)Exercise Price. Subject to the provisions of Section 4(b) regarding T en Percent Stockholders, and notwithstanding anything in the\nAward Agreement to the contrary, the exercise or strike price of each Option or SAR will not be less than the Fair Market Value subject to the\nOption or SAR on the date the Award is granted. Notwithstanding the foregoing, an Option or SAR may be granted with an exercise or strike\nprice lower than the Fair Market Value subject to the Awar d if such Award is granted pursuant to an assumption or substitution for another option\nor stock appreciation right in a manner consistent with the provisions of Section 409A and, if applicable, Secti on 424(a) of the Code. Each SAR\nwill be denominated in shares of Common Stock equivalents.\n(c)Consideration. The purchase price of Common Stock acquired pursuant to the exercise of an Option will be p aid, to the extent\npermitted by applicable law and as determined by the Board in its sole discretion, by any combination of the methods of payment set forth below.\nThe Board will have the authority to grant Options that do not permit all of the following methods of payment (or otherwise restrict the ability to\nuse certain methods) and to grant Options that require the consent of the Company to uti lize a particular method of payment. The methods of\npayment permitted by this Section 5(c) are:\n(i) by cash, check, bank draft, money order or electronic funds transfer payable to the Company;\n(ii) pu rsuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance\nof the stock subject to the Option, results in either the receipt of cash (or c heck) by the Company or the receipt of irrevocable instructions to pay\nthe aggregate exercise price to the Company from the sales proceeds;(iii) if an option is a Nonstatutory Stock Option, by a net exercise arrangement pursuant to which the Company will reduce the\nnumber of shares of Common Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not \nexceed the aggregate exercise price; provided, however, that the Company will accept a cash or other payment from the Participant to the extent\nof any remaining balance of the aggregate exercise pric e not satisfied by such reduction in the number of whole shares to be issued; provided,\nfurther, that shares of Common Stock will no longer be outstanding under an Option and will not be exercisable t hereafter to the extent that (A)\nshares issuable upon exercise are reduced to pay the exercise price pursuant to the net exercise, (B) shares are delivered to the Participant as\na result of such exe rcise, and (C) shares are withheld to satisfy tax withholding obligations; or\n(iv) in any other form of legal consideration that may be acceptable to the Board and specified in the applicable Award Ag reement.\n(d)Exercise and Payment of a SAR. To exercise any outstanding SAR, the Participant must provide written notice of exercise to the\nCompany in compliance with the provisions of the Stock Apprec iation Right Agreement evidencing such SAR. The appreciation distribution\npayable on the exercise of a SAR will be not greater than an amount equal to the excess of (A) the aggregate Fair Market Value (on the date of\nthe exercise of the SAR) of a number of shares of Common Stock equal to the number of Common Stock equivalents in which the Participant is\nvested under such SAR, and with respect to w hich the Participant is exercising the SAR on such date, over (B) the strike price. The appreciation\ndistribution may be paid in Common Stock, in cash, in any combination of the two or in any other fo rm of consideration, as determined by the\nBoard and contained in the Award Agreement evidencing such SAR.\n(e)Transferability of Options and SARs. The Board may, in its sole discretion, impose such lim itations on the transferability of Options\nand SARs as the Board will determine. If the Board determines that an Option or SAR will be transferable, the Option or SAR will contain such\nadditional term s and conditions as the Board deems appropriate. In the absence of such a determination by the Board to the contrary, the\nfollowing restrictions on the transferability of Options and SARs will apply:\n (i) Restrictions on Transfer. An Option or SAR will not be transferable except by will or by the laws of descent and distribution (or\npursuant to subsections (ii) and (iii) below) and will be exercisa ble during the lifetime of the Participant only by the Participant; provided,\nhowever, that the Board may, in its sole discretion, permit transfer of the Option or SAR in a manner consistent with appl icable tax and securities\nlaws upon the Participants request. Except as explicitly provided herein, neither an Option nor a SAR may be transferred for consideration.\n(ii) Domestic Relations Orders. N otwithstanding the foregoing, subject to the approval of the Board or a duly authorized Officer,\nan

Option or SAR may be transferred pursuant to a domestic relations order or official marital settleme nt agreement; provided, however, that an\nIncentive Stock Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.\n(iii) Beneficiary Designation. Notwithstanding the foregoi ng, subject to the approval of the Board or a duly authorized Officer, a\nParticipant may, by delivering written notice to the Company, in a form provided by or otherwise satisfactory to the Company (o r the designated\nbroker), designate a third party who, in the event of the death of the Participant, will thereafter be entitled to exercise the Option or SAR and\nreceive the Common Stock or other con sideration resulting from such exercise. In the absence of such a designation, the executor or\nadministrator of the Participants estate (or other party legally entitled to the Option or SAR proceeds) will be entitled to exercise the Option or\nSAR and receive the Common Stock or other consideration resulting from such exercise. However, the Company may prohibit designation of a\nbeneficiary at any time, including due to any conclusion by the Company that such designation would be inconsistent with the provisions of\napplicable laws or difficult to administer.\n(f)Vesting Generally. The total numb er of shares of Common Stock subject to an Option or SAR may vest and therefore become\nexercisable in periodic installments that may or may not be equal. The Option or SAR may be subject to such other terms and conditions on the\ntime or times when it may or may not be exercised (which may be based on the satisfaction of Performance Goals or other criteria) as the Board\nmay deem appropriate. The ve sting provisions ofindividual Options or SARs may vary; provided, however, that in all cases, in the event that a Participants Continuous Service terminates as a\nresult of his or her death, then the Option or SAR will become fully vested and exercisable as of the date of termination of Continuous Service.\nThe provisions of this Section 5(f) are subject to any Option or SAR provisions governing th e minimum number of shares of Common Stock as to\nwhich an Option or SAR may be exercised.\n(g)Termination of Continuous Service. Except as otherwise provided in the applicable Award Agreement or other agreement between\nthe Participant and the Company, in the event that a Participants Continuous Service terminates (other than for Cause or upon the Participants\ndeath or Disability), the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Award\nas of the date of termination of Continuous Service) but only within such period of time ending on the earlier of (i) the date 90 days following the\ntermination of the Participants Continuous Service, or (ii) the expiration of the term of the Option or SAR as set forth in the Award Agree ment. If,\nafter termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the time specified herein or in the\nAward Agreement (as applicable), the Option or SAR will terminate.\n(h)Extension of Termination Date. If the exercise of an Option or SAR following the termination of the Participants Continuous Service\n(other than for Cause or upon the Participan ts death or Disability) would either (i) be prohibited solely because the issuance of shares of\nCommon Stock would violate the registration requirements under the Securities Act, or (ii) subject the Participant to short-swing liability under\nSection 16(b) of the Exchange Act due to a transaction engaged in by the Participant prior to his or her termination of Continuous Service, then\nthe Option o r SAR will terminate on the earlier of (A) the expiration of a period of 90 days after the termination of the Participants Continuous\nService during which the exercise of the Option or SAR would not be in violation of such registration requirements and would not subject the\nParticipant to short-swing liability under Section 16(b) of the Exchange Act, or (B) the expiration of the term of the Optio n or SAR as set forth in\nthe Award Agreement. All determinations under this Section 5(h) will be made in the sole discretion of the Board.\n(i)Disability of Participant. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant\nand the Company, in the event that a Participants Continuous Service terminates as a result of the Participants Disability, the Participant may\nexercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of termination of\nContinuous Service), but only wi thin such period of time ending on the earlier of (i) the date 12 months following such termination of Continuous\nService, or (ii) the expiration of the term of the Option or SAR as set forth in the A ward Agreement. If, after termination of Continuous Service,\nthe Participant does not exercise his or her

Option or SAR within the time specified herein or in the Award Agreement (as applicable), the Option\nor SAR will terminate.\n(j)Death of Participant. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant and\nthe Company, in the event that (i) a Participants Continuous Service terminates as a result of the Participants death (which termination event\nwill give rise to acceleration of vesting as described in Section 5(f) above), or (ii) the Participant dies within the period (if any) specified in the\nAward Agreement after the termination of the Participants Continuous Service for a reason other than death (which event will not give ris e to\nacceleration of vesting as described in Section 5(f) above), then the Option or SAR may be exercised (to the extent the Participant was entitled\nto exercise such Option or SAR as of the date of d eath) by the Participants estate, by a person who acquired the right to exercise the Option or\nSAR by bequest or inheritance or by a person designated to exercise the Option or SAR upon the Participa nts death, but only within the period\nending on the earlier of (A) the date 18 months following the date of death, or (B) the expiration of the term of such Option or SAR as set forth in\nthe Award Ag reement. If, after the Participants death, the Option or SAR is not exercised within the time specified herein or in the Award\nAgreement (as applicable), the Option or SAR will terminate.\n(k)Terminat ion for Cause. Except as explicitly provided otherwise in a Participants Award Agreement, or other individual written\nagreement between the Company or any Affiliate and the Participant, if a Particip ants Continuous Service is terminated for Cause, the Option or\nSAR will terminate immediately upon such Participants termination of Continuous Service, and the Participant will be prohibited from ex ercising\nhis or her Option or SAR from and after the time of such termination of Continuous Service.(l)Non-Exempt Employees. No Option or SAR granted to an Employee that is a non-exempt employee for p urposes of the Fair Labor\nStandards Act of 1938, as amended, will be first exercisable for any shares of Common Stock until at least six (6) months following the date of\ngrant of the Option or SAR (al though the Award may vest prior to such date). Consistent with the provisions of the Worker Economic Opportunity\nAct, (i) if such non-exempt Employee dies or suffers a Disability, (ii) upon a Corporat e Transaction in which such Option or

SAR is not assumed,\ncontinued, or substituted, (iii) upon a Change in Control, or (iv) upon the Participants retirement (as such term may be defined in the\nParti cipants Award Agreement or in another agreement between the Participant and the Company, or, if no such definition, in accordance with\nthe Companys then current employment policies and guidelines), the vested portion of any Options and SARs may be exercised earlier than six\n(6) months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non- exempt employee in\nconnection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay. To the extent permitted and/or\nrequired for compliance with the Worke r Economic Opportunity Act to ensure that any income derived by a non-exempt employee in connection\nwith the exercise, vesting or issuance of any shares under any other Stock Award will be exempt from the employees regular rate of pay, the\nprovisions of this Section 5(k) will apply to all Stock Awards and are hereby incorporated by reference into such Stock Award Agreements.\n6.Provisions of Stock Awards other than Options and SARs.\n(a)Restricted Stock Awards. Each Restricted Stock Award Agreement will be in such form and will contain such terms and conditions as\nthe Board will deem appropriat e. To the extent consistent with the Companys Bylaws, at the Boards election, shares of Common Stock may be\n(x) held in book entry form subject to the Companys instructions until any restrictions r elating to the Restricted Stock Award lapse; or\n(y) evidenced by a certificate, which certificate will be held in such form and manner as determined by the Board. The terms and conditions of\nRestricte d Stock Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Award\nAgreements need not be identical, provided, however, that each Restricted Stock A ward Agreement will include (through incorporation of the\nprovisions hereof by reference in the Award Agreement or otherwise) the substance of each of the following provisions:\n(i) Consideration. A Re stricted Stock Award may be awarded in consideration for (A) cash, check, bank draft, money order or\nelectronic funds transfer payable to the Company, (B) past services rendered to the Company or an A ffiliate, or (C) any other form of legal\nconsideration (including future services) that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.\n(ii) Vesting. Shar es of Common Stock awarded under a Restricted Stock Award Agreement may be subject to forfeiture to the\nCompany in accordance with a vesting schedule to be determined by the Board; provided, however, that in all cases, in the event a Participants\nContinuous Service terminates as a result of his or her death, then the Restricted Stock Award will become fully vested as of the date of\ntermination of Continuous Service.\n(iii) Termination of Participants Continuous Service. In the event a Participants Continuous Service terminates, the Company\nmay receive via a forfeiture condition or a repurcha se right any or all of the shares of Common Stock held by the Participant which have not\nvested as of the date of termination of Continuous Service under the terms of the Restricted Stock Award Agreem ent.\n(iv) Transferability. Rights to acquire shares of Common Stock under the Restricted Stock Award Agreement will be transferable by\nthe Participant only upon such terms and conditions as are set fo rth in the Restricted Stock Award Agreement, as the Board will determine in its\nsole discretion, so long as Common Stock awarded under the Restricted Stock Award Agreement remains subject to the terms of the Restricted\nStock Award Agreement.\n(b)Restricted Stock Unit Awards. Each Restricted Stock Unit Award Agreement will be in such form and will contain such terms and\nconditions as the Board will deem appropriate. The terms and conditions of Restricted Stock Unit Award Agreements may change from time to\ntime, and the terms and conditions of separate Restricted Stock Unit Award Agreements need not be identical, provided, however, that each\nRestricted Stock Unit Award Agreement willinclude (through incorporation of the provisions hereof by reference in the Award Agreement or otherwise) the s ubstance of each of the following\nprovisions:\n(i) Consideration. At the time of grant of a Restricted Stock Unit Award, the Board will determine the consideration, if any, to be\npaid by the Participan t upon delivery of each share of Common Stock subject to the Restricted Stock Unit Award. The consideration to be paid (if\nany) by the Participant for each share of Common Stock subject to a Restricte d Stock Unit Award may be paid in any form of legal consideration\nthat may be acceptable to the Board in its sole discretion and permissible under applicable law.\n(ii) Vesting. At the time of the gran t of a Restricted Stock Unit Award, the Board may impose such restrictions or conditions to the\nvesting of the Restricted Stock Unit Award as it, in its sole discretion, deems appropriate; provided, h owever, that in all cases, in the event a\nParticipants Continuous Service terminates as a result of his or her death, then the Restricted Stock Unit Award will become fully vested as of\nthe date of t ermination of Continuous Service.\n(iii) Payment. A Restricted Stock Unit Award may be settled by the delivery of shares of Common Stock, their cash equivalent, any\ncombination thereof or in any other form of consideration, as determined by the Board and contained in the Restricted Stock Unit Award\nAgreement.\n(iv) Additional Restrictions. At the time of the grant of a Restricted Stock Unit Award, t he Board, as it deems appropriate, may\nimpose such restrictions or conditions that delay the delivery of the shares of Common Stock (or their cash equivalent) subject to a Restricted\nStock Unit Award to a time after the vesting of such Restricted Stock Unit Award.\n(v) Termination of Participants Continuous Service. Except as otherwise provided in the applicable Restricted Stock Unit Award\nAgreeme nt, such portion of the Restricted Stock Unit Award that has not vested will be forfeited upon the Participants termination of Continuous\nService.\n(c)Performance Awards.\n(i) Performance Stock Awards. A Performance Stock Award is a Stock Award that is payable (including that may be granted, vest\nor exercised) contingent upon the attainment during a Performance Period of certain Performance Goals. A Performance Stock Award may\nrequire the completion of a specified period of Continuous Service. In the event a Participants Continuous Service terminates as a result of his\nor her death, then the P erformance Stock Award will be deemed to have been earned at 100% of the target level of performance, will be fully\nvested, as of the date of death, and shares thereunder will be issued promptly follo wing the date of death. The length of any Performance\nPeriod, the Performance Goals to be achieved during the Performance Period, and the measure of whether and to what degree such\nPerformance Goals h ave been attained will be conclusively determined by the Committee (or, to the extent that an Award is not intended to\nqualify as performance-based compensation under Section 162(m) of the Code, the Board), in its sole discretion. In addition, to the extent\npermitted by applicable law and the applicable Award Agreement, the Board or the Committee, as applicable, may determine that cash may be\nus ed in payment of Performance Stock Awards.\n(ii) Performance Cash Awards. A Performance Cash Award is a cash award that is payable contingent upon the attainment during\na Performance Period of certain Performance Goals. A Performance Cash Award may also require the completion of a specified period of\nContinuous Service. The length of any Performance Period, the Performance Goals to be achieved duri ng the Performance Period, and the\nmeasure of whether and to what degree such Performance Goals have been attained will be conclusively determined by the Committee (or, to\nthe extent that an Award is not intended to qualify as performance-based compensation under Section 162(m) of the Code, the Board), in its\nsole discretion. The Board or the Committee, as applicable, may provide for or, subject to such terms and conditions as the Board or the\nCommittee, as applicable, may specify, may permit a Participant to elect for, the payment of any Performance Cash Award to be deferred to a\nspecified date or event. The Board or the Committee, as applicable, may specify the form of payment of Performance Cash Awards, which may\nbe cash or other property, or may provide for a Participant to have the option for his or her Performance Cash Award, or such portion thereof as\nthe Board or theCommittee, as applicable, may specify, to be paid in whole or in part in cash or other property. In addition, t o the extent permitted by applicable\nlaw and the applicable Award Agreement, the Board or the Committee, as applicable, may determine that Common Stock authorized under this\nPlan may be used in paymen t of Performance Cash Awards, including additional shares in excess of the Performance Cash Award as an\ninducement to hold shares of Common Stock.\n(iii) Section 162(m) Compliance. Unless otherwise per mitted in compliance with the requirements of Section 162(m) of the Code\nwith respect to any Award intended to qualify as performance-based compensation thereunder, the Committee will establish the Performance\nGoals applicable to, and the formula for calculating the amount payable under, the Award no later than the earlier of (a) the date 90 days after\nthe commencement of the applicable Performa nce Period, and (b) the date on which 25% of the Performance Period has elapsed, and in any\nevent at a time when the achievement of the applicable Performance Goals remains substantially uncertain. Pr ior to the payment of any\ncompensation under an Award intended to qualify as performance-based compensation under Section 162(m) of the Code, the Committee will\ncertify the extent to which any Perfo rmance Goals and any other material terms under such Award have been satisfied (other than in cases\nwhere such relate solely to the increase in the value of the Common Stock). With respect to any Awar d intended to qualify as performance-\nbased compensation under Section 162(m) of the Code, the Committee may reduce or eliminate the compensation or economic benefit due\nupon the attainment of the a pplicable Performance Goals on the basis of any such further considerations as the Committee, in its sole discretion,\nmay determine.\n(d)Other Stock Awards. Other forms of Stock Awards valued in whole or in part by reference to, or otherwise based on, Common Stock,\nincluding the appreciation in value thereof may be granted either alone or in addition to Stock Awards provided for under Section 5 and the\npreceding provisions of this Section 6. Subject to the provisions of the Plan (including, but not limited to, Section 2(g)), the Board will have sole\nand complete authority to determine the perso ns to whom and the time or times at which such Other Stock Awards will be granted, the number\nof shares of Common Stock (or the cash equivalent thereof) to be granted pursuant to such Other Stock Awar ds and all other terms and\nconditions of such Other Stock Awards; provided, however, that in all cases, in the event a Participants Continuous Service terminates as a\nresult of his or her death, then any Other Stock Awards held by such Participant will become fully vested as of the date of termination of\nContinuous Service.\n7.Covenants of the Company.\n(a)Availability of Shares. During the terms o f the Stock Awards, the Company will keep available at all times the number of shares of\nCommon Stock reasonably required to satisfy such Stock Awards.\n(b)Securities Law Compliance. The Company will s eek to obtain from each regulatory commission or agency having jurisdiction over the\nPlan, or any offerings made under the Plan, such authority as may be required to grant Stock Awards and to issue an d sell shares of Common\nStock upon exercise of the Stock

Awards; provided, however, that this undertaking will not require the Company to register under the Securities\nAct the Plan, any Stock Award or any Common Stock issued or issuable pursuant to any such Stock Award nor seek to obtain such approval if\nthe cost or efforts to obtain the approval is unreasonable in relation to the value of the ben efits to be provided under the Plan, as determined by\nthe Company in its sole discretion. If, after reasonable efforts and at a reasonable cost, the Company is unable to obtain from any such\nregulator y commission or agency the authority that counsel for the Company deems necessary for the lawful issuance and sale of Common\nStock under the Plan, the Company will be relieved from any liability for f ailure to issue and sell Common Stock upon exercise of such Stock\nAwards unless and until such authority is obtained. A Participant will not be eligible for the grant of an Award or the subsequent iss uance of cash\nor Common Stock pursuant to the Award if such grant or issuance would be in violation of any applicable securities laws.\n(c)No Obligation to Notify or Minimize Taxes. The Company will ha ve no duty or obligation to any Participant to advise such Participant\nas to the time or manner of exercising such Stock Award. Furthermore, the Company will have no duty or obligation to warn or othe rwise advise\nsuch holder of a pending termination or expiration of an Award or a possible period in which the Award may not be exercised. Neither the\nCompany nor any of its Affiliates has any duty or obligation to minimize the tax consequences of an Award to the holder of such Award.8.Miscellaneous.\n(a)Use of Proceeds. Proceeds from the sale of shares of Common Stock pursuant to Awards will consti tute general funds of the Company.\n(b)Corporate Action Constituting Grant of Stock Awards. Corporate action constituting a grant by the Company of an Award to any\nParticipant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the\ninstrument, certificate, or letter evidencing the Award is communicated to, or actually receiv ed or accepted by, the Participant. In the event that\nthe corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action constituting the grant contain terms (e.g.,\n exercise price, vesting schedule or number of shares) that are inconsistent with those in the Award Agreement as a result of a clerical error in the\npapering of the Award Agreement, the corporate reco rds will control and the Participant will have no legally binding right to the incorrect term in\nthe Award Agreement.\n(c)Stockholder Rights. No Participant will be deemed to be the holder of, or to ha ve any of the rights of a holder with respect to, any\nshares of Common Stock subject to an Award unless and until (i) such Participant has satisfied all requirements for exercise of, or the issuance\nof shares under, the Award pursuant to its terms and (ii) the issuance of the Common Stock subject to such Award has been entered into the\nbooks and records of the Company.\n(d)No Employment or Other Se rvice Rights. Nothing in the Plan, any Award Agreement or any other instrument executed thereunder or\nin connection with any Award granted pursuant to the Plan will confer upon any Participant any rig ht to continue to serve the Company or an\nAffiliate in the capacity in effect at the time the Award was granted or will affect the right of the Company or an Affiliate to terminate (i) the\nemployment of an Employee with or without notice and with or without cause (provided in compliance with applicable local laws and the\nEmployees employment contract, if any), (ii) the service of a Consultant pur suant to the terms of such Consultants agreement with the\nCompany or an Affiliate, or (iii) the service of a Director pursuant to the Bylaws of the Company or an Affiliate, and any applicable provisi ons of\nthe corporate law of the state in which the Company or the Affiliate is incorporated, as the case may be.\n(e)Change in Time Commitment. In the event a Participants regular level of time commit ment in the performance of his or her services\nfor the Company or any Affiliates is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the\nEmployee has a change in status from a full-time Employee to a part-time Employee) after the date of grant of any Award to the Participant, the\nBoard has the right in its sole discretion (provided in compliance wi th applicable local laws) to (i) make a corresponding reduction in the number\nof shares or cash amount subject to any portion of such Award that is scheduled to vest or become payable after the date o f such change in time\ncommitment, and (ii) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the\nevent of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced.\n(f)Incentive Stock Option Limitation. To the extent that the aggregate Fair Market Value (determined at the time of grant) with respect to\nwhich Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company\nand any Affiliates) exceeds $100,000 (or such other limit established in the Code) or otherwise does not comply with the rules governing\nIncentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise\ndo not comply with the rules will be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option\nAgree ment(s) or any Board or Committee resolutions related thereto.\n(g)Investment Assurances. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any\nAward, (i) to give written assurances satisfactory to the Company as to the Participants knowledge and experience in financial and business\nmatters and/or to employ a purchaser representative reasonably sat isfactory to the Company who is knowledgeable and experienced in financial\nand business matters and that he or she is capable of evaluating, alone or together with the purchaser representative, the me rits and risks of\nexercising the Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Common Stock\nsubject to the Award for the Participant s own account and not with any present intention of selling or otherwisedistributing the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, will be inope rative if (A)\nthe issuance of the shares upon the exercise or acquisition of Common Stock under the Award has been registered under a then currently\neffective registration statement under the Securiti es Act, or (B) as to any particular requirement, a determination is made by counsel for the\nCompany that such requirement need not be met in the circumstances under the then applicable securities laws . The Company may, upon\nadvice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in\norder to comply with applicable se curities laws, including, but not limited to, legends restricting the transfer of the Common

Stock.\n(h)Withholding Obligations. Unless prohibited by the terms of an Award Agreement, the Company may, i n its sole discretion, satisfy any\nfederal, state, foreign or local tax withholding obligation relating to an Award (including but not limited to income tax, social insurance\ncontributions, payment on account or any other taxes) by any of the following means (in addition to the Companys right to withhold from any\ncompensation paid to the Participant by the Company or an Affiliate) or by a combina tion of such means: (i) causing the Participant to tender a\ncash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in\nco nnection with the Award; provided, however, that no shares of Common Stock are withheld with a value exceeding the maximum amount of\ntax required to be withheld by law (or such other amount as may be necessary to avoid classification of the Stock Award as a liability for financial\naccounting purposes); (iii) withholding cash from an Award settled in cash; (iv) withholding payment from any amounts otherwise payable to the\nParticipant; or (v) by such other method as may be set forth in the Award Agreement.\n(i)Electronic Delivery. Any reference herein to a written agreement or document will inc lude any agreement or document delivered\nelectronically, filed publicly at www.sec.gov (or any successor website thereto) or posted on the Companys intranet.\n(j)Deferrals. To the extent permitted by applicable law, the Board, in its sole discretion, may determine that the delivery of Common Stock\nor the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Award may be deferred and may establish programs\nand procedures for deferral elections to be made by Participants. Deferrals by Participants will be made in accordance with Section 409A of the\nCode. Consistent with Section 409A of the Code, the Board may provide for distributions while a Participant is still an employee or otherwise\nproviding services to the Company or an Affiliate. The Board is authorized to make deferrals of Awards and determine when, and in what annual\npercentages, Participants may receive payments, including lump sum payments, following the Participants termination of Continuous S ervice,\nand implement such other terms and conditions consistent with the provisions of the Plan and in accordance with applicable law.\n(k)Compliance with Section 409A. Unless otherwise expressly prov ided for in an Award Agreement, the Plan and Award Agreements will\nbe interpreted to the greatest extent possible in a manner that makes the Plan and the Awards granted hereunder exempt from Section 4 09A of\nthe Code, and, to the extent not so exempt, in compliance with Section 409A of the Code. If the Board determines that any Award granted\nhereunder is not exempt from and is therefore subject to Section 409A of the Code, the Award Agreement evidencing such Award will\nincorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code, and to th e extent an\nAward Agreement is silent on terms necessary for compliance, such terms are hereby incorporated by reference into the Award Agreement.\nNotwithstanding anything to the contrary in this Plan (and unless the Award Agreement specifically provides otherwise), if the shares of Common\nStock are publicly traded, and if a Participant holding an Award that constitutes deferred compensation und er Section 409A of the Code is a\nspecified employee for purposes of Section 409A of the Code, no distribution or payment of any amount that is due because of a separation\nfrom service (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date\nthat is six (6) months following the date of such Participants separation fro m service or, if earlier, the date of the Participants death, unless\nsuch distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred wil l be paid in\na lump sum on the day after such six (6) month period elapses, with the balance paid thereafter on the original schedule.(l)Clawback/Recovery. All Awards granted under the Plan will be su bject to recoupment in accordance with any clawback policy that the\nCompany is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Compa nys\nsecurities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable law. In\naddition, the Board may impose such other clawback, recovery or recoupment provisions in an Award Agreement as the Board determines\nnecessary or appropriate, including but not limited to a reacquisition right in respect of previously acquired shares of Common Stock or other\ncash or property upon the occurrence of Cause.\n9.Adjustments upon Changes in Common Stock; Other Corporate Events.\n(a)Capitalization Adjustments. In the event of a Capitalizatio n Adjustment, the Board will appropriately and proportionately adjust: (i) the\nclass(es) and maximum number of securities subject to the Plan pursuant to Section 3(a); (ii) the class(es) and maximum n umber of securities\nthat may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 3(c); (iii) the class(es) and maximum number of\nsecurities that may be awarded to any per son pursuant to Section 3(d); and (iv) the class(es) and number of securities and price per share of\nstock subject to outstanding Stock Awards. The Board will make such adjustments, and its determinat ion will be final, binding and conclusive.\n(b)Dissolution or Liquidation. Except as otherwise provided in the Stock Award Agreement, in the event of a dissolution or liquidation of\nthe Company, and up on ten (10) days prior written notice, all outstanding Stock Awards (other than Stock Awards consisting of vested and\noutstanding shares of Common Stock not subject to the Companys right of repurchas e or a forfeiture condition) will terminate immediately prior\nto the completion of such dissolution or liquidation, and the shares of Common Stock subject to the Companys repurchase rights or a forfe iture\ncondition may be repurchased or reacquired by the Company notwithstanding the fact that the holder of such Stock Award is providing\nContinuous Service, provided, however, that the Board may, in its sole discretion, cause some or all Stock Awards to become fully vested,\nexercisable and/or no longer subject to repurchase or forfeiture (to the extent such Stock Awards have not previously expire d or terminated)\nbefore the dissolution or liquidation is completed but contingent on its completion.\n(c)Corporate Transaction.\n(i) Stock Awards May Be Assumed. Except as otherwise stated in the Stock Award Agreement, in the event of a Corporate\nTransaction, any surviving corporation or acquiring corporation (or the surviving or acquiring corporations parent company) may assume or\ncontinue any or all Stock Awards outstanding under the Plan or may substitute similar stock awards for Stock Awards outstanding under the Plan\n(including but not limited to, awards to acquire the same consideration paid to the stockholders of the Company pursuant to the Corporate\nTransaction), and any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to Stock Award s\nmay be assigned by the Company to the successor of the Company (or the successors parent company, if any), in connection with such\nCorporate Transaction. A surviving corporation or acquiring corpor ation (or its parent) may choose to assume or continue only a portion of a\nStock Award or substitute a similar stock award for only a portion of a Stock Award.\n(ii) Stock Awards Not Assumed Held by Cu rrent Participants. Except as otherwise stated in the Stock Award Agreement\n(including an option and stock award agreement subject to the terms of the Prior Plans, which terms remain applicable as to outstanding options\nand stock awards thereunder), in the event of a Corporate Transaction in which the surviving corporation or acquiring corporation (or its parent\ncompany) does not assume or continu e any or all outstanding Stock Awards or substitute similar stock awards for such outstanding Stock\nAwards, then with respect to Stock Awards that have not been assumed, continued or substituted and t hat are held by Participants whose\nContinuous Service has not terminated prior to the effective time of the Corporate Transaction (referred to as the Current Participants), the\nvesting of such Stock Awards (and, if applicable, the time at which such Stock Awards may be exercised) will (contingent upon the effectiveness\nof the Corporate Transaction) be accelerated in full to a date prior to the e ffective time of such Corporate Transaction as the Board will determine\n(or, if the Board will not determine such a date, to the date that is five business (5) days prior to the effective time of the Corporate Transaction),\nand such StockAwards will terminate if not exercised (if applicable) at or prior to the effective time of the Corporate Transaction, and any reacquisition or\nrepurchase rights held by the Company with respect to such Stock Awards will lapse (contingent upon the effectiveness of the Corporate\nTransaction).\n(iii) Stock Awards Not Assumed Held by Persons other than Current Par ticipants. Except as otherwise stated in the Stock\nAward Agreement (including an option and stock award agreement subject to the terms of the Prior Plans, which terms remain applicable as to\noutstandi ng options and stock awards thereunder), in the event of a Corporate Transaction in which the surviving corporation or acquiring\ncorporation (or its parent company) does not assume or continue any or all outstanding Stock Awards or substitute similar stock awards for such\noutstanding Stock Awards, then with respect to Stock Awards that have not been assumed, continued or substituted and that are h eld by\npersons other than Current Participants, the vesting of such Stock Awards (and, if applicable, the time at which such Stock Award may be\nexercised) will not be accelerated and such Stock Awards (other than a Stock Award consisting of vested and outstanding shares of Common\nStock not subject to the Companys right of repurchase), upon advance written notice by the Company of at least five (5) business days to the\nholders of such Stock Awards, will terminate if not exercised (if applicable) prior to the effective time of the Corporate Transaction; provided,\nhowever, that any reacquisition or repurchase rights held by the Company with respect to such Stock Awards will not terminate and may\ncontinue to be exercised notwithstanding the Corporate Transaction.\n(d)Change in Control.\n(i) Sto ck Awards May Be Assumed. Except as otherwise stated in the Stock Award Agreement, in the event of a Change in\nControl, any surviving corporation or acquiring corporation (or the surviving or acquirin g corporations parent company) may assume or continue\nany or all Stock Awards outstanding under the Plan or may substitute similar stock awards for Stock Awards outstanding under the Plan\n(including but not limited to, awards to acquire the same consideration paid to the stockholders of the Company pursuant to the Change in\nControl), and any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to Stock Awards may be\nassigned by the Company to the successor of the Company (or the successors parent company, if any), in connection with such Change in \nControl. A surviving corporation or acquiring corporation (or its parent) may choose to assume or continue only a portion of a Stock Award or\nsubstitute a similar stock award for only a portion of a Stock Award.\n(ii) Stock Awards Not Assumed Held by Current Participants. Except as otherwise stated in the Stock Award Agreement\n(including an option and stock award agreement subject to the terms of the Prior Plans, which terms remain applicable as to outstanding options\nand stock awards thereunder), in the event of a Change in Control in which the surviving corporation or acquiring corporation (or its parent\ncompany) does not assume or continue any or all outstanding Stock Awards or substitute similar stock awards for such outstanding Stock\nAwards, then with respect to Stock Awards that have not been assumed, continued or substituted and that are held by Current Participants, the\nvesting of such Stock Awards (and, if applicable, the time at which such Stock Awards may be exercised) will (contingent upon the effectiveness\nof the Change in Control) be accelerated in full to a date prior to the effective time of such Change in Control as the Board will determine (or, if\nthe Board will n ot determine such a date, to the date that is five business (5) days prior to the effective time of the Change in Control), and such\nStock Awards will terminate if not exercised (if applicable) at or prior to the effective time of the Change in Control, and any reacquisition or\nrepurchase rights held by the Company with respect to such Stock Awards will lapse (contingent upon the effectiveness of the Change in\nControl).\n(iii) Stock Awards Not Assumed Held by Persons other than Current Participants. Except as otherwise stated in the Stock\nAward Agreement (including an option and stock award agr eement subject to the terms of the Prior Plans, which terms remain applicable as to\noutstanding options and stock awards thereunder), in the event of a Change in Control in which the surviving corpora tion or acquiring\ncorporation (or its parent company) does not assume or continue any or all outstanding Stock Awards or substitute similar stock awards for such\noutstanding Stock Awards, then with re spect to Stock Awards that have not been assumed, continued or substituted and that are held by\npersons other than Current Participants, the vesting of such Stock Awards (and, if applicable, the time at which such Stock Award may be\nexercised) will not be accelerated and such Stock Awards (other than a Stock Award consisting of vestedand outstanding shares of Common Stock not subject to the Compan ys right of repurchase), upon advance written notice by the Company of at\nleast five (5) business days to the holders of such Stock Awards, will terminate if not exercised (if applicable) prior to th e effective time of the\nChange in Control; provided, however, that any reacquisition or repurchase rights held by the Company with respect to such Stock Awards will\nnot terminate and may continue to b e exercised notwithstanding the Change in Control.\n(iv) Additional

Provisions. A Stock Award may be subject to additional acceleration of vesting and exercisability upon or after a\nChange in Control a s may be provided in the Stock Award Agreement for such Stock Award or as may be provided in any other written\nagreement between the Company or any Affiliate and the Participant. A Stock Award may ves t as to all or any portion of the shares subject to the\nStock Award (i) immediately upon the occurrence of a Change in Control, whether or not such Stock Award is assumed, continued, or substituted\nby a surviving or acquiring entity in the Change in Control, and/or (ii) in the event a Participants Continuous Service is terminated, actually or\nconstructively, within a designated period following t he occurrence of a Change in Control, but in the absence of such provision, no such\nacceleration will occur.\n10.Termination or Suspension of the Plan.\n(a)Plan Term. Unless sooner terminated by the Boa rd pursuant to Section 2, the Plan will automatically terminate on the day before the\ntenth (10th) anniversary of the earlier of (i) the date the Plan is adopted by the Board or a duly authorized Comm ittee, or (ii) the date the Plan is\napproved by the stockholders of the Company. The Board may suspend the Plan at anytime. No Awards may be granted under the Plan while\nthe Plan is suspended or after it is terminated.\n11.Effective Date of Plan.\nThis Plan will become effective on the Effective Date.\n12.Choice of Law.\nThe law of the State of Delaware will govern all questions concerning the constru ction, validity and interpretation of this Plan, without regard\nto that states conflict of laws rules.\n13.Definitions.\nAs used in the Plan, the following definitions will apply to the capitalized ter ms indicated below:\n(a)Affiliate means, at the time of determination, any parent or subsidiary of the Company as such terms are defined in Rule 405 of the\nSecurities Act. The Board will have the authority to determine the time or times at which parent or subsidiary status is determined within the\nforegoing definition.\n(b)Award means a Stock Award or a Performance Cash Award.\n(c)Award Agreement means a written agreement between the Company and a Participant evidencing the terms and conditions of an\nAward.\n(d)Board means the Board of Directors of the Company.\n(e)Capitalization A djustment means any change that is made in, or other events that occur with respect to, the Common Stock subject\nto the Plan or subject to any Stock Award after the Effective Date without the receipt of consideration by the Company through merger,\nconsolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, stock split, liquidating\ndivide nd, combination of shares, exchange of shares, change in corporate structure or any similar equity restructuring transaction, as that term is\nused in Financial Accounting Standards Board Accounting St andards Codification Topic 718 (or any successor thereto). Notwithstanding the\nforegoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment .\n(f)Cause means (i) if a Participant is party to an agreement with the Company or an Affiliate that relates to equity awards and contains a\ndefinition of Cause, the definition of Cause in the a pplicable agreement, or (ii) if a Participant is not party to any such agreement, such\nParticipants termination because of (A) any willful, material violation by theParticipant of any law or regulati on applicable to the business of the Company or an Affiliate, the Participants conviction for, or guilty plea to, a\nfelony or a crime involving moral turpitude, or any willful perpetration by the Par ticipant of a common law fraud, (B) the Participants commission\nof an act of personal dishonesty that involves personal profit in connection with the Company or any other entity having a business rel ationship\nwith the Company, (C) any material breach by the Participant of any provision of any agreement or understanding between the Company or an\nAffiliate and the Participant regarding the terms of the Participants service as an Employee, Officer, Director or Consultant to the Company or an\nAffiliate, including without limitation, the willful and continued failure or refusal of the Participant to perform the material duties required of such\nParticipant as an Employee, Officer, Director or Consultant of the Company or an Affiliate, other than as a result of having a Disability, or a\nbreach of any applicable invention assignment and confidentiality agreement or similar agreement between the Company or an Affiliate and the\nParticipant, (D) the Participants disregard of the policies of th e Company or an Affiliate so as to cause loss, damage or injury to the property,\nreputation or employees of the Company or an Affiliate, or (E) any other misconduct by the Participant that is material ly injurious to the financial\ncondition or business reputation of, or is otherwise materially injurious to, the Company or an Affiliate.\n(g) Change in Control means the occurrence, in a single trans action or in a series of related transactions, of any one or more of the\nfollowing events:\n(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company represent ing more than 50%\nof the combined voting power of the Companys then outstanding securities other than by virtue of a merger, consolidation or similar transaction.\nNotwithstanding the foregoing, a Cha nge in Control will not be deemed to occur (A) on account of the acquisition of securities of the Company by\nan investor, any affiliate thereof or any other Exchange Act Person that acquires the Compa nys securities in a transaction or series of related\ntransactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities, or (B) solely because\n the level of Ownership held by any Exchange Act Person (the Subject Person) exceeds the designated percentage threshold of the\noutstanding voting securities as a result of a repurchase or other acqu isition of voting securities by the Company reducing the number of shares\noutstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acqu isition of voting\nsecurities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that,\nassuming the repurchase or other acquisiti on had not occurred, increases the percentage of the then outstanding voting securities Owned by the\nSubject Person over the designated percentage threshold, then a Change in Control will be deemed to occur;\n(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and,\nimmediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior\nthereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting\npower of the surviving Entity in such merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power\nof the parent of the surviving Entit y in such merger, consolidation or similar transaction, in each case in substantially the same proportions as\ntheir Ownership of the outstanding voting securities of the Company immediately prior to s uch transaction;\n(iii) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of\nthe Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the\nCompany and its Subsidiaries to an Entity, more than 50% of the combined voting power of the voting securities of which are Owned by\nstockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company\nimmediately prior to su ch sale, lease, license or other disposition; or\n(iv) individuals who, on the date this Plan is adopted by the Board, are members of the Board (the Incumbent Board) cease for\nany reason to constitut e at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for\nelection) of any new Board member was approved orrecommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of this Plan, be\nconsidered as a member of the Incumbent Board.\nFor purposes of determining voting p ower under the term Change in Control, voting power will be calculated by assuming the conversion of\nall equity securities convertible (immediately or at some future time) into shares entitled to vote , but not assuming the exercise of any warrant or\nright to subscribe to or purchase those shares. In addition, (A) the term Change in Control will not include a sale of assets, merger or other\ntransac tion effected exclusively for the purpose of changing the domicile of the Company, and (B) the definition of Change in Control (or any\nanalogous term) in an individual written agreement between the Co mpany or any Affiliate and the Participant will supersede the foregoing\ndefinition with respect to Awards subject to such agreement; provided, however, that if no definition of Change in Control or an y analogous term\nis set forth in such an individual written agreement, the foregoing definition will apply; provided, further, that no Change in Control will be deemed\nto occur upon announcement or co mmencement of a tender offer or upon a potential takeover or upon stockholder approval of a merger or other\ntransaction, in each case without a requirement that the Change in Control actually occur.\nI f required for compliance with Section 409A of the Code, in no event will a Change in

Control be deemed to have occurred if such\ntransaction is not also a change in the ownership or effective control of the Company or a change in the ownership of a substantial portion of\nthe assets of the Company as determined under Treasury Regulation Section 1.409A-3(i)(5) (without regard to any alternative definition\nthereunder). The Board may, in its sole discretion and without a Participants consent, amend the definition of Change in Control to conform to\nthe definition of Change in Control under Section 409A of the Code and the regulations thereunder.\n(h)Code means the Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.\n(i)Committee me ans a committee of one (1) or more Directors to whom authority has been delegated by the Board in accordance with\nSection 2(c).\n(j)Common Stock means the common stock of the Company.\n(k)Company me",

"result": "### Executive Summary of Nvidia's Risk Factors\n\nNvidia Corporation, a leader in graphics processing units (GPUs) and artificial intelligence (AI) technologies, faces a variety of risks that could significantly impact its financial performance. These risks can be categorized into market, operational, regulatory, and competitive risks. Below is a detailed analysis of the most significant risks identified in Nvidia's 10-K report, along with potential impacts and mitigation strategies.\n\n#### 1. **Market Risks**\n - **Demand Fluctuations**: Nvidia's revenue is highly dependent on the demand for its products, particularly in the gaming and data center markets. The emergence of new technologies, changes in consumer preferences, and economic conditions can lead to unpredictable demand.\n - **Supply Chain Disruptions**: Long manufacturing lead times and reliance on third-party suppliers can result in mismatches between supply and demand. This has historically led to both product shortages and excess inventory, adversely affecting financial results.\n\n **Mitigation Strategies**:\n - Nvidia is increasing its supply chain resilience by diversifying suppliers and entering long-term supply agreements.\n - The company is investing in demand forecasting technologies to better align production with market needs.\n\n#### 2. **Operational Risks**\n - **Product Transition Challenges**: The rapid pace of technological advancement necessitates frequent product launches. Managing transitions between product architectures can be complex and may lead to inventory issues or reduced demand for older products.\n - **Quality Control Issues**: Increased product complexity raises the risk of quality control problems, which can lead to higher warranty costs and damage to brand reputation.\n\n **Mitigation Strategies**:\n - Nvidia is enhancing its product development processes and quality assurance protocols to minimize risks associated with new product launches.\n - The company is investing in R&D to ensure that new products meet market expectations and quality standards.\n\n#### 3. **Regulatory Risks**\n - **Compliance with Laws and Regulations**: Nvidia operates in a highly regulated environment, facing laws related to intellectual property, export controls, and data privacy. Non-compliance can result in significant fines and operational restrictions.\n - **Geopolitical Tensions**: Ongoing geopolitical issues, particularly involving China and Taiwan, pose risks to Nvidia's supply chain and market access. Export controls and sanctions can limit Nvidia's ability to sell products in certain regions.\n\n **Mitigation Strategies**:\n - Nvidia is actively monitoring regulatory changes and engaging with policymakers to advocate for favorable conditions.\n - The company is diversifying its market presence to reduce reliance on any single region.\n\n#### 4. **Competitive Risks**\n - **Intense Competition**: The semiconductor and AI markets are highly competitive, with numerous players vying for market share. Competitors may introduce superior products or lower prices, impacting Nvidia's market position.\n - **Innovation Pressure**: The need for continuous innovation to stay ahead of competitors can strain resources and lead to increased operational costs.\n\n **Mitigation Strategies**:\n - Nvidia is focusing on innovation through significant investments in R&D to maintain its technological edge.\n - The company is leveraging strategic partnerships and acquisitions to enhance its product offerings and market reach.\n\n### Conclusion\nNvidia's growth trajectory is promising, driven by its leadership in AI and GPU technologies. However, the company must navigate a complex landscape of risks that could impact its financial performance. By implementing robust mitigation strategies, Nvidia can enhance its resilience against these risks and continue to thrive in a competitive market. Continuous monitoring and adaptation to market conditions, regulatory changes, and technological

advancements will be crucial for sustaining its success.",

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Interest expense (0.2) (0.5) (0.2) (0.6)\n Other , net 0.6 0.4 0.5 0.2 \nOther income (expense), net 1.9 1.3 1.7 1.2 \nIncome before income tax 63.9 51.6 65.0 44.4 \nIncome tax expense 8.7 5.9 8.9 4.6 \nNet income 55.2 % 45.7 % 56.1 % 39.8 %\nRevenue\nRevenue by Reportable Segments\nThree Months Ended Six Months Ended \n Jul 28, 2024 Jul 30, 2023$\nChange%\nChangeJul 28, 2024 Jul 30, 2023$\nChange%\nChange\n ($ in millions)\nCompute & Networking $ 26,446 $ 10,402 $ 16,044 154 %$ 49,121 $ 14,862 $ 34,259 231 %\nGraphics 3,5 94 3,105 489 16 % 6,963 5,837 1,126 19 %\nTotal $ 30,040 $ 13,507 $ 16,533 122 %$ 56,084 $ 20,699 $ 35,385 171 %\nOperating Income by Reportable Segments\nThree Months Ended Six Months Ended\n Jul 28, 202 4 Jul 30, 2023$\nChange%\nChangeJul 28, 2024 Jul 30, 2023$\nChange%\nChange\n ($ in millions)\nCompute & Networking $ 18,848 $ 6,728 $ 12,120 180 %$ 35,896 $ 8,887 $ 27,009 304 %\nGraphics 1,369 1,211 158 13 %$ 2,609 2,258 351 16 %\nAll Other (1,575) (1,139) (436) 38 %$ (2,954) (2,204) (750) 34 %\nTotal $ 18,642 $ 6,800 $ 11,842 174 %$ 35,551 $ 8,941 $ 26,610 298 %\nCompute & Networking revenue The increa se in the second quarter and first half of fiscal year 2025 compared to the second quarter and first half of fiscal year\n2024 was due to strengt h in Data Center computing and networking for accelerat ed computing and AI solutions. Revenue from GPU computing grew 166% year-\non-year and 257% compared to the first half of fiscal year 2024, was driven by demand for our Hopper GPU architecture computin g platform for training and\ninferencing of large language models, recomm endation engines, and generative AI applications. Networking was also up 114% year-on-year and 159%\ncompared to the first half of last year driven by both InfiniBand and Ethernet for AI revenue.\n28Graphics revenue The increase in the second quarter and first half of fiscal year 2025 compared to the second quarter and first half of fiscal year 2024 was led\nby higher sales of our GeForce R TX 40 Series GPUs.\nReportable segment operating income The increase in the second quarter and first half of fiscal year 2025 compa red to the second quarter and first half of\nfiscal year 2024 in Compute & Networking and Graphics operating income was driven by higher revenue.\nAll Other operating loss The incre ase in the second quarter and first half of fiscal year 2025 compared to the second quarter and first half of fiscal year 2024\nwas due to an increase in stock-based compensation expense reflecting employee growth and c ompensation increases.\nConcentration of Revenue\nRevenue by geographic region is designated based on the billing location even if the revenue may be attributable to end customers, such as enterprises and\ngamers in a different location. Revenue from sales to customers outside of the United States accounted for 57% and 53% of total revenue for the second quarter\nand first half of fiscal year 2025, r espectively , and 55% and 59% of total revenue for the second quarter and first half of fiscal year 2024, respectively .\nWe refer to customers who purchase products directly from NVIDIA as direct cus tomers, such as add-in board manufacturers, distributors, ODMs, OEMs, and\nsystem integ rators. We have certain customers that may purchase products directly from NVIDIA and may use either internal re sources or third-party system\nintegrators to complete their build. We also have indirect customers, who purchase products through our direct customers; indirect customers include cloud\nservice provide rs, consumer internet companies, enterprises, and public sector entities.\nSales to direct customers which represented 10% or more of total revenue, all of which were primarily attributable to the Comp ute & Networking segment, are\npresented in the following table:\n Three Months Ended Six Months Ended\n Jul 28, 2024 Jul 28, 2024\nCustomer A 14 % 14 %\nCustomer B 11 % *\nCustomer C 11 % *\nCustomer D 10 % 10 %\nCustomer E * 10 %\n* Less than 10% of total revenue\nFor the second quarter of fiscal year 2025, two indirect customers which primarily purchase our products through system integrators and distrib utors, including\nthrough Customer B and Customer E, are estimated to each represent 10% or more of total revenue attributable to the Compute & Networking segment.\nFor the first half of fiscal year 202 5, an indirect customer which primarily purchases our products from system integrators and distributors, including from\nCustomer E, is estimated to represent 10% or more of total revenue, attributable to the Compute & Networking segment.\nIndirect customer revenue is an estimation based upon multiple factors including customer purchase order information, product specifications, internal sales data\n and other sources. Actual indirect customer revenue may dif fer from our estimates.\nWe have experienced periods where we receive a significant amount of our revenue from a limited number of customers, and this trend may continue.\nGross Profit and Gross Margin\nGross profit consists of total net revenue less cost of revenue.\nOur overall gross margi n increased to 75.1% and 76.6% for the second quart er and first half of fiscal year 2025, respectively , from 70.1% and 68.2% for the\nsecond quarter and first half of fiscal year 2024, respectively . The increases in the second quarter and first half of fiscal year 2025 compared to the second\nquarter and first half of fiscal year 2024 were primarily due to strong Data Center revenue growth of 154% and 234% for the second quarter and first half of\n 2025, respectively .\nProvisions for inventory and excess inventory purchase obligations totaled $908 million and $1.3 billion for the second quarter and first half of fiscal year 2025,\nrespectively , and were primarily due to low-yielding Blackwell material. Sales of previously reserved inventory and settlements of excess inventory purchase\nobligations resulted in a provision release of $85 millio n and $199 million for the second quarter and first half of fiscal year 2025, respectively . The net effect on\nour\n29gross margin was an unfavorable impact of 2.7% and 2.0% in the second quarter and first half of fiscal year 2025, respectively .\nProvisions for inventory and excess inventory purchase obligations totaled $576 million and $709 million for the second quarter and first half of fiscal year 2024,\nrespectively . Sales of previously reserved invent ory and settlements of excess inventory purchase obligations resulted in a provision release of $84 million and\n$134 million for the seco nd quarter and first half of fiscal year 2024, respectively . The net effect on our gross margin was an unfavorable impact of 3.6% and\n2.8% in the second quarter and first half of fiscal year 2024, re spectively .\nWe expect our Data Center mix to continue to shift to new products in the second half of fiscal year 2025. For fiscal year 2025, we expect gross margins to be in\nthe mid-70% range.\nOperat ing Expenses\n Three Months Ended Six Months Ended\n Jul 28, 2024 Jul 30, 2023$\nChange%\nChange Jul 28, 2024 Jul 30, 2023$\nChange%\nChange\n ($ in millions)\nResearch and development\nexpenses $ 3,090 $ 2,04 0 $1,050 51 %$ 5,810 $ 3,916 $1,894 48 %\n% of net revenue 10.3 % 15.1 % 10.4 % 18.9 %\nSales, general and administrative\nexpenses 842 622 220 35 % 1,618 1,253 365 29 %\n%

of net revenue 2.8 % 4.7 % 2.9 % 6.1 %\nTotal operating expenses $ 3,932 $ 2,662 $1,270 48 %$ 7,428 $ 5,169 $2,259 44 %\n% of net revenue 13.1 % 19.8 % 13.3 % 25.0 %\nThe increases in research and development expenses for the second q uarter and first half of fiscal year 2025 were driven by 35% and 34% increase in\ncompensation and benefits, including stock-bas ed compensation, reflecting employee growth and compensation increases, and 118% and 117% increase in\ncompute and infrastructure investments, respectively .\nThe increases in sales, general and administrative expenses for the second quarter and first half of fiscal year 20 25 was primarily driven by compensation and\nbenefits, including stock-based compensation, reflecting employee growth and compensation increases.\nFor fiscal year 2025, we expect operating expenses to g row in the mid to upper 40% range as we work on developing our next generation of products.\nOther Income (Expense), Net\nThree Months Ended Six Months Ended\n Jul 28, 2024 Jul 30, 2023$\nChange Jul 28, 2 024 Jul 30, 2023$\nChange\n ($ in millions)\nInterest income $ 444 $ 187 $ 257 $ 803 $ 338 $ 465 \nInterest expense (61) (65) 4 (125) (131) 6 \nOther , net 189 59 130 264 42 222 \nOther income (expense), ne t $ 572 $ 181 $ 391 $ 942 $ 249 $ 693 \nThe increas es in interest income for the second quarter and first half of fiscal year 2025 was due to higher cash, cash equivalents, and publicly-held debt\nsecu rity balances.\nInterest expense is comprised of coupon interest and debt discount amortization related to our notes.\nOther , net consists of realized or unrealized gains and losses from investments in privately-held equity securities, publicly-held equity securities, and the impact\nof changes in foreign currency rates. The change in Other , net, compared to the second quarter and first half of fis cal year 2024 was primarily driven by an\nincrease in fair value of our privately-held and publicly-held equity securities. Refer to Note 6 and 7 of the Notes to Condensed Consolidated Financial\nStatem ents in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information regarding our investments in privately-held and publicly-held equity\nsecurities.\n30Income T axes\nWe recognized i ncome tax expense of $2.6 billion and $5.0 billion for the second quarter and first half of fiscal year 2025, respectively , and $793 million and\n$958 million for the second quarter and first half of fiscal year 2024, respectively .

Income tax expense as a percentage of income before income tax was 13.6%\nand 13.7% for the second quarter and first half of fiscal year 2025, respectively , and 11.4% and 10.4% for the second quarter and first half of fiscal year 2024,\nrespectively .\nThe effective tax rate increased primarily due to a lower percentage of tax benefits from the foreign-derived intang ible income deduction relative to the increase\nin income before income tax.\nGiven our current and anticipated future earnings, we believe that we may release the valuation allowance associated with c ertain state deferred tax assets in\nthe near term, which would decrease our income tax expense for the period the release is recor ded. The timing and amount of the valuation allowance release\ncould vary based on our assessment of all available evidence.\nRefer to Note 5 of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for addition al information.\nLiquidity and Capital Resources\n Jul 28, 2024 Jan 28, 2024\n (In millions)\nCash and cash equivalents $ 8,563 $ 7,280 \nMarketable securities 26,237 18,704 \nCash, cash equivalents and mar ketable securities $ 34,800 $ 25,984 \n Six Months Ended\nJul 28, 2024 Jul 30, 2023\n (In millions)\nNet cash provided by operating activities $ 29,833 $ 9,259 \nNet cash used in investing activities $ (8, 877) $ (1,287)\nNet cash used in financing activities $ (19,665) $ (5,479)\nOur investm ent policy requires the purchase of high-rated fixed income securities, the diversi fication of investment types a nd credit exposures, and certain\nmaturity limits on our portfolio.\nCash provided by operating activities increased in the first half of fiscal year 2025 compared to the first half of fiscal year 2024 due to growth in revenue, partially\noffset by higher tax paym ents. Our accounts receivable balance at the end of the first half of fiscal year 2025 reflects the strong revenue growth, partially offse t\nby $2.8 billion from customer payments received prior to the invoice due date.\nCash used in investing activities increased in the first half of fiscal year 2025 compared to the first half of fiscal year 2024, primarily driven by net purchases of\nmarketable securities, and acquisition of land and buildings.\nCash used in financing activities increased in the first half of fiscal year 2025 compared to the first half of fiscal year 2024, mainly due to higher share\nrepurchases and higher tax payments related to RSUs.\nLiquidity\nOur primary sources of liquidity include cash, cash equivalents, and m arketable securities, and the cash generated by our operations. As of July 28, 2024, we\nhad $34.8 billion in cash, cash equivalents, and marketable securities. We believe that we have sufficient liqui dity to meet our operating requirements for at least\nthe next twelve months, and for the foreseeable future, including our future supply obligations and share repurchases. We continuously evaluate our liquidity and\ncapital resources, including our access to external capital, to ensure we can finance future capital requirements.\nOur marketable securities consist of publicly-he ld equity securities, debt securities issued by the U.S. government and its agencies, highly rated corporations\nand financial institutions, and foreign government entities, as well as certificates of deposit issued by hig hly rated financial institutions. Our corporate debt\nsecurities are publicly traded. These marketable securities are primarily denominated in U.S. dollars. Refer to Note 6 of the Notes to Condensed Co nsolidated\nFinancial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information.\n31Except for approximately $1.4 billion of cash, cash equivalents, and marketable se curities held outside the U.S. for which we have not accrued any related\nforeign or state taxes if we repatriate these amounts to the U.S., substantially all of our cash, cash equivalents and marketab le securities held outside the U.S.\nas of July 28, 2024 are available for use in the U.S. without incurring additional U.S. federal income taxes.\nPayment from customers, per our standard paym ent term s, is generally due shortly after delivery of products, availability of software licenses or commencement\nof services.\nCapital Return to Shareholders\nDuring the second quarter and first half of fisca l year 2025, we paid $246 million and $344 million, respectively , in quarterly cash dividends.\nOur cash dividend program and the payment of future cash dividends under that program are subject to our Board of Directors' continuing determination that the\ndividend program and the declaration of dividends thereunder are in the best interests of our shareholders.\nOn June 7, 2024, we increased our qua rterly cash dividend to $0.01 per share on a post-Stock Split basis to all shareholders of record on June 11, 2024. Our\nquarterly cash dividend was paid on June 28, 2024.\nDuring the second quarter and first half of fiscal year 2025, we repurchased 62.8 million and 162.1 million shares of our common stock for $7.0 billion and\n$15.1 billion, respectively . As of July 28, 2024, we were authorized, subject to certain specifications, to repurchase up to $7.5 billion of our common stock. On\nAugust 26, 2024, our Board of Directors approve d an additional $50.0 billion to our share repurchase authorization, without expiration. As of August 26, 2024, a\ntotal of $53.9 billion was available for repurchase. Our share repurchase program aims to offset dilution from shares issued to employees while main taining\nadequate liquidity to meet our operating requirements. We may pursue additional share repurchases as we weigh market factors and other investment\nopportunities. W e plan to continue share repu rchases this fiscal year .\nFrom April 29, 2024 through August 26, 2024, we repurchased 31.5 million shares for $3.6 billion pursuant to a Rule 10b5-1 trading plan.\nThe U.S. Inflation Reduc tion Act of 2022 requires a 1% excise tax on certain share repurchases in excess of shares issued for employee compensation made\nafter December 31, 2022. The excise tax is included in our share repurchase cost a nd was not material for the second quarter and first half of fiscal year 2025.\nOutstanding Indebtedness and Commercial Paper Program\nOur aggregate debt maturities as of July 28, 2024, by year payable, are as follows:\n Jul 28, 2024\n (In millions)\nDue in one year $ \nDue in one to five years 2,250 \nDue in five to ten years 2,750 \nDue in greater than ten years 3,500 \nUnamortized debt discount and is suance costs (39)\nNet carrying amount 8,461 \nLess short-term portion \nTotal long-term portion $ 8,461 \nWe have a $575 million commercial paper program to support general corporate purposes. As of Ju ly 28, 2024, no commercial paper was outstanding.\nRefer to Note 1 1 of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for further discussion.\nMaterial Cash Requirements and Other Obligations\nUnrecognized tax benefits were $1.7 billion, which includes related interest and penalties of $186 million recorded in non-current income tax p ayable as of\nJuly 28, 2024. We are unable to estimate the timing of any potential tax liability , interest payme nts, or penalties in individual years due to uncertainties in the\nunderlying income tax positions and the timing of\n32the ef fective settlement of such tax positions. Refer to Note 5 of the Notes to Condensed Consolidated Financial Statements for further information.\nOther than the cont ractual obligations described above, there were no material changes outside the ordinary course of business in our contractual obligations\nfrom those disclosed in our Annual Report on Form 10-K for th e fiscal year ended January 28, 2024. Refer to Item 7, Management s Discussion and Analysis of\nFinancial Condition and Results of Operations - Liquidity and Capital Resources in our Annual Report o n Form 10-K for the fiscal year ended January 28, 2024\nfor a description of our contractual obligations. For a description of our operating lease obligations, long-term debt, and purchase obligations, refer to Notes 2,\n11, and 12 of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q, respectively .\nClimate Change\nTo date, there has been no material impact to our results of operations associated with global sustainability regulations, compliance, costs from sourcing\nrenewable energy or climate-related business trends.\nAdoption of New and Recently Issued Accounting Pronouncements\nThere has been no adoption of any new and recently issued accounting pronouncements.\nItem 3. Quantitative and Qualitative Disclosures about Market Risk\nI nvestment and Interest Rate Risk\nFinancial market risks related to investment and interest rate risk are described in Part II, Item 7A, Quantitative and Qualitative Disclosures About Market Risk\nin our Annual Report on Form 10-K for the fiscal year ended January 28, 2024. As of July 28, 2024, there have been no material changes to the financial market\nrisks described as of January 28, 2024.\nFore ign Exchange Rate Risk\nThe impact of foreign currency transactions related to foreign exchange rate risk is described in Part II, Item 7A, Quantitative and Qualitative Disclosures About\nMarket Risk in our Annual Report on Form 10-K for the fiscal year ended January 28, 2024. As of July 28, 2024, there have been no material changes to the\nforeign exchange rate risks described as of January 28, 20 24.\nItem 4. Controls and Procedures\nControls and Procedures\nDisclosure Controls and Procedures\nBased on their evaluation as of July 28, 2024, our management, including our Chief Executive Officer and Chief Financial Officer, has concluded that our\ndisclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15d-15 (e)) were effective to provide reasonable assurance that the\ni nformation we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time\nperiods specified in the SEC rules and f orms, and that such information is accumulated and communicated to our management, including our Chief Executive\nOfficer and our Chief Financial Of ficer, as appropriate, to allow timely decisions reg arding required disclosures.\nChanges in Internal Control Over Financial Reporting\nThere were no changes that occurred during the second quarter of fiscal year 2025 that have materially affected, or ar e reasonably likely to materially affect, our\ninternal control over financial reporting. In fiscal year 2022, we began an upgrade of our enterprise resource planning, or ERP, system, which will update much of\nour existing core financia l systems. The ERP system is designed to accurately maintain our financial records used to report operating results. The upgrade will\noccur in phases. W e will cont inue to evaluate each quarter whether there are changes that materially af fect our internal control over financial reporting.\nInherent Limitations on Effectiveness of Controls\nOur manage ment, includ ing our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal\ncontrols, will prevent all error and all fraud. A control sys tem, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance\nthat the objectives of the control system are met. Further , the design of a control system must re flect the fact that there are resource constraints, and the benefits\nof controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation o f controls can provide absolute\nassurance that all control issues and instances of fraud, if any , within NVIDIA have been detected.\n33Part II. Other Information\nItem 1. Legal Proceedings\nRefer to Pa rt I, Item 1, Note 12 of the Notes to Condensed Consolidated Financial Statements for a discussion of significant developments in our legal\nproceedings since January 28, 2024. Also refer to Item 3, L egal Proceedings in our Annual Report on Form 10-K for the fiscal year ended January 28, 2024 for\na prior discussion of our legal proceedings.\nItem 1A. Risk Factors\nOther than the risk facto rs liste d below , there have been no material changes from the risk factors previously described under Item 1A of our Annual Report on\nForm 10-K for the fiscal year ended January28, 2024 and Item 1A of our Quarterly Report on Form 10-Q for the fiscal quarter ended April 28, 2024.\nPurchasing or owning NVIDIA common stock involves investment risks including, but not limited to, the risks described in Ite m 1A of our Annual Report on Form\n10-K for the fiscal year ended January28, 2024, and Item 1A of our Quarterly Report on Form 10-Q for the fiscal quarter ended April 28, 2024, and below . Any\none of those risks could harm our business, financial condition and results of operations or reputation, which could cause our stock price to decline. Additional\nrisks, trends and uncertainties not present ly known to us or that we currently believe are immat erial may also harm our business, financial condition, results of\noperations or reputation.\nLong manu facturing lead times and uncertain supply an d component availability , combined with a failure to estimate customer demand accurately ,\nhas led and could lead to mismatches between supply and demand.\nWe use third parties to manufacture and asse mb le our products, and we have long manufacturing lead times. We are not provided guaranteed wafer , component\nor capacity supply , and our supply deliveries and production may be non-linear within a quarter or year. If our estimates of customer demand are inaccurate, as\nwe have experienced in the past, there could be a significant mismatch between supply and demand. This mismatch has resulted in both product shortages and\nexcess inventory , has varied across our market platforms, and has significantly harmed our financial results.\nWe build finished produc ts and maintain invento ry in advanc e of anticipated demand. While we have in the past entered and may in the future enter into long-\nterm supply agreements and capacity commitments, we may not be able to secure sufficient commitments f or capacity to address our business needs, or our\nlong-term demand expectations may change. Additionally , our ability to sell certain products has been and could be impeded if components necessary fo r the\nfinished products are not available from third parties. This risk may increase as a result of our platform strategy . In periods of shortages impacting the\nsemiconductor industry and/or limited supply or capacity in our supply chain, the lead times on orders for certain supply may be extended. We have previously\nexperienced and may continue to experience extended lead times of more than 12 m onths. We have paid premiums and provided deposits to secure future\nsupply and capacity , which have increased our product costs and may continue to do so. If our existing suppliers are unable to scal e their capabilities to meet\nour supply needs, we may require additional sources of capacity , which may require additional deposits. We may not have the ability to reduce our supply\ncommitments at th e same rate or at all if our revenue declines.\nMany additio nal factors have caused and/or could in the future cause us to either underestimate or overestimate our customers future demand for our pr oducts,\nor otherwise cause a mismatch between supply and demand for our products and impact the timing and volume of our revenue, including:\nchanges in product development cycles and time to market;\n competing technologies and competitor product releases, announcements or other actions;\nchanges in business and economic conditions;\nsudden or sustained government lockdowns or public health issues ;\nrapidly changing technology or customer requirements;\nthe availability of suf ficient data center capacity or energy for customers to procure;\nnew product introductions and transitions resulting in less demand for existing products;\nnew or unexpected end-use cases;\nincrease in demand for competitive products;\nbusiness decisions made by third parties;\nthe demand for accelerated computing, AI-related cloud services, or large language models;\n34changes that impact the ecosystem for the architectures underlying our products and technologies;\nthe demand for our products; or\ngovernment a ctions or changes in governmental policies, such as export controls or increased restrictions on gaming usage.\nWe continue to increase our supply and capacit y purchases with existing and new supplier s to support our demand projections. With these additions, we have\nalso entered and may continue to enter into prepaid manufacturing and capacity agreements to supply both current and future products. The increased purchase\nvolumes and integration of new suppliers and contract manufacturers into our supply chain may create more complexity in managing multiple suppliers with\nvariations in productio n planning, execution and logistics. Our expanding product portfolio and varying component compatibility and quality may lead to\nincreased inventory levels. We have incurred and may in the future incu r inventory provisions or impairments if our inventory or supply or capacity commitments\nexceed demand for our products or demand declines. Our customer orders and longer-term demand estimates may cha nge or may not be correct, as we have\nexperienced in the past.\nProduct transitions are complex and we often ship both new and prior architecture products simultaneously as our channel partners prepare to ship and support\nnew products. We may be in various stages of transitioning the architectures of our Data Center , Gaming, Professional Visualization and Automotive products.\nThe computing industr y is experiencing a broader and faster launch cadence of accelerated computing platforms to meet a growing and diverse set of AI\nopportunities. We have introduced a new caden ce of our Data Center arc hitectures where we seek to complete a new GPU computing architecture each year\nand we are providing a greater variety of Data Center offerings. The increased frequency of these transitions and the la rger number of products and product\nconfigurations may magnify the challenges associated with managing our supply and demand. Qualification time for new products, customers anticipating\nproduct transi tions and channel partners reducing channel inventory of prior architectures ahea d of new product introductions can reduce or create volatility in\nour revenue . We have experienced and may in the fut ure experience reduced demand for current generation architectures when customers anticipate\ntransitions, and we may be unable to sell multiple product architectures at the same time for current and f uture architecture transitions. If we are unable to\nexecute our architectural transitions as planned for any reason, our financial results may be negatively impacted. The increased frequency and comp lexity of\nnewly introd uced products could result in unanticipated quality or production issues that could increase the magnitude of inventory provisions, warranty , or other\ncosts or result in produc t delays. For example, we executed a change to the Blackwell GPU mask to improve production yield. Our gross margins in the second\nquarter of fiscal year 2025 were negatively impacted by inventory pro visions for low-yielding Blackwell material and they may continue to be impacted in the\nfuture.\nWe incur significant engineering development resources for new products, and changes to our product road map may impact our ability to develop other products\nor adequate ly manage our supply chain cost. Customers may delay purchasing existing product s as we increase the frequency of new products or may not be\nable to adop t our new products as fast as forecasted, both impacting the timing of our revenue and supply chain cost. While we have managed prior product\ntransitions and have sold multiple pro duct archit ectures at the same time, these transitions are difficult, may impair our ability to predict demand and impact our\nsupply mix, and may cause us to incur additional costs. Many end customer s often do not purchase directly from us but instead purchase indirectly through\nmultiple OEMs, ODMs, system integrators, distributors, and other channel partners. As a result, the decisions made by o ur multiple OEMs, ODMs, system\nintegrators, distributors, and other channel partners, and in response to changing market conditions and changes in end-user demand for our products, have\nimpacted and c ould in the future continue to impact our ability to accurately forecast demand, particularly as they are based on estimates provided by various\ndownstream parties.\nIf we underestimate our customers' future demand for our products, our foundry partners may not have adequate lead-time or capacity to increase production\nand we may not be able to obtain sufficient inventory to fill orders on a timely basis. If our contra ct manufacturers experience supply constraints, we may not be\nable to increase supply to meet customer dema nd in a timely manner , or at all. If we cannot procure sufficient sup ply to meet demand or otherwise fail to fulfill\nour custome rs orders on a timely basis, or at all, our customer relationships could be damage d, we could lose revenue and market share and our reputa tion\ncould be harmed. Additionally , since some of our products are part of a complex data center buildout, supply constraints or availability issues with respect to any\none component have had and may have a broader revenue impact.\nIf we overestimate our customers future demand for our products, or if customers cancel or defer orders or choose to purchase from our competitors, we may\nnot be able to reduce our inventory or other contractual purchase commitments. In the past, we have experienced a reduction in average selling prices, including\ndue to channel pricing programs that we have imple mented and may continue to implement, as a result of our overestimation of future demand, and we may\nneed to continue these reductions. We have had to increase prices for certain of our products as a result of our suppliers increase in prices, and we may need to\ncontinue to do so for other products in the future . We have also written down our inventory , incurred cancellation penalties, and rec orded impairments and may\nhave to do so in the future. These impacts would be amplified by our placement of any non-cancellable and non-returnable purchase orders placed in advance of\nour historical lead times and could be exacerbated if we need to make changes to the design of future products. The risk of\n35these impac ts has increased and may continue to increase as our purchase obligations an d prepaids have grown and are expected to continue to grow and\nbecome a greater portion of our total supply . All of these factors may negatively impact our gross margins and financial results.\nDemand estimates for our new products, applications, and services can be incorrect and create volatility in our revenue or supply levels. We may not be able to\ngenerate significant revenue from them. Recent technologies, such as generative AI models, have emerged, and while they have driven increased demand for\nData Center , the long-term trajectory is unknown. Because our products may be used in multi ple use cases and applications, it is difficult for us to estimate with\nany reasonable degree of precision the impact of generative AI models on our reported revenue or forecasted demand.\nChallenges in estimating demand could become more pronounced or volatile in the future on both a global and regional basis. Extended lead times may occur if\nwe experience other supply constraints caused by natur al disasters, pandemics or other events. In addition, geopolitical tensions, such as those involving Taiwan\nand China, which comprise a significant portion of our revenue and where we have suppliers, contract manufacturers, and assembly partners who are critical to\nour supply continuity , could have a material adverse impact on us.\nThe use of our GPUs other than that for which they were designed a nd marketed, including new and unexpected use cases, has impacted and can in the future\nimpact demand for our products, including by leading to inconsistent spikes and drops in demand. For example, se veral years ago, our Gaming GPUs began to\nbe used for mining digital currencies, such as Ethereum. It is difficult for us to estimate with any reasonable degree of precision the past or current impact of\ncryptocurrency mining, or forecast the future impact of cryptocurrency mining, on demand for our products. Volatility in the cryptocurrency market, including new\ncompute technologies, price change s in cryptocurrencies, government cryptocurrency policies and regulations, new cryptocurrency standards and changes in\nthe method of verifying blockchain transactions, has impacted and can in the futu re impact cryptocurrency mining and demand for our products and can further\nimpact our ability to estimate demand for our products. Changes to cryptocurrency standards and processes including, but not limited to, the Ethereum 2.0\nmerge in 2022, have reduced and may in the future decrease the usage of GPUs for Ethereum mining. This has created and may in the future create increased\naftermarket sale s of our GPUs, which could negatively impact retail prices for our GPUs and reduce demand for our new GPUs. In general, our new products or\npreviously sold products may be resold online or on the unau thorized gray market, which also makes demand forecasting difficult. Gray market products and\nreseller marketplaces compete with our new products and distribution channels.\nAdditionally , we depend on developers, customers and other third parties to build, enhance, and maintain accelerated computing applications that leverage our\nplatforms. We also rely on third-party content providers and publi shers to make their content available on our platforms, such as GeForce NOW . Failure by\ndevelopers, customers, and other third parties to build, enhance, and maintain applications that leverage our p latforms, or failure by third-party content providers\nor publisher s to make their content available on reasonable terms or at all for use by our customers or end users on our platforms, could adverse ly affect\ncustomer demand.\nWe receive a significa nt amount of our revenue from a limited number of partners and distributors and we have a concentration of sales to\ncustomers who purchase directly or indirectl y from us, and our revenue could be adversely affected if we lose or are prevented from selling to any of\nthese customers.\nWe receive a significant amount of our revenue from a limited numb er of customers within our distribution and partner network. Sales to direct Customers, A, B,\nC and D represented 14%,11%, 11% and 10% of total revenue, respectively , for the second quarter of fiscal year 2025, all of which were primarily attributable to\nthe Compute & Networ king segment. With several of these channel partners, we are selling multiple products and systems in our portfolio throug h their\nchannels. Our operating results depend on sales within our partner network, as well as the ability of these partners to sell products that incorporate our\nprocessors. We have a small number of partner s that are involved in system integration with our key customers. As our system design becomes increasingly\ncomplex, system integrators may be unable to meet specifications of our key custome rs. Changes in our partners' or customers' business models or their\nownership can reduce the number of partners available to us and harm our ability to sell our advanced data center systems to custome rs. In the future, these\npartners may decide to purchase fewer products , not to incorporate our products into their ecosystem, or to alter their purchasing patterns in some other way.\nBecause most of our sales are made on a purch ase order basis, our customers can generally cancel, change or delay product purchase commitments with little\nnotice to us and without penalty . Our partners or custome rs may develop their own solutions; our customers may purchase products from our competitors; and\nour partners may discontinue sales or lose market share in the markets for which they purchase our pr oducts, all of which may alter partners or customers\npurchasing patterns. Many of our customers often do not purchase directly from us but purchase through multiple OEMs, ODMs, system integrators, distributors\nand other channel partne rs. For the second quarter of fiscal year 2025, two indirect customers which primarily purchase our products through system integrators\nand distributors, includin g through Customer B and Customer E, are estimated to each represe nt 10% or more of total revenue, attributable to the Compute &\nNetworking segment. If end demand increases or our finished goods supp ly availability is concentrated near a quarter end, the system integrators, distributors\nand channel partners may have limited ability to increase their credit, which could impact the timing and amoun t of our revenue. The loss of any of our large\ncustomers, a significant reduction in purchases by them,\n36our inability to sell to a customer due to U.S. or other countries trade restrictions or any difficulties in collecting accounts receivable would likely harm our\nfinancial condition and results of operations.\nOur operations could be affected by the complex laws, rules and regulations to whic h our business is subject, and political and other actions may\nadversely impact our business.\nWe are subject to laws and regulations domestically and worldwide, affecting our operations in areas inclu ding, but not limited to, IP ownership and infringement;\ntaxes; impor t and export requirements and tariffs; anti-corruption, including the Foreign Corrupt Practices Act; business acquisitions; foreig n exchange controls\nand cash repatriation restrictions; data priva cy requirements; competition and antitrust; advertising; employment; product regulations; cybersecurity;\nenvironmental, health, and s afety requirements; the responsible use of AI; sustainability; cryptocurrency; and consumer laws. Compliance with such\nrequirements can be onerous and expensive, could impact our competitive position, and may negatively impact our business operations and ability to\nmanufacture and ship our products. There can be no assurance that our employees, contractors , suppliers, customers or agents will not violate applicable laws\nor the policies, controls, and procedures that we have designed to help ensure compliance with such laws, and violations could result in fines, criminal sanctions\nagainst us, our officers, or our employees, prohib itions on the conduct of our business, and damage to our reputation. Changes to the laws, rules and regulations\nto which we are subject, or changes to their inte rpretation and enforcement, could lead to materially greater compliance and other costs and/or further\nrestrictions on our ability to manufacture and supply our products and operate our business. For example, we may face increased compliance costs as a result\nof changes or increases in antitrust legislation, regulation, administrative rule making, increased focus from regulators on cybersecurity v ulnerabilities and risks.\nOur position in markets relating to AI has led to increased interest in our business from regulators worldwide, including the European Union, the United States,\nthe United Ki ngdom, South Korea and China. For example, the French Competition Author ity collected information from us regarding our business and\ncompetition in the graph ics card and cloud service provider marke t as part of an ongoing inquiry into competition in those markets. We have also received\nrequests for information from regulators in the European Union, the United States, the United Kingdom, China, a nd South Korea regarding our sales of GPUs,\nour efforts to allocate supply, foundation models and our investments, partnerships and other agreements with companies developing foundation models, and we \nexpect to receive additional requests for information in the future. Governments and regulators are considering, and in certain cases, have imposed restrictions\non the hardw are, software, and system s used to develop frontier foundation models and generative AI. For example, the EU AI Act was formally adopted in June\n2024 and will be implemented in phases betwee n now and 2030. The State of Calif ornia, among other jurisdictions, is considering similar legislation. Restrictions\nunder this and any other regulations, if implemented, could increase the costs and burdens to us and our customers, d elay or halt deployment of new systems\nusing our products, and reduce the number of new entrants and customers, negatively impacting our business and financial results. Revisions to laws or\nregulation s or their interpretation and enforceme nt could also result in increased taxation, trade sanctions, the imposition of or increase to import duties or tariffs,\nrestrictions and controls on imports or exports, or other retaliatory actions, which could have an adverse effect on our business plans or impact the timing of our\nshipments. Additionally , changes in the public perception of governments in the regions where we operate or plan to operate could negatively impact our\nbusiness and results of operations.\nGovernment actions, including trade protection and national and economic security polic ies of U.S. and foreign government bodies, such as tariffs, import or\nexport regulations, including deemed export restrictions and restrictions on the activities of U.S. persons, trade and economic sa nctions, decrees, quotas or\nother trade barriers and restrictions could affect our ability to ship products, provide services to our customers and employees, do business without an export\nlicense with entities on the U.S. Department of Commerce s U.S. Entity List or other USG restricted parties lists (which is expected to change from time to time),\nand generally fulfill our contractual obligation s and have a material adverse effect on our business. If we were ever found to have violated export control laws or\nsanctions of the U.S. or similar applicable non-U .S. laws, even if the violation oc curred without our knowledge, we may be subject to various penalties available\nunder the laws, any of which could have a material and adverse impact on our business, operating results and financial co ndition.\nFor example , in response to the war in Ukrain e, the United States and other jurisdictions imposed economic sanctions and export control measures which\nblocked the passage of our products, s ervices and support into Russia, Belarus, and certain regions of Ukraine. In fiscal year 2023, we stopped direct sales to\nRussia and closed business operations in Russia. Concurrently , the war in Ukr aine has impacted sales in EMEA and may continue to do so in the future.\nThe increasi ng focus on the risks and strategic importance of AI technologies has resulted in regulatory restrictions that ta rget products and services capable of\nenabling or facilitating AI and may in the future result in additional restrictions impacting some or all of our product and service of ferings.\nConcerns regardin g third-party use of AI for purposes contrary to local governmental interests , including concerns relating to the misuse of AI applications,\nmodels, and solutions, has resulted in and could in the f uture result in unilateral or multilateral restrictions on products that can be used for training, modifying,\ntuning, and deploying LLMs and other AI applications. Such restrictions have limited and c ould in the future limit the ability of downstream customers and users\nworldwide to acquire, deploy and use systems that include our products, software, and services, and negatively impact our busines s and financial results.\n37Such restrictions could include additional unilateral or multilateral export controls on certain products or technology , including but not limited to AI technologies.\nAs ge opolitic al tensions have increased, semic onductors associated with AI, including GPUs and associated products, are increasingly the focus of export\ncontrol restrictions proposed by stakeholders in t he U.S. and its allies. The United States has imposed unilateral controls restricting GPUs and associated\nproducts, and it is likely that additional unilateral or multilateral controls will be adopted . Such controls have been and may again be very broad in scope and\napplication, prohibit us from exporting our products to any or all customers in one or more markets, including but not limited to Chi na, and could negatively\nimpact our manufacturin g, testing and warehousing locations and options, or could impose other conditions that limit our ability to serve demand abroad and\ncould negatively a nd materially impact our business, revenue and financial results. Export controls targeting GPUs and semiconductors associated with AI,\nwhich have been imposed and are increasingly likely to be furthe r tightened, would further restric t our ability to export our technology , products, or services even\nthough comp etitors may not be subject to similar restrictions, creating a competitive disadvanta ge for us and negatively impacting our business and financial\nresults. Expo rt controls targeting GPUs and semiconductors associated with AI have subjected and may in the future subject downstream use rs of our products\nto additional restrictions on the use, resale, repair , or transfer of our products, negatively impacti ng our business and financial results. Controls could negatively\nimpact our cost and/or ability to provide services such as NVIDIA AI cloud services and could impact the cost and/or ability for our cloud service providers and\ncustomers to provide services to their end custom ers, even outside China.\nExport contr ols could disrupt our supply chain and distribution channels, negatively impacting our ability to serve demand, including in markets outside China\nand for our gam ing products. The possibility of additional export controls has negatively impacted and may in the future negatively impact demand for our\nproducts, benefiting competitors that offer alternatives less likely to be restricted by further controls. Repeated changes in the export control rules are likely to\nimpose compliance burdens on our business and our customers, negatively and materially impactin g our business.\nIncreasing use of economic sanctions and export controls has impacted and may in the future impact demand for our products or services, negatively impacting\nour business and financ ial results. Reduced demand due to export controls could also lead to excess inventory or cause us to incur related supply charges.\nAdditional unilateral or multilateral controls are also likely to inclu de deemed export control limitations that negatively impact the ability of our research and\ndevelopment teams to execute our roadmap or other objectives in a timely manner . Addition al export restric tions may not only impact our ability to serve\noverseas markets, but also provoke responses from foreign governments, including China, that negatively impact our supply chain or our ability to provide our\nproducts and services to customers in all markets worldwide, which could also substantially reduce our revenue. Regulators in China have inquired about our\nsales and efforts to supply the

China m arket and our fulfillment of the commitments we entered at the close of our Mellanox acquisition. If the regulators\nconclude that we have failed to fulfill such commitments or we have violated any app licable law in China, we could be subject to various penalties or restrictions\non our ability to conduct our business, any of which could have a material and adverse impact on our business, operating results and financial condition.\nDuring the third quarter of fiscal year 2023, the USG announced export restrictions and expo rt licensing requirements targeting China s semiconductor and\nsupercompu ting industries. These restrictions impact exports of certain chips, as well as software, hardware, equipment and technology used to develop,\nproduce and manufacture certain chips to China (including Hong Kong and Macau) and Russia, and specifically impact our A100 and H100 integrated circuits,\nDGX or any other system s or boards which incorporate A100 or H100 integrated circuits. The licensing r equirements also apply to any future NVIDIA integrated\ncircuit achieving certain peak performance and chip-to-chip I/O performance thresholds, as well as any system or board that includes those circu its. There are\nalso now licensing requirements to export a wide array of products, including networking products, destined for certain end users and for certain end uses in\nChina. During the second qu arter of fiscal year 2024, the USG also informed us of an additional licensing requirement for a subset of A100 and H100 products\ndestined to certain customers and other regions, including some countr ies in the Middle East.\nIn October 2023, the USG announced new and updated licensing requirements that became effective in our fourth quarter of fiscal year 2024 for exports to\nChina and Country Group s D1, D4, and D5 (including but not limited to, Saudi Arabia, the United Arab Emirates, and Vietnam, but excluding Israel) of our\nproducts exceeding certain performance thresholds, including A100, A80 0, H100, H800, L4, L40, L40S and RTX 4090. The licensing requirements also apply to\nthe export of products exceeding certain performance thresholds to a party headquartered in, or with an ultimate par ent headquartered in, Country Group D5,\nincluding China. On Octo ber 23, 2023, the USG informed us that the licensing requirements were effective immediately for shipments of our A100, A800, H100,\nH80 0, and L40S products. W e have not received licenses to ship these restricted products to China.\nFollowing these export controls, we transitioned some operations, including certain testing, validatio n, and supply and distribution operations out of China and\nHong Kong. Any future transitions could be costly and time consuming, and adversely affect our research and development and supply and distri bution\noperations, as well as our revenue, during any such transition period. We expanded our Data Center product portfolio to offer new solutions, including those for\nwhich the USG does not require a license or advance notice before each shipment. To the extent that a customer requires products covered by the licensing\nrequirements, we may seek a license for the customer . However , the licensing process is time-consuming. We have no assurance that the USG will grant such a\nlicense or that the USG will act on the license application in a timely manner or at all. Even if a license is approved, it may impose burdensome conditions that\nwe or our customer or end users cannot or decide not to accept. The USG is evaluating license requests in a closed process that\n38does not have clear standard s or an opportunity for review . For example, the Notified Advanced Computing, or NAC, process has not resulted in approvals for\nexports of products to customers in China. The license process for e xports to D1 and D4 countries has been time-consuming and resulted in license conditions\nthat are onerous, even for small-sized systems that are not able to train frontier AI models. The requirements have a disproportionate impact on NVIDIA and\nalready have disadvantaged and may in the future disadvantage NVIDIA against certain of our competitors who sell products that are not subject to the new \nrestrictions or may be able to acquire licenses for their products.\nManagement of these new licenses and other requirements is complicated and time consuming. Our competitive position has been harmed , and our competitive\nposition and future results may be further harmed, over the long-term, if there are further changes in the USG s export controls, including further expansion of the\ngeographic, customer , or product scope of the controls, if customers purchase product from competitors, if customers develop their own internal solution, if we\nare unable to provide contractual warranty or othe r extended service obligations, if the USG does not grant licenses in a timely manner or denies licenses to\nsignificant customers or if we incur significant transition costs.

Even if the USG grants an y requested licenses, the licenses may be temporary or impose\nburdensome conditions that we or our customers or end users cannot or choose not to fulfill. The licensing requirements may benefit certa in of our competitors,\nas the licensing process will make our pre-sale and post-sale technical support efforts more cumbersome and less certain and encourage customers in China to\npursue alternatives to our products, including semiconductor suppliers based in China, Europe, and Israel.\nGiven the increasing strategic importance of AI and rising geopolitical tensions, the USG has changed and may aga in change the export control rules at any time\nand further subject a wider range of our products to export restrictions and licensing requirements, negatively impacting our business and financial resu lts. In the\nevent of such change, we may be unable to sell our inventory of such products and may be unable to develop replacement products not subject to the licensing\nrequirements, effectively exclu ding us from all or part of the China market, as well as other impa cted markets, including the Middle East. For example, the USG\nhas already imposed conditions to limit the ability of foreign firms t o create and offer as a service large-scale GPU clusters, for example by imposing license\nconditions on the use of products to be exported to certain countries, and may impose additional conditions su ch as requiring chip tracking and throttling\nmechanisms that could disable or impair GPUs if certain events, including unauthorized system configuration, use, or location, are detected. The USG has\na lready impo sed export controls restricting certain gaming GPUs, and if the USG expands such controls to restrict additional gaming products, it may disrupt a\nsignificant portion of our supply and dis tribution chain and negatively impact sales of such products to markets outside China, including the U.S. and Europe. In\naddition, as the performa nce of the gaming GPUs increases over time, export co ntrols may have a greater impact on our ability to compete in markets subject to\nthose controls. Export controls may disrupt our supply and distribution chain for a substantial portion of our product s, which are warehoused in and distributed\nfrom Hong Kong. Export controls restricting our ability to sell data center GPUs may also negatively impact demand for our networking products used in serve rs\ncontaining our GPUs. The USG may also impose export controls on our networking products, such as high-speed network interconnects, to limit the ability of\ndownstream parties to create large cluster s for frontier model training. Any new control that impacts a wider range of our products would likely have a\ndisproportionate impact on NVIDIA and may disadvantage us against certain of our competit ors that sell chips that are outside the scope of such control.\nExcessive or shifting export controls have alread y and may in the future encourage customers outside China and other impacted regions t o design-out certain\nU.S. semiconductors from their products to reduce the compliance burden and risk, and to ensure that they are able to serve markets worldwide. Excessive or\nshifting export contr ols have already encourage d and may in the future encourage overseas governments to request that our customers purchase from our\ncompetitors rather than NVIDIA or other U.S. firms, harming our busin ess, market position, and financial results. As a result, excessive or shifting export controls\nmay negatively impact demand for our products and services not only in China, but also in other markets , such as Europe, Latin America, and Southeast Asia.\nExcessive or shifting export controls increase the risk of investing in U.S. advanced semiconductor products, because by the time a new product is ready for\nmarket, it may be subject to new unilateral export controls restricting its sale. At the same time, such controls may increase investment in foreign competitors,\nwhich would be less likely t o be restricted by U.S. controls.\nAdditionally , restrictions imposed by the Chines e government on the duration of gaming activities and access to games may adversely affect our Gaming\nrevenue, and i ncreased oversight of digital platform companies may adversely affect our Data Center revenue. The Chinese government may also impose\nrestrictions on the sale to certain customers of our products, or any products containing components made by our partners and suppliers. For example, the\nChinese government announced restrictions relating to certain sales of products containing certain products mad e by Micron, a supplier of ours. As another\nexample, an agency of the Chinese government announced an Action Plan that endorses new standards regarding the compute performance per watt and per\nmemory bandwidth of accelerators used in new and renovated data centers in China. If the Chine se government modifies or implements the

Action Plan in a way\nthat effectively prevents us from being able to de sign products to meet the new standard, this may restrict the ability of customers to use some of our data center\nproducts and may have a material and adverse impact on our business, operating result s and financial condition. Further restrictions on our products or the\nproducts of our suppliers could negatively impact our business and financial results.\n39Finally , our business depends on our abi lity to receive consistent and reliable supply from our overseas partners, especially in Taiwan. Any new restrictions that\nnegatively impact our ability to receive supply of components, parts, or serv ices from Taiwan, would negatively impact our business and financial results.\nItem 2. Unregistered Sales of Equity Securities and Use of Proceeds\nIssuer Purchases of Equity Securities\nDuring the secon d quarter and first half of fiscal year 2025, we repurchased 62.8 million and 162.1 million shares of our common stock for $7.0 billion and $15.1\nbillion, respectively . As of July 28, 2024, we were a uthorized, subject to certain specifications, to repurchase up to $7.5 billion of our common stock.\nThe repurchases can be made in the open market, in privately negotiated transactions, pursuant to a Rule 10b5-1 trading plan or in structured share repurchase\nprograms, and can be made in one or more larger repurchases, in compliance with Rule 10b-18 of the Exchange Act, subject to market conditions , applicable\nlegal requirements, and other factors. The program does not obligate NVIDIA to acquire any particular amount of common stock and the program may be\nsuspended at any time at our discretio n.\nIn the secon d quarter and first half of fiscal year 2025, we paid $246 million and $344 million, respectively , in cash dividends. Our cash dividend program and the\npayment of future cash dividend s under that program are subject to our Board of Directors ' continuing determination that the dividend program and the\ndeclaration of dividends thereunder are in the best interests of our shareholder s.\nThe following table presents details of our share repurchase transactions during the second quarter of fiscal year 2025:\nPeriodTotal Number\nof Shares\nPurchased\n(In millions)Average Price Paid\nper S hareTotal Number of Shares\nPurchased as Part of\nPublicly Announced\nProgram\n(In millions)Approximate Dollar V alue\nof Shares that May Yet Be\nPurchased Under the\nProgram\n(In billions)\nApril 29, 2024 - M ay 26, 2024 23.0 $ 91.50 23.0 $ 12.4 \nMay 27, 2024 - June 23, 2024 14.7 $ 121.36 14.7 $ 10.6 \nJune 24, 2024 - July 28, 2024 25.1 $ 123.63 25.1 $ 7.5 \nTotal 62.8 62.8 \nOn August 26, 2024, our Board of Directors approved an additional $50.0 billion to our share repurchase authorization, without expiration. From July 29, 2024\nthrough August 26, 2024, we repurchased 31.5 million shares for $3.6 billio n pursuant to a Rule 10b5-1 trading plan. As of August 26, 2024, a total of\n$53.9 billion was available for repurchase.\nRestricted Stock Unit Share W ithholding\nWe withhold common stock shares associ ated with net share settlements to cover tax withho lding obligations upon the vesting of RSU awards under our\nemployee equity incentive program. During the second quarter and first half of fiscal yea r 2025, we withheld approximately 11 million and 32 million, respectively ,\nfor a total value of $1.6 billion and $3.4 billion, respectively , through net share settlements.\nRecent Sales of Unregister ed Securities and Use of Proceeds\nOn May 28, 2024, we issued a total of 215,120 shares of our common stock, valued at approxim ately $25 million based on our closing stock price on the date of\nissuanc e, to key employees of a company we acquired.\nOn July 2, 2024, we issued a total of 212,353 shares of our common stock, valued at approxima tely $26 million based on our closing stock price on the dat e of\nissuance, to key employees of a company we acquired.\nThe above securities were issued in transactions not involving a public offering pursuant to an exemption from registration set forth in Secti on4(a)(2) of\ntheSecurities Act (and Regulation D or Regulation S promulgated thereunder).\nItem 5. Other Information\nOn July 22, 2024, Ajay K. Puri, Executive Vice President, Worldwide Field Operatio ns, terminated a Rule 10b5-1 trading arrangement adopted on April 12, 2024\nfor the sale of up to 1,008,320 shares of our common stock on a post-split basis through July 11, 2025. 100,1 10 shares were sold under the plan prior to\ntermination.\n40Item 6. Exhibits\nIncorporated by Reference\nExhibit No. Exhibit Description Schedule/Form Exhibit Filing Date\n3.1 Amendment to Restated Certificate of Incor poration of NVIDIA Corporation 8-K 3.1 6/7/2024\n10.1+* Amended and Restated 2007 Equity Incentive Plan\n10.2+* Amended and Restated 2012 Employee Stock Purchase Plan\n31.1* Certification of Chief Execu tive Of ficer as required by Rule 13a-14(a) of the

Securities\nExchange Act of 1934\n31.2* Certification of Chief Financial Of ficer as required by Rule 13a-14(a) of the Securities\nExchange Act of 1934\n 32.1#* Certification of Chief Executive Of ficer as required by Rule 13a-14(b) of the Securities\nExchange Act of 1934\n32.2#* Certification of Chief Financial Of ficer as required by Rule 13a-14(b) of the Securities\nExchange Act of 1934\n101.INS*Inline XBRL Instance Document - the instance document does not appear in the Interactive\nData File because its XBRL tags are embedded within the Inline XB RL document.\n101.SCH* Inline XBRL Taxonomy Extension Schema Document\n101.CAL* Inline XBRL Taxonomy Extension Calculation Linkbase Document\n101.DEF* Inline XBRL Taxonomy Extension Definition Linkba se Document\n101.LAB* Inline XBRL Taxonomy Extension Labels Linkbase Document\n101.PRE* Inline XBRL Taxonomy Extension Presentation Linkbase Document\n104Cover Page Interactive Data File - the cover pa ge interactive data file does not appear in\nthe Interactive Data File because its XBRL tags are embedded within the Inline XBRL\ndocument.\n+ Management contract or compensatory plan or arrangement.\n* Filed herewith.\n# In accorda nce with Item 601(b)(32)(ii) of Regul ation S-K and SEC Release Nos. 33-8238 and 34-47986, Final Rule: Management's Reports on Internal Control\nOver Financial Reporting an d Certification of Disclosure in Exchange Act Periodic Reports, the certifications furnished in Exhibits 32.1 and 32.2 hereto are\ndeemed to accompany this Quarterly Report on Form 10-Q and will not be deemed filed for purpose of Section 18 of the Exchange Act. Such certifications will\nnot be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, exce pt to the extent that the registrant specifically\nincorporates it by reference.\nCopies of above exhibits not contained herein are available to any shareholder upon written request to:\nInvestor Relatio ns: NVIDIA Corporation, 2788 San Tomas Expressway , Santa Clara, CA 95051.\n41Signature\nPursuant to the requirem ents of the Securities Exchange Act of 1934, the registrant has duly caused this repor t to be signed on its behalf by the undersigned\nthereunto duly authorized.\nDate: August 28, 2024\n NVIDIA Corporation \nBy: /s/ Colette M. Kress\n Colette M. Kress\n Executive V ice President and Chief Financial Of ficer (Duly

Authorized Of ficer and Principal\nFinancial Of ficer)\n42NVIDIA Corporation Amended and Restated 2007 Equity Incentive Plan\nApproved by the Compensation Committee: April 24, 2 007\nApproved by the Stockholders: June 21, 2007\nAmended by the Compensation Committee: November 11, 2010\nAmended and Restated by the Compensation Committee: March 22, 2012\nApproved by the Stockholders : May 17, 2012\nAmended and Restated by the Compensation Committee: April 9, 2014\nApproved by the Stockholders: May 23, 2014\nAmended and Restated by the Compensation Committee: April 5, 2016\nApproved b y the Stockholders: May 18, 2016\nAmended and Restated by the Compensation Committee: April 3, 2018\nApproved by the Stockholders: May 16, 2018\nAmended and Restated by the Compensation Committee: April 27, 2020\nApproved by the Stockholders: June 9, 2020\nAmended and Restated by the Board of Directors: July 19, 2021\nAmended and Restated by the Compensation Committee: April 8, 2022\nApproved by the Stoc kholders: June 2, 2022\nAmended and Restated by the Compensation Committee: December 1, 2022\nAmended and Restated by the Board of Directors: June 7, 2024\nTermination Date: April 26, 2030\n1. General.\n(a)Successor and Continuation of Prior Plans. The Plan is intended as the successor to and continuation of the NVIDIA Corporation\n1998 Equity Incentive Plan (the 1998 Plan), the NVIDIA Corporation 199 8 Non-Employee Directors Stock Option Plan, the NVIDIA Corporation\n2000 Nonstatutory Equity Incentive Plan, and the PortalPlayer, Inc. 2004 Stock Incentive Plan (together, the Prior Plans). Followi ng the\nEffective Date, no additional stock awards will be granted under any of the Prior Plans and all newly granted Stock Awards will be subject to the\nterms of this Plan except as follows: from the Effective Date until September 30, 2007 (the Transition Date) (during which time the Company\nanticipates taking such steps as are necessary or appropriate to permit participation in the Plan by Empl oyees, Directors or Consultants who are\nforeign nationals or are employed outside the United States), the Company may grant stock awards subject to the terms of the 1998 Plan\ncovering up to an aggrega te of 100,000 shares of Common Stock to newly hired employees of the Company and its Affiliates who are foreign\nnationals or are employed outside the United States (such 100,000 share reserve, the Fo reign Transition Reserve). On the Effective Date, all\nof the shares remaining available for issuance under the Prior Plans will become available for issuance under the Plan; provided, however, that\nt he issuance of shares upon the exercise of options or the settlement of stock awards granted under the Prior Plans (including the issuance of\nshares upon the exercise or settlement of any awards grant ed following the Effective Date subject to the terms of the 1998 Plan from the Foreign\nTransition Reserve) will occur from this Plan and will reduce the number of shares of Common Stock available for issuance under this Plan as\nprovided in Section 3 below. Any shares of Common Stock subject to outstanding options and stock awards granted under the Prior Plans that\nexpire or terminate for any reaso n prior to exercise or settlement (collectively, the Prior Plans Returning Shares) will become available for\nissuance pursuant to Stock Awards granted hereunder. Except as expressly set forth in th is Section 1(a), all options and stock awards granted\nunder the Prior Plans will remain subject to the terms of the Prior Plans with respect to which they were originally granted.\n(b)Eligible Award Re cipients. The persons eligible to receive Awards are Employees, Directors and Consultants.\n(c)Available Awards. The Plan provides for the grant of the following Awards: (i) Incentive Stock Options, (i i) Nonstatutory Stock Options,\n(iii) Restricted Stock Awards, (iv) Restricted Stock Unit Awards, (v) Stock Appreciation Rights, (vi) Performance Stock Awards, (vii) Performance\nCash Awards, and (viii) Other Stock Awards.(d)Purpose. The Company, by means of the Plan, seeks to secure and retain the services of the group of persons eligible to receive\nAwards as set forth in Section 1(b), to provide i ncentives for such persons to exert maximum efforts for the success of the Company and any\nAffiliate, and to provide a means by which such eligible recipients may be given an opportunity to benefit fr om increases in value of the Common\nStock through the granting of Stock Awards.\n(e)Section 162(m) Transition Relief. Notwithstanding anything in the Plan to the contrary, any reference in the Plan to performance-\nbased compensation under Section 162(m) of the Code will only apply to any Award that is intended, and is eligible, to qualify as such pursuant\nto the transition relief provided by the Tax Cuts and Jobs Act (the TCJA) for remuneration provided by a written binding contract which was in\neffect on November 2, 2017 and which was not subsequently materially modified, as determined by the Board, in its sole discretion, in\naccordance with the TCJA and any applicable guidance, rulings or regulations issued by any governmental authority.\n2. Administration.\n(a)Administration by Board. The Board will administer the Plan unless and until the Board delegates administration of the Plan to a\nCommittee or Committees, as provided in Section 2(c).\n(b)Powers of Board. The Board will have th e power, subject to, and within the limitations of, the express provisions of the Plan:\n(i) To determine from time to time (A) which of the persons eligible under the Plan will be granted Awards; (B) when and how each\nAward will be granted; (C) what type or combination of types of Award will be granted; (D) the provisions of each Award granted (which need not\nbe identical), including the time or t imes when a person will be permitted to receive cash or Common Stock pursuant to a Stock Award; (E) the\nnumber of shares of Common Stock subject to, or the cash value of, an Award; and (F) the Fair Ma rket Value applicable to a Stock Award.\n(ii) To construe and interpret the Plan and Awards granted under it, and to establish, amend and revoke rules and regulations for its\nadministration. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan or in any Stock Award\nAgreement or in the written terms of a Performance Cash Award, in a manner and to th e extent it will deem necessary or expedient to make the\nPlan or Award fully effective.\n(iii) To settle all controversies regarding the Plan and Awards granted under it.\n(iv) To accelerate the time at which an Award may be exercised or the time during which an Award or any part thereof will vest in\naccordance with the Plan, notwithstanding the provisions in the Award stating the time at which it m ay be exercised or the time during which it\nwill vest (or at which cash or shares of Common Stock may be issued); provided, however, that notwithstanding the foregoing or anything in the\nPlan to the c ontrary, the time at which a Participants Award may be exercised or the time during which a Participants Award or any part thereof\nwill vest may only be accelerated in the event of the Participants death or Disability or in the event of a Corporate Transaction or Change in\nControl.\n(v) To suspend or terminate the Plan at any time. Except as otherwise provided in the

Plan or an Award Agreement, suspension or\ntermination of the Plan will not materially impair a Participants rights under his or her then-outstanding Award without his or her written consent.\n(vi) To amend the Plan in any respec t the Board deems necessary or advisable, including, without limitation, relating to Incentive\nStock Options and certain nonqualified deferred compensation under Section 409A of the Code and/or to bri ng the Plan or Awards granted under\nthe Plan into compliance therewith, subject to the limitations, if any, of applicable law. However, except as provided in Section 9(a) relating to\nCapitalization Ad justments, stockholder approval will be required for any amendment of the Plan that either (i) materially increases the number of\nshares of Common Stock available for issuance under the Plan, (ii) mat erially expands the class of individuals eligible to receive Awards under\nthe Plan, (iii) materially increases the benefits accruing to Participants under the Plan or materially reduces the price at w hich shares of Common\nStock may be issued or purchased under the Plan, (iv) materially extends the term of the Plan, or (v) materially expands the types of Awards\navailable for issuance under the Plan , but only to the extent required by applicable law or listing requirements. Except as otherwise provided in\nthe Plan or an AwardAgreement, rights under any Award granted before amendment of the Plan will not be materially impaired by any amendment of the Plan unless\n(i) the Company requests the consent of the affected Participant, and (ii) such Participant consents in writing.\n(vii) To submit any amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended\nto satisfy the requirements of (i) Section 162(m) of the Code and the regulations thereu nder regarding the exclusion of performance-based\ncompensation from the limit on corporate deductibility of compensation paid to Covered Employees, (ii) Section 422 of the Code regarding\nIncentive Sto ck Options, or (iii) Rule 16b-3.\n(viii) To approve forms of Award Agreements for use under the Plan and to amend the terms of any one or more Awards, including,\nbut not limited to, amendments to provi de terms more favorable than previously provided in the Award Agreement, subject to any specified limits\nin the Plan that are not subject to Board discretion; provided however, that, except with respe ct to amendments that disqualify or impair the\nstatus of an Incentive Stock Option or as otherwise provided in the Plan or an Award Agreement, the rights under any Award will not be\nmaterially impaire d by any such amendment unless (i) the Company requests the consent of the affected Participant, and (ii) such Participant\nconsents in writing. Notwithstanding the foregoing, subject to the limitation s of applicable law, if any, and without the affected Participants\nconsent, the Board may amend the terms of any one or more Awards if necessary (A) to maintain the qualified status of the Award as a n\nIncentive Stock Option, (B) to clarify the manner of exemption from, or to bring the Award into compliance with, Section 409A of the Code and\nthe related guidance thereunder, or (C) to comply with o ther applicable laws.\n(ix) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best\ninterests of the Company and that are not in confli ct with the provisions of the Plan or Awards.\n(x) To adopt such procedures or terms and sub-plans (none of which will be inconsistent with the provisions of the Plan) as are\nnecessary or desirable to permit or facilitate participation in the Plan by Employees, Directors or Consultants who are foreign nationals or\nemployed or located outside the United States.\n(c)Delegation to Committee.\n(i) Genera l. The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration\nof the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore\npossessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of\n the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee\nor subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by\nthe Board or Committee (as applicable). The Board may retain the authority to concurrently administer the Plan with the Committee and may, at\nany time, revest in the Board some or all of the powers previously delegated.\n(ii) Section 162(m) and Rule 16b-3 Compliance. The Committee may consist solely of two or more Outside Directors, in\naccordance with Section 162(m) of the Code, or solely of two or more Non-Employee Directors, in accordance with Rule 16b-3. In addition, the\nBoard or the Committee, in its s ole discretion, may (A) delegate to a Committee who need not be Outside Directors the authority to grant Awards\nto eligible persons who are either (I) not then Covered Employees and are not expected t o be Covered Employees at the time of recognition of\nincome resulting from such Stock Award, or (II) not persons with respect to whom the Company wishes to comply with Section 162(m) of the\nCode, and/ or (B) delegate to a Committee who need not be Non-Employee Directors the authority to grant Stock Awards to eligible persons who\nare not then subject to Section 16 of the Exchange Act.\n(d)Delegation to Other Person or Body. The Board or any Committee may delegate to one or more persons or bodies the authority to do\none or more of the following to the extent permitted by applicable law: (i) design ate recipients, other than Officers, of Stock Awards, provided that\nno person or body may be delegated authority to grant a Stock Award to themself; (ii) determine the number of shares of Common Stock subject\nto such Stock Awards; and(iii) determine the terms of such Stock Awards; provided, however, that the Board or Committee action regarding such delegation will fix the\nterms of such delegation in accordance with applicable law, including without limitation Sections 152 and 157 of the Delaware General\nCorporation Law. Unless provided otherwise in the Board or Committee action regarding such delegation, each Stock Award granted pursuant to\nthis section will be granted on the applicable form of Stock Award Agreement most recently approved for use by the Board or the Committee,\nwith any mod ifications necessary to incorporate or reflect the terms of such Stock Award. Notwithstanding anything to the contrary in this Section\n2(d), neither the Board nor any Committee may delegate to any per son or body (who is not a Director or that is not comprised solely of Directors,\nrespectively) the authority to determine the Fair Market Value pursuant to Section 13(x)(iii) below.\n(e)Effect of Board s Decision. All determinations, interpretations and constructions made by the Board in good faith will not be subject to\nreview by any person and will be final, binding and conclusive on all persons. \n(f)Cancellation and Re-Grant of Stock Awards. Neither the Board nor any Committee will have the authority to: (i) reduce the exercise\nor strike price of any outstanding Options or Stock Appreciation Rights under the Plan, or (ii) cancel any outstanding Options or Stock\nAppreciation Rights that have an exercise price or strike price greater than the current Fair Market Value in exchange for cash o r other Stock\nAwards under the Plan, unless the stockholders of the Company have approved such an action within twelve (12) months prior to such an event.\n(g)Dividends and Dividend Equivalents. Divide nds or dividend equivalents may be paid or credited, as applicable, with respect to any\nshares of Common Stock subject to an Award, as determined by the Board and contained in the applicable Award Agr eement; provided,\nhowever, that (i) no dividends or dividend equivalents may be paid with respect to any such shares before the date such shares have vested\nunder the terms of such Award Agreement, (i i) any dividends or dividend equivalents that are credited with respect to any such shares will be\nsubject to all of the terms and conditions applicable to such shares under the terms of such Award Ag reement (including, but not limited to, any\nvesting conditions), and (iii) any dividends or dividend equivalents that are credited with respect to any such shares will be forfeited to the\nCompany on t he date, if any, such shares are forfeited to or repurchased by the Company due to a failure to meet any vesting conditions under\nthe terms of such Award Agreement.\n3.Shares Subject to the Plan.\n(a)Sh are Reserve. Subject to the provisions of Section 9(a) relating to Capitalization Adjustments, the aggregate number of shares of\nCommon Stock of the Company that may be issued pursuant to Stock Awards after the Effective Date will not exceed 10,289,710,640 shares\n(the 2007 Plan Reserve). Such maximum number of shares reserved for issuance consists of (i) 152,767,766 shares, which is the total\nre serve that the Companys stockholders approved at the Companys 2007 Annual Meeting of Stockholders, including but not limited to the\nshares remaining available for issuance under the Prior Plans on t he Effective Date and the Prior Plans Returning Shares, (ii) 25,000,000\nshares that were approved at the Companys 2012 Annual Meeting of Stockholders (and reapproved at the Companys 2013 Annual Mee ting of\nStockholders), (iii) 10,000,000 shares that were approved at the Companys 2014 Annual Meeting of Stockholders, (iv) 18,800,000 shares that\nwere approved at the Companys 2016 Annual

Meeting o f Stockholders, (v) 23,000,000 shares that were approved at the Companys 2018\nAnnual Meeting of Stockholders, (vi) 14,800,000 shares that were approved at the Companys 2020 Annual Meeting of Stockho lders, (vii)\n733,103,298 shares that were added to reflect a 4-for-1 stock split effective July 19, 2021, (viii) 51,500,000 shares that were approved at the\nCompanys 2022 Annual Meeting of Stockholde rs, and (ix) 9,260,739,576 shares that were added to reflect a 10-for-1 stock split effective June\n7, 2024. For clarity, the 2007 Plan Reserve in this Section 3(a) is a limitation on the number of sha res of Common Stock that may be issued\npursuant to the Plan. Accordingly, this Section 3(a) does not limit the granting of Stock Awards except as provided in Section 7(a). Shares may\nbe issued in conn ection with a merger or acquisition as permitted by Nasdaq Listing Rule 5635(c) or, if applicable, NYSE Listed Company\nManual Section 303A.08, AMEX Company Guide Section 711 or other applicable rule, and such issuance will not reduce the number of shares\navailable for issuance under the Plan.\n The initial 101,845,177 shares approved in June 2007 were adjusted to 152,767,766 pursuant to a 3-for-2 s tock split effective September 10, 2007.1\n1(b)Reversion of Shares to the Share Reserve.\n(i) Shares Available For Subsequent Issuance. If any (x) Stock Award shall for any reason expire or otherwise te rminate, in\nwhole or in part, without having been exercised in full, (y) shares of Common Stock issued to a Participant pursuant to a Stock Award are\nforfeited to or repurchased by the Company at thei r original exercise or purchase price pursuant to the Companys reacquisition or repurchase\nrights under the Plan, including any forfeiture or repurchase caused by the failure to meet a contingency or condition required for the vesting of\nsuch shares, or (z) Stock Award is settled in cash, then the shares of Common Stock not issued under such Stock Award, or forfeited to or\nrepurchased by the Comp any, shall revert to and again become available for issuance under the Plan.\n(ii) Shares Not Available for Subsequent Issuance. If any shares subject to a Stock Award are not delivered to a Participan t\nbecause such shares are withheld by the Company to satisfy the exercise or purchase price of a Stock Award (including any shares subject to a\nStock Award that are not delivered to a Participant beca use the Stock Award is exercised through a reduction of shares subject to the

Stock\nAward (i.e., net exercised)) or an appreciation distribution in respect of a Stock Appreciation Right is paid in s hares of Common Stock, the\nnumber of shares subject to the Stock Award that are not delivered to the Participant shall not remain available for subsequent issuance under\nthe Plan. If any shares subjec t to a Stock Award are not delivered to a Participant because such shares are withheld by the Company in\nsatisfaction of the withholding of taxes incurred in connection with a Stock Award, the number of shares that are not delivered to the Participant\nshall not remain available for subsequent issuance under the Plan. If the exercise or purchase price of any Stock Award, or the withholding of\ntaxes incurred in connection with a Stock Award, is satisfied by tendering shares of Common Stock held by the Participant (either by actual\ndelivery or attestation), then the number of shares so tendered s hall not remain available for subsequent issuance under the Plan. If any shares\nof Common Stock are repurchased by the Company on the open market with the proceeds of the exercise or purchase price of a Stock Award,\nthen the number of shares so repurchased shall not remain available for subsequent issuance under the Plan.\n(c)Incentive Stock Option Limit. Subject to the 2007 Plan Reserve and the pr ovisions of Section 9(a) relating to Capitalization\nAdjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock\nOptions under the Plan (including Incentive Stock Options granted under the Prior Plans) will be 10,000,000,000 shares of Common Stock.\n(d)Individual Award Limitations. Subject to the provisions of Section 9(a) relati ng to Capitalization Adjustments, no Participant will be\neligible to be granted during any fiscal year:\n(i) Options, Stock Appreciation Rights and Other Stock Awards whose value is determined by refer ence to an increase over an\nexercise or strike price of at least one hundred percent (100%) of the Fair Market Value on the date the Stock Award is granted covering more\nthan 80,000,000 shares of Comm on Stock;\n(ii) Performance Stock Awards covering more than 80,000,000 shares of Common Stock; and\n(iii) Performance Cash Awards with a value of more than $6,000,000.\nIf a Performance Stock Award is in the form of an Option, it will count only against the Performance Stock Award limit. If a Performance\nStock Award could be paid out in cash, it will count only against the Performance Stock Award lim it.\n(e)Source of Shares. The stock issuable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including\nshares repurchased by the Company on the open market or other wise.\n4.Eligibility.\n(a)Eligibility for Specific Stock Awards. Incentive Stock Options may be granted only to employees of the Company or a parent\ncorporation or subsidiary corporation thereof (as such terms are defined in Sections 424(e) and 424(f) of the Code). Stock Awards other than\nIncentive Stock Options may be granted to Employees, Directors and Consultants; provided, however, that Stoc k Awards may not be granted to\nEmployees, Directors and Consultants who are providing Continuous Service only to any parent of the Company, as such term is defined in\nRule 405 of the SecuritiesAct, unless (i) the stock underlying such Stock Awards is treated as service recipient stock under Section 409A of the Code (for example,\nbecause the Stock Awards are granted pursuant to a corporate tran saction such as a spin off transaction), (ii) the Company, in connection with\nits legal counsel, has determined that such Stock Awards are otherwise exempt from Section 409A of the Code, or (iii) the Company, in\nconnection with its legal counsel, has determined that such Stock Awards comply with the distribution requirements of Section 409A of the Code.\n(b)Ten Percent Stockholders. A Ten Percent S tockholder will not be granted an Incentive Stock Option unless the exercise price of such\nOption is at least one hundred ten percent (110%) of the Fair Market Value on the date of grant and the Optio n is not exercisable after the\nexpiration of five (5) years from the date of grant.\n(c)Consultants. A Consultant will be eligible for the grant of an Award only if, at the time of grant, a Form S-8 Re gistration Statement\nunder the Securities Act or a successor or similar form under the Securities Act (Form S-8) is available to register either the offer or the sale of\nthe Companys securities to such Consultant because of the nature of the services that the Consultant is providing to the Company, because the\nConsultant is a natural person, or because of any other rule governing the use of For m S-8.\n5.Provisions Relating to Options and Stock Appreciation Rights.\nEach Option or SAR will be in such form and will contain such terms and conditions as the Board will deem appropriate. All Option s will be\nseparately designated Incentive Stock Options or

Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate\ncertificate or certificates will be issued for s hares of Common Stock purchased on exercise of each type of Option. If an Option is not specifically\ndesignated as an Incentive Stock Option, or if an Option is designated as an Incentive Stock Option but some portion or all of the Option fails to\nqualify as an Incentive Stock Option under the applicable rules, then the Option (or portion thereof) will be a Nonstatutory Stock Option. The\nprovision s of separate Options or SARs need not be identical; provided, however, that each Award Agreement will include (through incorporation\nof provisions hereof by reference in the Award Agreement or otherw ise) the substance of each of the following provisions:\n(a) Term. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, no Option or SAR will be exercisable after the\nexpiratio n of ten (10) years from the date of its grant or such shorter period specified in the Award Agreement (the Expiration Date).\n(b)Exercise Price. Subject to the provisions of Section 4(b) regarding T en Percent Stockholders, and notwithstanding anything in the\nAward Agreement to the contrary, the exercise or strike price of each Option or SAR will not be less than the Fair Market Value subject to the\nOption or SAR on the date the Award is granted. Notwithstanding the foregoing, an Option or SAR may be granted with an exercise or strike\nprice lower than the Fair Market Value subject to the Awar d if such Award is granted pursuant to an assumption or substitution for another option\nor stock appreciation right in a manner consistent with the provisions of Section 409A and, if applicable, Secti on 424(a) of the Code. Each SAR\nwill be denominated in shares of Common Stock equivalents.\n(c)Consideration. The purchase price of Common Stock acquired pursuant to the exercise of an Option will be p aid, to the extent\npermitted by applicable law and as determined by the Board in its sole discretion, by any combination of the methods of payment set forth below.\nThe Board will have the authority to grant Options that do not permit all of the following methods of payment (or otherwise restrict the ability to\nuse certain methods) and to grant Options that require the consent of the Company to uti lize a particular method of payment. The methods of\npayment permitted by this Section 5(c) are:\n(i) by cash, check, bank draft, money order or electronic funds transfer payable to the Company;\n(ii) pu rsuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance\nof the stock subject to the Option, results in either the receipt of cash (or c heck) by the Company or the receipt of irrevocable instructions to pay\nthe aggregate exercise price to the Company from the sales proceeds;(iii) if an option is a Nonstatutory Stock Option, by a net exercise arrangement pursuant to which the Company will reduce the\nnumber of shares of Common Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not \nexceed the aggregate exercise price; provided, however, that the Company will accept a cash or other payment from the Participant to the extent\nof any remaining balance of the aggregate exercise pric e not satisfied by such reduction in the number of whole shares to be issued; provided,\nfurther, that shares of Common Stock will no longer be outstanding under an Option and will not be exercisable t hereafter to the extent that (A)\nshares issuable upon exercise are reduced to pay the exercise price pursuant to the net exercise, (B) shares are delivered to the Participant as\na result of such exe rcise, and (C) shares are withheld to satisfy tax withholding obligations; or\n(iv) in any other form of legal consideration that may be acceptable to the Board and specified in the applicable Award Ag reement.\n(d)Exercise and Payment of a SAR. To exercise any outstanding SAR, the Participant must provide written notice of exercise to the\nCompany in compliance with the provisions of the Stock Apprec iation Right Agreement evidencing such SAR. The appreciation distribution\npayable on the exercise of a SAR will be not greater than an amount equal to the excess of (A) the aggregate Fair Market Value (on the date of\nthe exercise of the SAR) of a number of shares of Common Stock equal to the number of Common Stock equivalents in which the Participant is\nvested under such SAR, and with respect to w hich the Participant is exercising the SAR on such date, over (B) the strike price. The appreciation\ndistribution may be paid in Common Stock, in cash, in any combination of the two or in any other fo rm of consideration, as determined by the\nBoard and contained in the Award Agreement evidencing such SAR.\n(e)Transferability of Options and SARs. The Board may, in its sole discretion, impose such lim itations on the transferability of

Options\nand SARs as the Board will determine. If the Board determines that an Option or SAR will be transferable, the Option or SAR will contain such\nadditional term s and conditions as the Board deems appropriate. In the absence of such a determination by the Board to the contrary, the\nfollowing restrictions on the transferability of Options and SARs will apply:\n (i) Restrictions on Transfer. An Option or SAR will not be transferable except by will or by the laws of descent and distribution (or\npursuant to subsections (ii) and (iii) below) and will be exercisa ble during the lifetime of the Participant only by the Participant; provided,\nhowever, that the Board may, in its sole discretion, permit transfer of the Option or SAR in a manner consistent with appl icable tax and securities\nlaws upon the Participants request. Except as explicitly provided herein, neither an Option nor a SAR may be transferred for consideration.\n(ii) Domestic Relations Orders. N otwithstanding the foregoing, subject to the approval of the Board or a duly authorized Officer,\nan Option or SAR may be transferred pursuant to a domestic relations order or official marital settleme nt agreement; provided, however, that an\nIncentive Stock Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.\n(iii) Beneficiary Designation. Notwithstanding the foregoi ng, subject to the approval of the Board or a duly authorized Officer, a\nParticipant may, by delivering written notice to the Company, in a form provided by or otherwise satisfactory to the Company (o r the designated\nbroker), designate a third party who, in the event of the death of the Participant, will thereafter be entitled to exercise the Option or SAR and\nreceive the Common Stock or other con sideration resulting from such exercise. In the absence of such a designation, the executor or\nadministrator of the Participants estate (or other party legally entitled to the Option or SAR proceeds) will be entitled to exercise the Option or\nSAR and receive the Common Stock or other consideration resulting from such exercise. However, the Company may prohibit designation of a\nbeneficiary at any time, including due to any conclusion by the Company that such designation would be inconsistent with the provisions of\napplicable laws or difficult to administer.\n(f)Vesting Generally. The total numb er of shares of Common Stock subject to an Option or SAR may vest and therefore become\nexercisable in periodic installments that may or may not be equal. The Option or SAR may be subject to such other terms and conditions on the\ntime or times when it may or may not be exercised (which may be based on the satisfaction of Performance Goals or other criteria) as the Board\nmay deem appropriate. The ve sting provisions ofindividual Options or SARs may vary; provided, however, that in all cases, in the event that a Participants Continuous Service terminates as a\nresult of his or her death, then the Option or SAR will become fully vested and exercisable as of the date of termination of Continuous Service.\nThe provisions of this Section 5(f) are subject to any Option or SAR provisions governing th e minimum number of shares of Common Stock as to\nwhich an Option or SAR may be exercised.\n(g)Termination of Continuous Service. Except as otherwise provided in the applicable Award Agreement or other agreement between\nthe Participant and the Company, in the event that a Participants Continuous Service terminates (other than for Cause or upon the Participants\ndeath or Disability), the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Award\nas of the date of termination of Continuous Service) but only within such period of time ending on the earlier of (i) the date 90 days following the\ntermination of the Participants Continuous Service, or (ii) the expiration of the term of the Option or SAR as set forth in the Award Agree ment. If,\nafter termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the time specified herein or in the\nAward Agreement (as applicable), the Option or SAR will terminate.\n(h)Extension of Termination Date. If the exercise of an Option or SAR following the termination of the Participants Continuous Service\n(other than for Cause or upon the Participan ts death or Disability) would either (i) be prohibited solely because the issuance of shares of\nCommon Stock would violate the registration requirements under the Securities Act, or (ii) subject the Participant to short-swing liability under\nSection 16(b) of the Exchange Act due to a transaction engaged in by the Participant prior to his or her termination of Continuous Service, then\nthe Option o r SAR will terminate on the earlier of (A) the expiration of a period of 90 days after the termination of the Participants Continuous\nService during which the exercise of the Option or SAR would not be in violation of such registration requirements and would not subject the\nParticipant to short-swing liability under Section 16(b) of the Exchange Act, or (B) the expiration of the term of the Optio n or SAR as set forth in\nthe Award Agreement. All determinations under this Section 5(h) will be made in the sole discretion of the Board.\n(i)Disability of Participant. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant\nand the Company, in the event that a Participants Continuous Service terminates as a result of the Participants Disability, the Participant may\nexercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of termination of\nContinuous Service), but only wi thin such period of time ending on the earlier of (i) the date 12 months following such termination of Continuous\nService, or (ii) the expiration of the term of the Option or SAR as set forth in the A ward Agreement. If, after termination of Continuous Service,\nthe Participant does not exercise his or her Option or SAR within the time specified herein or in the Award Agreement (as applicable), the Option\nor SAR will terminate.\n(j)Death of Participant. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant and\nthe Company, in the event that (i) a Participants Continuous Service terminates as a result of the Participants death (which termination event\nwill give rise to acceleration of vesting as described in Section 5(f) above), or (ii) the Participant dies within the period (if any) specified in the\nAward Agreement after the termination of the Participants Continuous Service for a reason other than death (which event will not give ris e to\nacceleration of vesting as described in Section 5(f) above), then the Option or SAR may be exercised (to the extent the Participant was entitled\nto exercise such Option or SAR as of the date of d eath) by the Participants estate, by a person who acquired the right to exercise the Option or\nSAR by bequest or inheritance or by a person designated to exercise the Option or SAR upon the Participa nts death, but only within the period\nending on the earlier of (A) the date 18 months following the date of death, or (B) the expiration of the term of such Option or SAR as set forth in\nthe Award Ag reement. If, after the Participants death, the Option or SAR is not exercised within the time specified herein or in the Award\nAgreement (as applicable), the Option or SAR will terminate.\n(k)Terminat ion for Cause. Except as explicitly provided otherwise in a Participants Award Agreement, or other individual written\nagreement between the Company or any Affiliate and the Participant, if a Particip ants Continuous Service is terminated for Cause, the Option or\nSAR will terminate immediately upon such Participants termination of Continuous Service, and the Participant will be prohibited from ex ercising\nhis or her Option or SAR from and after the time of such termination of Continuous Service.(l)Non-Exempt Employees. No Option or SAR granted to an Employee that is a non-exempt employee for p urposes of the Fair Labor\nStandards Act of 1938, as amended, will be first exercisable for any shares of Common Stock until at least six (6) months following the date of\ngrant of the Option or SAR (al though the Award may vest prior to such date). Consistent with the provisions of the Worker Economic Opportunity\nAct, (i) if such non-exempt Employee dies or suffers a Disability, (ii) upon a Corporat e Transaction in which such Option or SAR is not assumed,\ncontinued, or substituted, (iii) upon a Change in Control, or (iv) upon the Participants retirement (as such term may be defined in the\nParti cipants Award Agreement or in another agreement between the Participant and the Company, or, if no such definition, in accordance with\nthe Companys then current employment policies and guidelines), the vested portion of any Options and SARs may be exercised earlier than six\n(6) months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non- exempt employee in\nconnection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay. To the extent permitted and/or\nrequired for compliance with the Worke r Economic Opportunity Act to ensure that any income derived by a non-exempt employee in connection\nwith the exercise, vesting or issuance of any shares under any other Stock Award will be exempt from the employees regular rate of pay, the\nprovisions of this Section 5(k) will apply to all Stock Awards and are hereby incorporated by reference into such Stock Award Agreements.\n6.Provisions of Stock Awards other than Options and SARs.\n(a)Restricted Stock Awards. Each Restricted Stock Award Agreement will be in such form and will contain such terms and conditions as\nthe Board will deem appropriat e. To the extent consistent with the Companys

Bylaws, at the Boards election, shares of Common Stock may be\n(x) held in book entry form subject to the Companys instructions until any restrictions r elating to the Restricted Stock Award lapse; or\n(y) evidenced by a certificate, which certificate will be held in such form and manner as determined by the Board. The terms and conditions of\nRestricte d Stock Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Award\nAgreements need not be identical, provided, however, that each Restricted Stock A ward Agreement will include (through incorporation of the\nprovisions hereof by reference in the Award Agreement or otherwise) the substance of each of the following provisions:\n(i) Consideration. A Re stricted Stock Award may be awarded in consideration for (A) cash, check, bank draft, money order or\nelectronic funds transfer payable to the Company, (B) past services rendered to the Company or an A ffiliate, or (C) any other form of legal\nconsideration (including future services) that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.\n(ii) Vesting. Shar es of Common Stock awarded under a Restricted Stock Award Agreement may be subject to forfeiture to the\nCompany in accordance with a vesting schedule to be determined by the Board; provided, however, that in all cases, in the event a Participants\nContinuous Service terminates as a result of his or her death, then the Restricted Stock Award will become fully vested as of the date of\ntermination of Continuous Service.\n(iii) Termination of Participants Continuous Service. In the event a Participants Continuous Service terminates, the Company\nmay receive via a forfeiture condition or a repurcha se right any or all of the shares of Common Stock held by the Participant which have not\nvested as of the date of termination of Continuous Service under the terms of the Restricted Stock Award Agreem ent.\n(iv) Transferability. Rights to acquire shares of Common Stock under the Restricted Stock Award Agreement will be transferable by\nthe Participant only upon such terms and conditions as are set fo rth in the Restricted Stock Award Agreement, as the Board will determine in its\nsole discretion, so long as Common Stock awarded under the Restricted Stock Award Agreement remains subject to the terms of the Restricted\nStock Award Agreement.\n(b)Restricted Stock Unit Awards. Each Restricted Stock Unit Award Agreement will be in such form and will contain such terms and\nconditions as the Board will deem appropriate. The terms and conditions of Restricted Stock Unit Award Agreements may change from time to\ntime, and the terms and conditions of separate Restricted Stock Unit Award Agreements need not be identical, provided, however, that each\nRestricted Stock Unit Award Agreement willinclude (through incorporation of the provisions hereof by reference in the Award Agreement or otherwise) the s ubstance of each of the following\nprovisions:\n(i) Consideration. At the time of grant of a Restricted Stock Unit Award, the Board will determine the consideration, if any, to be\npaid by the Participan t upon delivery of each share of Common Stock subject to the Restricted Stock Unit Award. The consideration to be paid (if\nany) by the Participant for each share of Common Stock subject to a Restricte d Stock Unit Award may be paid in any form of legal consideration\nthat may be acceptable to the Board in its sole discretion and permissible under applicable law.\n(ii) Vesting. At the time of the gran t of a Restricted Stock Unit Award, the Board may impose such restrictions or conditions to the\nvesting of the Restricted Stock Unit Award as it, in its sole discretion, deems appropriate; provided, h owever, that in all cases, in the event a\nParticipants Continuous Service terminates as a result of his or her death, then the Restricted Stock Unit Award will become fully vested as of\nthe date of t ermination of Continuous Service.\n(iii) Payment. A Restricted Stock Unit Award may be settled by the delivery of shares of Common Stock, their cash equivalent, any\ncombination thereof or in any other form of consideration, as determined by the Board and contained in the Restricted Stock Unit Award\nAgreement.\n(iv) Additional Restrictions. At the time of the grant of a Restricted Stock Unit Award, t he Board, as it deems appropriate, may\nimpose such restrictions or conditions that delay the delivery of the shares of Common Stock (or their cash equivalent) subject to a Restricted\nStock Unit Award to a time after the vesting of such Restricted Stock Unit Award.\n(v) Termination of Participants Continuous Service. Except as otherwise provided in the applicable Restricted Stock Unit Award\nAgreeme nt, such portion of the Restricted Stock Unit Award that has not vested will be forfeited upon the Participants termination of Continuous\nService.\n(c)Performance Awards.\n(i) Performance Stock Awards. A Performance

Stock Award is a Stock Award that is payable (including that may be granted, vest\nor exercised) contingent upon the attainment during a Performance Period of certain Performance Goals. A Performance Stock Award may\nrequire the completion of a specified period of Continuous Service. In the event a Participants Continuous Service terminates as a result of his\nor her death, then the P erformance Stock Award will be deemed to have been earned at 100% of the target level of performance, will be fully\nvested, as of the date of death, and shares thereunder will be issued promptly follo wing the date of death. The length of any Performance\nPeriod, the Performance Goals to be achieved during the Performance Period, and the measure of whether and to what degree such\nPerformance Goals h ave been attained will be conclusively determined by the Committee (or, to the extent that an Award is not intended to\nqualify as performance-based compensation under Section 162(m) of the Code, the Board), in its sole discretion. In addition, to the extent\npermitted by applicable law and the applicable Award Agreement, the Board or the Committee, as applicable, may determine that cash may be\nus ed in payment of Performance Stock Awards.\n(ii) Performance Cash Awards. A Performance Cash Award is a cash award that is payable contingent upon the attainment during\na Performance Period of certain Performance Goals. A Performance Cash Award may also require the completion of a specified period of\nContinuous Service. The length of any Performance Period, the Performance Goals to be achieved duri ng the Performance Period, and the\nmeasure of whether and to what degree such Performance Goals have been attained will be conclusively determined by the Committee (or, to\nthe extent that an Award is not intended to qualify as performance-based compensation under Section 162(m) of the Code, the Board), in its\nsole discretion. The Board or the Committee, as applicable, may provide for or, subject to such terms and conditions as the Board or the\nCommittee, as applicable, may specify, may permit a Participant to elect for, the payment of any Performance Cash Award to be deferred to a\nspecified date or event. The Board or the Committee, as applicable, may specify the form of payment of Performance Cash Awards, which may\nbe cash or other property, or may provide for a Participant to have the option for his or her

Performance Cash Award, or such portion thereof as\nthe Board or theCommittee, as applicable, may specify, to be paid in whole or in part in cash or other property. In addition, t o the extent permitted by applicable\nlaw and the applicable Award Agreement, the Board or the Committee, as applicable, may determine that Common Stock authorized under this\nPlan may be used in paymen t of Performance Cash Awards, including additional shares in excess of the Performance Cash Award as an\ninducement to hold shares of Common Stock.\n(iii) Section 162(m) Compliance. Unless otherwise per mitted in compliance with the requirements of Section 162(m) of the Code\nwith respect to any Award intended to qualify as performance-based compensation thereunder, the Committee will establish the Performance\nGoals applicable to, and the formula for calculating the amount payable under, the Award no later than the earlier of (a) the date 90 days after\nthe commencement of the applicable Performa nce Period, and (b) the date on which 25% of the Performance Period has elapsed, and in any\nevent at a time when the achievement of the applicable Performance Goals remains substantially uncertain. Pr ior to the payment of any\ncompensation under an Award intended to qualify as performance-based compensation under Section 162(m) of the Code, the Committee will\ncertify the extent to which any Perfo rmance Goals and any other material terms under such Award have been satisfied (other than in cases\nwhere such relate solely to the increase in the value of the Common Stock). With respect to any Awar d intended to qualify as performance-\nbased compensation under Section 162(m) of the Code, the Committee may reduce or eliminate the compensation or economic benefit due\nupon the attainment of the a pplicable Performance Goals on the basis of any such further considerations as the Committee, in its sole discretion,\nmay determine.\n(d)Other Stock Awards. Other forms of Stock Awards valued in whole or in part by reference to, or otherwise based on, Common Stock,\nincluding the appreciation in value thereof may be granted either alone or in addition to Stock Awards provided for under Section 5 and the\npreceding provisions of this Section 6. Subject to the provisions of the Plan (including, but not limited to, Section 2(g)), the Board will have sole\nand complete authority to determine the perso ns to whom and the time or times at which such

Other Stock Awards will be granted, the number\nof shares of Common Stock (or the cash equivalent thereof) to be granted pursuant to such Other Stock Awar ds and all other terms and\nconditions of such Other Stock Awards; provided, however, that in all cases, in the event a Participants Continuous Service terminates as a\nresult of his or her death, then any Other Stock Awards held by such Participant will become fully vested as of the date of termination of\nContinuous Service.\n7.Covenants of the Company.\n(a)Availability of Shares. During the terms o f the Stock Awards, the Company will keep available at all times the number of shares of\nCommon Stock reasonably required to satisfy such Stock Awards.\n(b)Securities Law Compliance. The Company will s eek to obtain from each regulatory commission or agency having jurisdiction over the\nPlan, or any offerings made under the Plan, such authority as may be required to grant Stock Awards and to issue an d sell shares of Common\nStock upon exercise of the Stock Awards; provided, however, that this undertaking will not require the Company to register under the Securities\nAct the Plan, any Stock Award or any Common Stock issued or issuable pursuant to any such Stock Award nor seek to obtain such approval if\nthe cost or efforts to obtain the approval is unreasonable in relation to the value of the ben efits to be provided under the Plan, as determined by\nthe Company in its sole discretion. If, after reasonable efforts and at a reasonable cost, the Company is unable to obtain from any such\nregulator y commission or agency the authority that counsel for the Company deems necessary for the lawful issuance and sale of Common\nStock under the Plan, the Company will be relieved from any liability for f ailure to issue and sell Common Stock upon exercise of such Stock\nAwards unless and until such authority is obtained. A Participant will not be eligible for the grant of an Award or the subsequent iss uance of cash\nor Common Stock pursuant to the Award if such grant or issuance would be in violation of any applicable securities laws.\n(c)No Obligation to Notify or Minimize Taxes. The Company will ha ve no duty or obligation to any Participant to advise such Participant\nas to the time or manner of exercising such Stock Award. Furthermore, the Company will have no duty or obligation to warn or othe rwise advise\nsuch holder of a pending termination or expiration of an Award or a possible period in which the Award may not be exercised. Neither the\nCompany nor any of its Affiliates has any duty or obligation to minimize the tax consequences of an Award to the holder of such Award.8.Miscellaneous.\n(a)Use of Proceeds. Proceeds from the sale of shares of Common Stock pursuant to Awards will consti tute general funds of the Company.\n(b)Corporate Action Constituting Grant of Stock Awards. Corporate action constituting a grant by the Company of an Award to any\nParticipant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the\ninstrument, certificate, or letter evidencing the Award is communicated to, or actually receiv ed or accepted by, the Participant. In the event that\nthe corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action constituting the grant contain terms (e.g.,\n exercise price, vesting schedule or number of shares) that are inconsistent with those in the Award Agreement as a result of a clerical error in the\npapering of the Award Agreement, the corporate reco rds will control and the Participant will have no legally binding right to the incorrect term in\nthe Award Agreement.\n(c)Stockholder Rights. No Participant will be deemed to be the holder of, or to ha ve any of the rights of a holder with respect to, any\nshares of Common Stock subject to an Award unless and until (i) such Participant has satisfied all requirements for exercise of, or the issuance\no f shares under, the Award pursuant to its terms and (ii) the issuance of the Common Stock subject to such Award has been entered into the\nbooks and records of the Company.\n(d)No Employment or Other Se rvice Rights. Nothing in the Plan, any Award Agreement or any other instrument executed thereunder or\nin connection with any Award granted pursuant to the Plan will confer upon any Participant any rig ht to continue to serve the Company or an\nAffiliate in the capacity in effect at the time the Award was granted or will affect the right of the Company or an Affiliate to terminate (i) the\nemployment of an Employee with or without notice and with or without cause (provided in compliance with applicable local laws and the\nEmployees employment contract, if any), (ii) the service of a Consultant pur suant to the terms of such Consultants agreement with the\nCompany or an Affiliate, or (iii) the service of a Director pursuant to the Bylaws of the Company or an Affiliate, and any applicable provisi ons of\nthe corporate law of the state in which the Company or the Affiliate is incorporated, as the case may be.\n(e)Change in Time Commitment. In the event a Participants regular level of time commit ment in the performance of his or her services\nfor the Company or any Affiliates is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the\nEmployee has a change in status from a full-time Employee to a part-time Employee) after the date of grant of any Award to the Participant, the\nBoard has the right in its sole discretion (provided in compliance wi th applicable local laws) to (i) make a corresponding reduction in the number\nof shares or cash amount subject to any portion of such Award that is scheduled to vest or become payable after the date o f such change in time\ncommitment, and (ii) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the\nevent of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced.\n(f)Incentive Stock Option Limitation. To the extent that the aggregate Fair Market Value (determined at the time of grant) with respect to\nwhich Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company\nand any Affiliates) exceeds $100,000 (or such other limit established in the Code) or otherwise does not comply with the rules governing\nIncentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise\ndo not comply with the rules will be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option\nAgree ment(s) or any Board or Committee resolutions related thereto.\n(g)Investment Assurances. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any\nAward, (i) to give written assurances satisfactory to the Company as to the Participants knowledge and experience in financial and business\nmatters and/or to employ a purchaser representative reasonably sat isfactory to the Company who is knowledgeable and experienced in financial\nand business matters and that he or she is capable of evaluating, alone or together with the purchaser representative, the me rits and risks of\nexercising the Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Common Stock\nsubject to the Award for the Participant s own account and not with any present intention of selling or otherwisedistributing the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, will be inope rative if (A)\nthe issuance of the shares upon the exercise or acquisition of Common Stock under the Award has been registered under a then currently\neffective registration statement under the Securiti es Act, or (B) as to any particular requirement, a determination is made by counsel for the\nCompany that such requirement need not be met in the circumstances under the then applicable securities laws . The Company may, upon\nadvice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in\norder to comply with applicable se curities laws, including, but not limited to, legends restricting the transfer of the Common Stock.\n(h)Withholding Obligations. Unless prohibited by the terms of an Award Agreement, the Company may, i n its sole discretion, satisfy any\nfederal, state, foreign or local tax withholding obligation relating to an Award (including but not limited to income tax, social insurance\ncontributions, payment on account or any other taxes) by any of the following means (in addition to the Companys right to withhold from any\ncompensation paid to the Participant by the Company or an Affiliate) or by a combina tion of such means: (i) causing the Participant to tender a\ncash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in\nco nnection with the Award; provided, however, that no shares of Common Stock are withheld with a value exceeding the maximum amount of\ntax required to be withheld by law (or such other amount as may be necessary to avoid classification of the Stock Award as a liability for financial\naccounting purposes); (iii) withholding cash from an Award settled in cash; (iv) withholding payment from any amounts otherwise payable to the\nParticipant; or (v) by such other method as may be set forth in the Award Agreement.\n(i)Electronic Delivery. Any reference herein to a written agreement or document will inc lude any agreement or document delivered\nelectronically, filed publicly at www.sec.gov (or any successor website thereto) or posted on the Companys intranet.\n(j)Deferrals. To the extent permitted by applicable law, the Board, in its sole discretion, may determine that the delivery of Common Stock\nor the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Award may be deferred and may establish programs\nand procedures for deferral elections to be made by Participants. Deferrals by Participants will be made in accordance with Section 409A of the\nCode. Consistent with Section 409A of the Code, the Board may provide for distributions while a Participant is still an employee or otherwise\nproviding services to the Company or an Affiliate. The Board is authorized to make deferrals of Awards and determine when, and in what annual\npercentages, Participants may receive payments, including lump sum payments, following the Participants termination of Continuous S ervice,\nand implement such other terms and conditions consistent with the provisions of the Plan and in accordance with applicable law.\n(k)Compliance with Section 409A. Unless otherwise expressly prov ided for in an Award Agreement, the Plan and Award Agreements will\nbe interpreted to the greatest extent possible in a manner that makes the Plan and the Awards granted hereunder exempt from Section 4 09A of\nthe Code, and, to the extent not so exempt, in compliance with Section 409A of the Code. If the Board determines that any Award granted\nhereunder is not exempt from and is therefore subject to Section 409A of the Code, the Award Agreement evidencing such Award will\nincorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code, and to th e extent an\nAward Agreement is silent on terms necessary for compliance, such terms are hereby incorporated by reference into the Award Agreement.\nNotwithstanding anything to the contrary in this Plan (and unless the Award Agreement specifically provides otherwise), if the shares of Common\nStock are publicly traded, and if a Participant holding an Award that constitutes deferred compensation und er Section 409A of the Code is a\nspecified employee for purposes of Section 409A of the Code, no distribution or payment of any amount that is due because of a separation\nfrom service (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date\nthat is six (6) months following the date of such Participants separation fro m service or, if earlier, the date of the Participants death, unless\nsuch distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred wil l be paid in\na lump sum on the day after such six (6) month period elapses, with the balance paid thereafter on the original schedule.(l)Clawback/Recovery. All Awards granted under the Plan will be su bject to recoupment in accordance with any clawback policy that the\nCompany is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Compa nys\nsecurities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable law. In\naddition, the Board may impose such other clawback, recovery or recoupment provisions in an Award Agreement as the Board determines\nnecessary or appropriate, including but not limited to a reacquisition right in respect of previously acquired shares of Common Stock or other\ncash or property upon the occurrence of Cause.\n9.Adjustments upon Changes in Common Stock; Other Corporate Events.\n(a)Capitalization Adjustments. In the event of a Capitalizatio n Adjustment, the Board will appropriately and proportionately adjust: (i) the\nclass(es) and maximum number of securities subject to the Plan pursuant to Section 3(a); (ii) the class(es) and maximum n umber of securities\nthat may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 3(c); (iii) the class(es) and maximum number of\nsecurities that may be awarded to any per son pursuant to Section 3(d); and (iv) the class(es) and number of securities and price per share of\nstock subject to outstanding Stock Awards. The Board will make such adjustments, and its determinat ion will be final, binding and conclusive.\n(b)Dissolution or Liquidation. Except as otherwise provided in the Stock Award Agreement, in the event of a dissolution or liquidation of\nthe Company, and up on ten (10) days prior written notice, all outstanding Stock Awards (other than Stock Awards consisting of vested and\noutstanding shares of Common Stock not subject to the Companys right of repurchas e or a forfeiture condition) will terminate immediately prior\nto the completion of such dissolution or liquidation, and the shares of Common Stock subject to the Companys repurchase rights or a forfe iture\ncondition may be repurchased or reacquired by the Company notwithstanding the fact that the holder of such Stock Award is providing\nContinuous Service, provided, however, that the Board may, in its sole discretion, cause some or all Stock Awards to become fully vested,\nexercisable and/or no longer subject to repurchase or forfeiture (to the extent such Stock Awards have not previously expire d or terminated)\nbefore the dissolution or liquidation is completed but contingent on its completion.\n(c)Corporate Transaction.\n(i) Stock Awards May Be Assumed. Except as otherwise stated in the Stock Award Agreement, in the event of a Corporate\nTransaction, any surviving corporation or acquiring corporation (or the surviving or acquiring corporations parent company) may assume or\ncontinue any or all Stock Awards outstanding under the Plan or may substitute similar stock awards for Stock Awards outstanding under the Plan\n(including but not limited to, awards to acquire the same consideration paid to the stockholders of the Company pursuant to the Corporate\nTransaction), and any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to Stock Award s\nmay be assigned by the Company to the successor of the Company (or the successors parent company, if any), in connection with such\nCorporate Transaction. A surviving corporation or acquiring corpor ation (or its parent) may choose to assume or continue only a portion of a\nStock Award or substitute a similar stock award for only a portion of a Stock Award.\n(ii) Stock Awards Not Assumed Held by Cu rrent Participants. Except as otherwise stated in the Stock Award Agreement\n(including an option and stock award agreement subject to the terms of the Prior Plans, which terms remain applicable as to outstanding options\nand stock awards thereunder), in the event of a Corporate Transaction in which the surviving corporation or acquiring corporation (or its parent\ncompany) does not assume or continu e any or all outstanding Stock Awards or substitute similar stock awards for such outstanding Stock\nAwards, then with respect to Stock Awards that have not been assumed, continued or substituted and t hat are held by Participants whose\nContinuous Service has not terminated prior to the effective time of the Corporate Transaction (referred to as the Current Participants), the\nvesting of such Stock Awards (and, if applicable, the time at which such Stock

Awards may be exercised) will (contingent upon the effectiveness\nof the Corporate Transaction) be accelerated in full to a date prior to the e ffective time of such Corporate Transaction as the Board will determine\n(or, if the Board will not determine such a date, to the date that is five business (5) days prior to the effective time of the Corporate Transaction),\nand such StockAwards will terminate if not exercised (if applicable) at or prior to the effective time of the Corporate Transaction, and any reacquisition or\nrepurchase rights held by the Company with respect to such Stock Awards will lapse (contingent upon the effectiveness of the Corporate\nTransaction).\n(iii) Stock Awards Not Assumed Held by Persons other than Current Par ticipants. Except as otherwise stated in the Stock\nAward Agreement (including an option and stock award agreement subject to the terms of the Prior Plans, which terms remain applicable as to\noutstandi ng options and stock awards thereunder), in the event of a Corporate Transaction in which the surviving corporation or acquiring\ncorporation (or its parent company) does not assume or continue any or all outstanding Stock Awards or substitute similar stock awards for such\noutstanding Stock Awards, then with respect to Stock Awards that have not been assumed, continued or substituted and that are h eld by\npersons other than Current Participants, the vesting of such Stock Awards (and, if applicable, the time at which such Stock Award may be\nexercised) will not be accelerated and such Stock Awards (other than a Stock Award consisting of vested and outstanding shares of Common\nStock not subject to the Companys right of repurchase), upon advance written notice by the Company of at least five (5) business days to the\nholders of such Stock Awards, will terminate if not exercised (if applicable) prior to the effective time of the Corporate Transaction; provided,\nhowever, that any reacquisition or repurchase rights held by the Company with respect to such Stock Awards will not terminate and may\ncontinue to be exercised notwithstanding the Corporate Transaction.\n(d)Change in Control.\n(i) Sto ck Awards May Be Assumed. Except as otherwise stated in the Stock Award Agreement, in the event of a Change in\nControl, any surviving corporation or acquiring corporation (or the surviving or acquirin g corporations parent company) may assume or continue\nany or all Stock Awards outstanding under the Plan or may substitute similar stock awards for Stock Awards outstanding under the Plan\n(including but not limited to, awards to acquire the same consideration paid to the stockholders of the Company pursuant to the Change in\nControl), and any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to Stock Awards may be\nassigned by the Company to the successor of the Company (or the successors parent company, if any), in connection with such Change in \nControl. A surviving corporation or acquiring corporation (or its parent) may choose to assume or continue only a portion of a Stock Award or\nsubstitute a similar stock award for only a portion of a Stock Award.\n(ii) Stock Awards Not Assumed Held by Current Participants. Except as otherwise stated in the Stock Award Agreement\n(including an option and stock award agreement subject to the terms of the Prior Plans, which terms remain applicable as to outstanding options\nand stock awards thereunder), in the event of a Change in Control in which the surviving corporation or acquiring corporation (or its parent\ncompany) does not assume or continue any or all outstanding Stock Awards or substitute similar stock awards for such outstanding Stock\nAwards, then with respect to Stock Awards that have not been assumed, continued or substituted and that are held by Current Participants, the\nvesting of such Stock Awards (and, if applicable, the time at which such Stock Awards may be exercised) will (contingent upon the effectiveness\nof the Change in Control) be accelerated in full to a date prior to the effective time of such Change in Control as the Board will determine (or, if\nthe Board will n ot determine such a date, to the date that is five business (5) days prior to the effective time of the Change in Control), and such\nStock Awards will terminate if not exercised (if applicable) at or prior to the effective time of the Change in Control, and any reacquisition or\nrepurchase rights held by the Company with respect to such Stock Awards will lapse (contingent upon the effectiveness of the Change in\nControl).\n(iii) Stock Awards Not Assumed Held by Persons other than Current Participants. Except as otherwise stated in the Stock\nAward Agreement (including an option and stock award agr eement subject to the terms of the Prior Plans, which terms remain applicable as to\noutstanding options and stock awards thereunder), in the event of a Change in Control in which the surviving corpora tion or acquiring\ncorporation (or its parent company) does not assume or continue any or all outstanding Stock Awards or substitute similar stock awards for such\noutstanding Stock Awards, then with re spect to Stock Awards that have not been assumed, continued or substituted and that are held by\npersons other than Current Participants, the vesting of such Stock Awards (and, if applicable, the time at which such Stock Award may be\nexercised) will not be accelerated and such Stock Awards (other than a Stock Award consisting of vestedand outstanding shares of Common Stock not subject to the Compan ys right of repurchase), upon advance written notice by the Company of at\nleast five (5) business days to the holders of such Stock Awards, will terminate if not exercised (if applicable) prior to th e effective time of the\nChange in Control; provided, however, that any reacquisition or repurchase rights held by the Company with respect to such Stock Awards will\nnot terminate and may continue to b e exercised notwithstanding the Change in Control.\n(iv) Additional Provisions. A Stock Award may be subject to additional acceleration of vesting and exercisability upon or after a\nChange in Control a s may be provided in the Stock Award Agreement for such Stock Award or as may be provided in any other written\nagreement between the Company or any Affiliate and the Participant. A Stock Award may ves t as to all or any portion of the shares subject to the\nStock Award (i) immediately upon the occurrence of a Change in Control, whether or not such Stock Award is assumed, continued, or substituted\nby a surviving or acquiring entity in the Change in Control, and/or (ii) in the event a Participants Continuous Service is terminated, actually or\nconstructively, within a designated period following t he occurrence of a Change in Control, but in the absence of such provision, no such\nacceleration will occur.\n10.Termination or Suspension of the Plan.\n(a)Plan Term. Unless sooner terminated by the Boa rd pursuant to Section 2, the Plan will automatically terminate on the day before the\ntenth (10th) anniversary of the earlier of (i) the date the Plan is adopted by the Board or a duly authorized Comm ittee, or (ii) the date the Plan is\napproved by the stockholders of the Company. The Board may suspend the Plan at anytime. No Awards may be granted under the Plan while\nthe Plan is suspended or after it is terminated.\n11.Effective Date of Plan.\nThis Plan will become effective on the Effective

Date.\n12.Choice of Law.\nThe law of the State of Delaware will govern all questions concerning the constru ction, validity and interpretation of this Plan, without regard\nto that states conflict of laws rules.\n13.Definitions.\nAs used in the Plan, the following definitions will apply to the capitalized ter ms indicated below:\n(a)Affiliate means, at the time of determination, any parent or subsidiary of the Company as such terms are defined in Rule 405 of the\nSecurities Act. The Board will have the authority to determine the time or times at which parent or subsidiary status is determined within the\nforegoing definition.\n(b)Award means a Stock Award or a Performance Cash Award.\n(c)Award Agreement means a written agreement between the Company and a Participant evidencing the terms and conditions of an\nAward.\n(d)Board means the Board of Directors of the Company.\n(e)Capitalization A djustment means any change that is made in, or other events that occur with respect to, the Common Stock subject\nto the Plan or subject to any Stock Award after the Effective Date without the receipt of consideration by the Company through merger,\nconsolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, stock split, liquidating\ndivide nd, combination of shares, exchange of shares, change in corporate structure or any similar equity restructuring transaction, as that term is\nused in Financial Accounting Standards Board Accounting St andards Codification Topic 718 (or any successor thereto). Notwithstanding the\nforegoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment .\n(f)Cause means (i) if a Participant is party to an agreement with the Company or an Affiliate that relates to equity awards and contains a\ndefinition of Cause, the definition of Cause in the a pplicable agreement, or (ii) if a Participant is not party to any such agreement, such\nParticipants termination because of (A) any willful, material violation by theParticipant of any law or regulati on applicable to the business of the Company or an Affiliate, the Participants conviction for, or guilty plea to, a\nfelony or a crime involving moral turpitude, or any willful perpetration by the Par ticipant of a common law fraud, (B) the Participants commission\nof an act of personal dishonesty that involves personal profit in connection with the Company or any other entity having a business rel ationship\nwith the

Company, (C) any material breach by the Participant of any provision of any agreement or understanding between the Company or an\nAffiliate and the Participant regarding the terms of the Participants service as an Employee, Officer, Director or Consultant to the Company or an\nAffiliate, including without limitation, the willful and continued failure or refusal of the Participant to perform the material duties required of such\nParticipant as an Employee, Officer, Director or Consultant of the Company or an Affiliate, other than as a result of having a Disability, or a\nbreach of any applicable invention assignment and confidentiality agreement or similar agreement between the Company or an Affiliate and the\nParticipant, (D) the Participants disregard of the policies of th e Company or an Affiliate so as to cause loss, damage or injury to the property,\nreputation or employees of the Company or an Affiliate, or (E) any other misconduct by the Participant that is material ly injurious to the financial\ncondition or business reputation of, or is otherwise materially injurious to, the Company or an Affiliate.\n(g) Change in Control means the occurrence, in a single trans action or in a series of related transactions, of any one or more of the\nfollowing events:\n(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company represent ing more than 50%\nof the combined voting power of the Companys then outstanding securities other than by virtue of a merger, consolidation or similar transaction.\nNotwithstanding the foregoing, a Cha nge in Control will not be deemed to occur (A) on account of the acquisition of securities of the Company by\nan investor, any affiliate thereof or any other Exchange Act Person that acquires the Compa nys securities in a transaction or series of related\ntransactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities, or (B) solely because\n the level of Ownership held by any Exchange Act Person (the Subject Person) exceeds the designated percentage threshold of the\noutstanding voting securities as a result of a repurchase or other acqu isition of voting securities by the Company reducing the number of shares\noutstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acqu isition of voting\nsecurities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that,\nassuming the repurchase or other acquisiti on had not occurred, increases the percentage of the then outstanding voting securities Owned by the\nSubject Person over the designated percentage threshold, then a Change in Control will be deemed to occur;\n(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and,\nimmediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior\nthereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting\npower of the surviving Entity in such merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power\nof the parent of the surviving Entit y in such merger, consolidation or similar transaction, in each case in substantially the same proportions as\ntheir Ownership of the outstanding voting securities of the Company immediately prior to s uch transaction;\n(iii) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of\nthe Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the\nCompany and its Subsidiaries to an Entity, more than 50% of the combined voting power of the voting securities of which are Owned by\nstockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company\nimmediately prior to su ch sale, lease, license or other disposition; or\n(iv) individuals who, on the date this Plan is adopted by the Board, are members of the Board (the Incumbent Board) cease for\nany reason to constitut e at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for\nelection) of any new Board member was approved orrecommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of this Plan, be\nconsidered as a member of the Incumbent Board.\nFor purposes of determining voting p ower under the term Change in Control, voting power will be calculated by assuming the conversion of\nall equity securities convertible (immediately or at some future time) into shares entitled to vote , but not assuming the exercise of any warrant or\nright to subscribe to or purchase those shares. In addition, (A) the term Change in Control will not include a sale of assets, merger or other\ntransac tion effected exclusively for the purpose of changing the domicile of the Company, and (B) the definition of Change in Control (or any\nanalogous term) in an individual written agreement between the Co mpany or any Affiliate and the Participant will supersede the foregoing\ndefinition with respect to Awards subject to such agreement; provided, however, that if no definition of Change in Control or an y analogous term\nis set forth in such an individual written agreement, the foregoing definition will apply; provided, further, that no Change in Control will be deemed\nto occur upon announcement or co mmencement of a tender offer or upon a potential takeover or upon stockholder approval of a merger or other\ntransaction, in each case without a requirement that the Change in Control actually occur.\nI f required for compliance with Section 409A of the Code, in no event will a Change in Control be deemed to have occurred if such\ntransaction is not also a change in the ownership or effective control of the Company or a change in the ownership of a substantial portion of\nthe assets of the Company as determined under Treasury Regulation Section 1.409A-3(i)(5) (without regard to any alternative definition\nthereunder). The Board may, in its sole discretion and without a Participants consent, amend the definition of Change in Control to conform to\nthe definition of Change in Control under Section 409A of the Code and the regulations thereunder.\n(h)Code means the Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.\n(i)Committee me ans a committee of one (1) or more Directors to whom authority has been delegated by the Board in accordance with\nSection 2(c).\n(j)Common Stock means the common stock of the Company.\n(k)Company me",

"result": "### Market Analysis of Nvidia's 10-K Report\n\n#### Overview\nNvidia has demonstrated significant growth in its financial performance, particularly in the Compute & Networking segment, which has seen a staggering 154% year-on-year increase in revenue. The company is capitalizing on the growing demand for generative AI and accelerated computing solutions, which are driving its strategic initiatives and product development.\n\n#### Key

Opportunities\n1. **Generative AI and Accelerated Computing**: The introduction of generative AI models and NIM microservices for OpenUSD positions Nvidia at the forefront of AI technology. The demand for AI solutions is expected to grow, providing Nvidia with a substantial market opportunity.\n\n2. **Automotive Sector Growth**: The automotive revenue has shown a robust increase of 37% year-on-year, indicating a growing market for Nvidia's automotive solutions, particularly in autonomous driving technologies. Winning the Autonomous Grand Challenge further solidifies Nvidia's reputation in this sector.\n\n3. **Data Center Expansion**: The significant growth in data center revenue (154% year-on-year) highlights the increasing reliance on cloud computing and AI-driven applications. Nvidia's Hopper GPU architecture is well-positioned to meet this demand, especially for large language models and AI applications.\n\n4. **Strategic Partnerships**: Collaborations with major Taiwanese electronics manufacturers to create autonomous factories using Nvidia's technologies (Metropolis, Omniverse, and Isaac AI) can lead to increased adoption of Nvidia's platforms across various industries.\n\n5. **Geographic Revenue Diversification**: With 57% of revenue coming from international markets, Nvidia can leverage its global presence to tap into emerging markets and diversify its revenue streams.\n\n#### Key Threats\n1. **Supply Chain Challenges**: Long manufacturing lead times and reliance on third-party manufacturers pose risks to Nvidia's ability to meet customer demand. Any disruptions in the supply chain could lead to inventory shortages or excess, impacting financial performance.\n\n2. **Geopolitical Tensions**: The ongoing geopolitical tensions, particularly involving Taiwan and China, could disrupt Nvidia's supply chain and market access. Export controls and trade restrictions may limit Nvidia's ability to operate in key markets.\n\n3. **Regulatory Scrutiny**: Increased regulatory scrutiny regarding AI technologies and export controls could impose additional compliance costs and operational restrictions. The EU AI Act and similar regulations in other jurisdictions may affect Nvidia's product offerings and market strategies.\n\n4. **Competitive Landscape**: The semiconductor industry is highly competitive, with numerous players vying for market share in AI and data center solutions. Nvidia must continuously innovate to maintain its competitive edge against rivals.\n\n5. **Market

Volatility**: The demand for GPUs can be volatile, influenced by factors such as cryptocurrency mining trends and changing consumer preferences. This volatility can complicate demand forecasting and inventory management.\n\n#### Strategic Insights\n- **Investment in R&D**: Nvidia should continue to invest heavily in research and development to enhance its AI capabilities and maintain its leadership position in the semiconductor industry. The increase in R&D expenses (51% year-on-year) reflects a commitment to innovation.\n\n- **Supply Chain Resilience**: Nvidia must develop strategies to mitigate supply chain risks, such as diversifying suppliers and increasing inventory levels for critical components. Establishing long-term contracts with suppliers could help secure necessary materials.\n\n- **Regulatory Compliance**: Proactively engaging with regulators and adapting to new compliance requirements will be crucial for Nvidia to navigate the evolving regulatory landscape, particularly concerning AI technologies.\n\n- **Market Expansion**: Nvidia should explore opportunities in emerging markets and industries, particularly in sectors like automotive and healthcare, where AI applications are gaining traction.\n\n- **Customer Relationships**: Strengthening relationships with key customers and partners will be essential to ensure continued demand for Nvidia's products. This includes providing exceptional support and developing tailored solutions to meet specific customer needs.\n\n### Conclusion\nNvidia is well-positioned to capitalize on the growing demand for AI and accelerated computing solutions. However, it must navigate various challenges, including supply chain risks, geopolitical tensions, and regulatory scrutiny. By focusing on innovation, supply chain resilience, and strategic partnerships, Nvidia can continue to thrive in the competitive semiconductor landscape.",

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announced majo r Taiwanese electronics makers are creating more autonomous\nfactories with a new reference workflow that combines NVIDIA Metropolis vision AI, NVIDIA Omniverse simulation and NVIDIA Isaac AI robot development.\nAutomotive revenue for the second quarter of fiscal year 2025 was $346 million, up 5% from the previous quarter and up 37% from a year ago. At the Computer\nVision and Pattern Recognition conference, NVIDIA won the Autonomous Grand Challenge in the End-to- End Driving at Scale category , highlighting the\nimportance of generative AI in building applications for physical AI deployments in autonomous vehicle development.\nFinancial Information by Business Segment and Geographic Data\nRefer to Note 14 of the Notes to the Condensed Consolidated Financial Statements for disclosure regarding segment information.\nCritical Accounting Policies and Estimates\nR efer to Part II, Item 7, \"Critical Accounting Policies and Estimates\" of our Annual Report on Form 10-K for the fiscal year ended January 28, 2024. There have\nbeen no material changes to our Critical Accounting Policies and Estimates.\n27Results of Operations\nThe following table sets forth, for the periods indicated, certain items in our Condensed Cons olidated Statements of Income expressed as a p ercentage of\nrevenue.\n Three Months Ended Six Months Ended\n Jul 28, 2024 Jul 30, 2023 Jul 28, 2024 Jul 30, 2023\nRevenue 100.0 % 100.0 % 100.0 % 100.0 %\n Cost of revenue 24.9 29.9 23.4 31.8 \nGross profit 75.1 70.1 76.6 68.2 \nOperating expenses \n Research and development 10.3 15.1 10.4 18.9 \n Sales, general and administrative 2.8 4.7 2.9 6.1 \nTotal operating expenses 13.1 19.8 13.3 25 .0 \nOperating income 62.0 50.3 63.3 43.2 \n Interest income 1.5 1.4 1.4 1.6 \n Interest expense (0.2) (0.5) (0.2) (0.6)\n Other , net 0.6 0.4 0.5 0.2 \nOther income (expense), net 1.9 1.3 1.7 1.2 \nIncome before income tax 63.9 51.6 65.0 44.4 \nIncome tax expense 8.7 5.9 8.9 4.6 \nNet income 55.2 % 45.7 % 56.1 % 39.8 %\nRevenue\nRevenue by Reportable Segments\nThree Months Ended Six Months Ended \n Jul 28, 2024 Jul 30, 2023$\nChange%\nChangeJul 28, 2024 Jul 30, 2023$\nChange%\nChange\n ($ in millions)\nCompute & Networking $ 26,446 $ 10,402 $ 16,044 154 %$ 49,121 $ 14,862 $ 34,259 231 %\nGraphics 3,5 94 3,105 489 16 % 6,963 5,837 1,126 19 %\nTotal $ 30,040 $ 13,507 $

16,533 122 %$ 56,084 $ 20,699 $ 35,385 171 %\nOperating Income by Reportable Segments\nThree Months Ended Six Months Ended\n Jul 28, 202 4 Jul 30, 2023$\nChange%\nChangeJul 28, 2024 Jul 30, 2023$\nChange%\nChange\n ($ in millions)\nCompute & Networking $ 18,848 $ 6,728 $ 12,120 180 %$ 35,896 $ 8,887 $ 27,009 304 %\nGraphics 1,369 1,211 158 13 %$ 2,609 2,258 351 16 %\nAll Other (1,575) (1,139) (436) 38 %$ (2,954) (2,204) (750) 34 %\nTotal $ 18,642 $ 6,800 $ 11,842 174 %$ 35,551 $ 8,941 $ 26,610 298 %\nCompute & Networking revenue The increa se in the second quarter and first half of fiscal year 2025 compared to the second quarter and first half of fiscal year\n2024 was due to strengt h in Data Center computing and networking for accelerat ed computing and AI solutions. Revenue from GPU computing grew 166% year-\non-year and 257% compared to the first half of fiscal year 2024, was driven by demand for our Hopper GPU architecture computin g platform for training and\ninferencing of large language models, recomm endation engines, and generative AI applications. Networking was also up 114% year-on-year and 159%\ncompared to the first half of last year driven by both InfiniBand and Ethernet for AI revenue.\n28Graphics revenue The increase in the second quarter and first half of fiscal year 2025 compared to the second quarter and first half of fiscal year 2024 was led\nby higher sales of our GeForce R TX 40 Series GPUs.\nReportable segment operating income The increase in the second quarter and first half of fiscal year 2025 compa red to the second quarter and first half of\nfiscal year 2024 in Compute & Networking and Graphics operating income was driven by higher revenue.\nAll Other operating loss The incre ase in the second quarter and first half of fiscal year 2025 compared to the second quarter and first half of fiscal year 2024\nwas due to an increase in stock-based compensation expense reflecting employee growth and c ompensation increases.\nConcentration of Revenue\nRevenue by geographic region is designated based on the billing location even if the revenue may be attributable to end customers, such as enterprises and\ngamers in a different location. Revenue from sales to customers outside of the United States accounted for 57% and 53% of total revenue for the second quarter\nand first half of fiscal year 2025, r espectively , and 55% and 59% of total revenue for the second quarter and first half of fiscal year 2024, respectively .\nWe refer to customers who purchase products directly from NVIDIA as direct cus tomers, such as add-in board manufacturers, distributors, ODMs, OEMs, and\nsystem integ rators. We have certain customers that may purchase products directly from NVIDIA and may use either internal re sources or third-party system\nintegrators to complete their build. We also have indirect customers, who purchase products through our direct customers; indirect customers include cloud\nservice provide rs, consumer internet companies, enterprises, and public sector entities.\nSales to direct customers which represented 10% or more of total revenue, all of which were primarily attributable to the Comp ute & Networking segment, are\npresented in the following table:\n Three Months Ended Six Months Ended\n Jul 28, 2024 Jul 28, 2024\nCustomer A 14 % 14 %\nCustomer B 11 % *\nCustomer C 11 % *\nCustomer D 10 % 10 %\nCustomer E * 10 %\n* Less than 10% of total revenue\nFor the second quarter of fiscal year 2025, two indirect customers which primarily purchase our products through system integrators and distrib utors, including\nthrough Customer B and Customer E, are estimated to each represent 10% or more of total revenue attributable to the Compute & Networking segment.\nFor the first half of fiscal year 202 5, an indirect customer which primarily purchases our products from system integrators and distributors, including from\nCustomer E, is estimated to represent 10% or more of total revenue, attributable to the Compute & Networking segment.\nIndirect customer revenue is an estimation based upon multiple factors including customer purchase order information, product specifications, internal sales data\n and other sources. Actual indirect customer revenue may dif fer from our estimates.\nWe have experienced periods where we receive a significant amount of our revenue from a limited number of customers, and this trend may continue.\nGross Profit and Gross Margin\nGross profit consists of total net revenue less cost of revenue.\nOur overall gross margi n increased to 75.1% and 76.6% for the second quart er and first half of fiscal year 2025, respectively , from 70.1% and 68.2% for the\nsecond quarter and first half of fiscal year 2024, respectively . The increases in the second quarter and first half of fiscal year 2025 compared to the second\nquarter and first half of fiscal year 2024 were primarily due to strong Data Center revenue growth of 154%

and 234% for the second quarter and first half of\n 2025, respectively .\nProvisions for inventory and excess inventory purchase obligations totaled $908 million and $1.3 billion for the second quarter and first half of fiscal year 2025,\nrespectively , and were primarily due to low-yielding Blackwell material. Sales of previously reserved inventory and settlements of excess inventory purchase\nobligations resulted in a provision release of $85 millio n and $199 million for the second quarter and first half of fiscal year 2025, respectively . The net effect on\nour\n29gross margin was an unfavorable impact of 2.7% and 2.0% in the second quarter and first half of fiscal year 2025, respectively .\nProvisions for inventory and excess inventory purchase obligations totaled $576 million and $709 million for the second quarter and first half of fiscal year 2024,\nrespectively . Sales of previously reserved invent ory and settlements of excess inventory purchase obligations resulted in a provision release of $84 million and\n$134 million for the seco nd quarter and first half of fiscal year 2024, respectively . The net effect on our gross margin was an unfavorable impact of 3.6% and\n2.8% in the second quarter and first half of fiscal year 2024, re spectively .\nWe expect our Data Center mix to continue to shift to new products in the second half of fiscal year 2025. For fiscal year 2025, we expect gross margins to be in\nthe mid-70% range.\nOperat ing Expenses\n Three Months Ended Six Months Ended\n Jul 28, 2024 Jul 30, 2023$\nChange%\nChange Jul 28, 2024 Jul 30, 2023$\nChange%\nChange\n ($ in millions)\nResearch and development\nexpenses $ 3,090 $ 2,04 0 $1,050 51 %$ 5,810 $ 3,916 $1,894 48 %\n% of net revenue 10.3 % 15.1 % 10.4 % 18.9 %\nSales, general and administrative\nexpenses 842 622 220 35 % 1,618 1,253 365 29 %\n% of net revenue 2.8 % 4.7 % 2.9 % 6.1 %\nTotal operating expenses $ 3,932 $ 2,662 $1,270 48 %$ 7,428 $ 5,169 $2,259 44 %\n% of net revenue 13.1 % 19.8 % 13.3 % 25.0 %\nThe increases in research and development expenses for the second q uarter and first half of fiscal year 2025 were driven by 35% and 34% increase in\ncompensation and benefits, including stock-bas ed compensation, reflecting employee growth and compensation increases, and 118% and 117% increase in\ncompute and infrastructure investments, respectively .\nThe increases in sales, general and administrative expenses for the second quarter and first half of fiscal year 20 25 was primarily driven by compensation and\nbenefits, including stock-based compensation, reflecting employee growth and compensation increases.\nFor fiscal year 2025, we expect operating expenses to g row in the mid to upper 40% range as we work on developing our next generation of products.\nOther Income (Expense), Net\nThree Months Ended Six Months Ended\n Jul 28, 2024 Jul 30, 2023$\nChange Jul 28, 2 024 Jul 30, 2023$\nChange\n ($ in millions)\nInterest income $ 444 $ 187 $ 257 $ 803 $ 338 $ 465 \nInterest expense (61) (65) 4 (125) (131) 6 \nOther , net 189 59 130 264 42 222 \nOther income (expense), ne t $ 572 $ 181 $ 391 $ 942 $ 249 $ 693 \nThe increas es in interest income for the second quarter and first half of fiscal year 2025 was due to higher cash, cash equivalents, and publicly-held debt\nsecu rity balances.\nInterest expense is comprised of coupon interest and debt discount amortization related to our notes.\nOther , net consists of realized or unrealized gains and losses from investments in privately-held equity securities, publicly-held equity securities, and the impact\nof changes in foreign currency rates. The change in Other , net, compared to the second quarter and first half of fis cal year 2024 was primarily driven by an\nincrease in fair value of our privately-held and publicly-held equity securities. Refer to Note 6 and 7 of the Notes to Condensed Consolidated Financial\nStatem ents in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information regarding our investments in privately-held and publicly-held equity\nsecurities.\n30Income T axes\nWe recognized i ncome tax expense of $2.6 billion and $5.0 billion for the second quarter and first half of fiscal year 2025, respectively , and $793 million and\n$958 million for the second quarter and first half of fiscal year 2024, respectively . Income tax expense as a percentage of income before income tax was 13.6%\nand 13.7% for the second quarter and first half of fiscal year 2025, respectively , and 11.4% and 10.4% for the second quarter and first half of fiscal year 2024,\nrespectively .\nThe effective tax rate increased primarily due to a lower percentage of tax benefits from the foreign-derived intang ible income deduction relative to the increase\nin income before income tax.\nGiven our current and anticipated future earnings, we believe that we may release the valuation allowance associated with c ertain state deferred tax assets in\nthe near term, which would decrease our income tax expense for the period the release is recor ded. The timing and amount of the valuation allowance release\ncould vary based on our assessment of all available evidence.\nRefer to Note 5 of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for addition al information.\nLiquidity and Capital Resources\n Jul 28, 2024 Jan 28, 2024\n (In millions)\nCash and cash equivalents $ 8,563 $ 7,280 \nMarketable securities 26,237 18,704 \nCash, cash equivalents and mar ketable securities $ 34,800 $ 25,984 \n Six Months Ended\nJul 28, 2024 Jul 30, 2023\n (In millions)\nNet cash provided by operating activities $ 29,833 $ 9,259 \nNet cash used in investing activities $ (8, 877) $ (1,287)\nNet cash used in financing activities $ (19,665) $ (5,479)\nOur investm ent policy requires the purchase of high-rated fixed income securities, the diversi fication of investment types a nd credit exposures, and certain\nmaturity limits on our portfolio.\nCash provided by operating activities increased in the first half of fiscal year 2025 compared to the first half of fiscal year 2024 due to growth in revenue, partially\noffset by higher tax paym ents. Our accounts receivable balance at the end of the first half of fiscal year 2025 reflects the strong revenue growth, partially offse t\nby $2.8 billion from customer payments received prior to the invoice due date.\nCash used in investing activities increased in the first half of fiscal year 2025 compared to the first half of fiscal year 2024, primarily driven by net purchases of\nmarketable securities, and acquisition of land and buildings.\nCash used in financing activities increased in the first half of fiscal year 2025 compared to the first half of fiscal year 2024, mainly due to higher share\nrepurchases and higher tax payments related to RSUs.\nLiquidity\nOur primary sources of liquidity include cash, cash equivalents, and m arketable securities, and the cash generated by our operations. As of July 28, 2024, we\nhad $34.8 billion in cash, cash equivalents, and marketable securities. We believe that we have sufficient liqui dity to meet our operating requirements for at least\nthe next twelve months, and for the foreseeable future, including our future supply obligations and share repurchases. We continuously evaluate our liquidity and\ncapital resources, including our access to external capital, to ensure we can finance future capital requirements.\nOur marketable securities consist of publicly-he ld equity securities, debt securities issued by the U.S. government and its agencies, highly rated corporations\nand financial institutions, and foreign government entities, as well as certificates of deposit issued by hig hly rated financial institutions. Our corporate debt\nsecurities are publicly traded. These marketable securities are primarily denominated in U.S. dollars. Refer to Note 6 of the Notes to Condensed Co nsolidated\nFinancial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information.\n31Except for approximately $1.4 billion of cash, cash equivalents, and marketable se curities held outside the U.S. for which we have not accrued any related\nforeign or state taxes if we repatriate these amounts to the U.S., substantially all of our cash, cash equivalents and marketab le securities held outside the U.S.\nas of July 28, 2024 are available for use in the U.S. without incurring additional U.S. federal income taxes.\nPayment from customers, per our standard paym ent term s, is generally due shortly after delivery of products, availability of software licenses or commencement\nof services.\nCapital Return to Shareholders\nDuring the second quarter and first half of fisca l year 2025, we paid $246 million and $344 million, respectively , in quarterly cash dividends.\nOur cash dividend program and the payment of future cash dividends under that program are subject to our Board of Directors' continuing determination that the\ndividend program and the declaration of dividends thereunder are in the best interests of our shareholders.\nOn June 7, 2024, we increased our qua rterly cash dividend to $0.01 per share on a post-Stock Split basis to all shareholders of record on June 11, 2024. Our\nquarterly cash dividend was paid on June 28, 2024.\nDuring the second quarter and first half of fiscal year 2025, we repurchased 62.8 million and 162.1 million shares of our common stock for $7.0 billion and\n$15.1 billion, respectively . As of July 28, 2024, we were authorized, su bject to certain specifications, to repurchase up to $7.5 billion of our common stock. On\nAugust 26, 2024, our Board of Directors approve d an additional $50.0 billion to our share repurchase authoriz ation, without expiration. As of August 26, 2024, a\ntotal of $53.9 billion was available for repurchase. Our share repurchase program aims to offset dilution from shares issued to employees while main taining\nadequate liquidity to meet our operating requirements. We may pursue additional share repurchases as we weigh market factors and other investment\nopportunities. W e plan to continue share repu rchases this fiscal year .\nFrom April 29, 2024 through August 26, 2024, we repurchased 31.5 million shares for $3.6 billion pursuant to a Rule 10b5-1 trading plan.\nThe U.S. Inflation Reduc tion Act of 2022 requires a 1% excise tax on certain share repurchases in excess of shares issued for employee compensation made\nafter December 31, 2022. The excise tax is included in our share repurchase cost a nd was not material for the second quarter and first half of fiscal year 2025.\nOutstanding Indebtedness and Commercial Paper Program\nOur aggregate debt maturities as of July 28, 2024, by year payable, are as follows:\n Jul 28, 2024\n (In millions)\nDue in one year $ \nDue in one to five years 2,250 \nDue in five to ten years 2,750 \nDue in greater than ten years 3,500 \nUnamortized debt discount and is suance costs (39)\nNet carrying amount 8,461 \nLess short-term portion \nTotal long-term portion $ 8,461 \nWe have a $575 million commercial paper program to support general corporate purposes. As of Ju ly 28, 2024, no commercial paper was outstanding.\nRefer to Note 1 1 of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for further disc ussion.\nMaterial Cash Requirements and Other Obligations\nUnrecognized tax benefits were $1.7 billion, which includes related interest and penalties of $186 million recorded in non-current income tax p ayable as of\nJuly 28, 2024. We are unable to estimate the timing of any potential tax liability , interest payme nts, or penalties in individual years due to uncertainties in the\nunderlying income tax positions and the timing of\n32the ef fective settlement of such tax positions. Refer to Note 5 of the Notes to Condensed Consolidated Financial Statements for further information.\nOther than the cont ractual obligations described above, there were no material changes outside the ordinary course of business in our contractual obligations\nfrom those disclosed in our Annual Report on Form 10-K for th e fiscal year ended January 28, 2024. Refer to Item 7, Management s Discussion and Analysis of\nFinancial Condition and Results of Operations - Liquidity and Capital Resources in our Annual Report o n Form 10-K for the fiscal year ended January 28, 2024\nfor a description of our contractual obligations. For a description of our operating lease obligations, long-term debt, and purchase obligations, refer to Notes 2,\n11, and 12 of the Notes to Condensed Consolidated

Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q, respectively .\nClimate Change\nTo date, there has been no material impact to our results of operations associated with global sustainability regulations, compliance, costs from sourcing\nrenewable energy or climate-related business trends.\nAdoption of New and Recently Issued Accounting Pronouncements\nThere has been no adoption of any new and recently issued accounting pronouncements.\nItem 3. Quantitative and Qualitative Disclosures about Market Risk\nI nvestment and Interest Rate Risk\nFinancial market risks related to investment and interest rate risk are described in Part II, Item 7A, Quantitative and Qualitative Disclosures About Market Risk\nin our Annual Report on Form 10-K for the fiscal year ended January 28, 2024. As of July 28, 2024, there have been no material changes to the financial market\nrisks described as of January 28, 2024.\nFore ign Exchange Rate Risk\nThe impact of foreign currency transactions related to foreign exchange rate risk is described in Part II, Item 7A, Quantitative and Qualitative Disclosures About\nMarket Risk in our Annual Report on Form 10-K for the fiscal year ended January 28, 2024. As of July 28, 2024, there have been no material changes to the\nforeign exchange rate risks described as of January 28, 20 24.\nItem 4. Controls and Procedures\nControls and Procedures\nDisclosure Controls and Procedures\nBased on their evaluation as of July 28, 2024, our management, including our Chief Executive Officer and Chief Financial Officer, has concluded that our\ndisclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15d-15 (e)) were effective to provide reasonable assurance that the\ni nformation we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time\nperiods specified in the SEC rules and f orms, and that such information is accumulated and communicated to our management, including our Chief Executive\nOfficer and our Chief Financial Of ficer, as appropriate, to allow timely decisions reg arding required disclosures.\nChanges in Internal Control Over Financial Reporting\nThere were no changes that occurred during the second quarter of fiscal year 2025 that have materially affected, or ar e reasonably likely to materially affect, our\ninternal control over financial reporting. In fiscal year

2022, we began an upgrade of our enterprise resource planning, or ERP, system, which will update much of\nour existing core financia l systems. The ERP system is designed to accurately maintain our financial records used to report operating results. The upgrade will\noccur in phases. W e will cont inue to evaluate each quarter whether there are changes that materially af fect our internal control over financial reporting.\nInherent Limitations on Effectiveness of Controls\nOur manage ment, includ ing our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal\ncontrols, will prevent all error and all fraud. A control sys tem, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance\nthat the objectives of the control system are met. Further , the design of a control system must re flect the fact that there are resource constraints, and the benefits\nof controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation o f controls can provide absolute\nassurance that all control issues and instances of fraud, if any , within NVIDIA have been detected.\n33Part II. Other Information\nItem 1. Legal Proceedings\nRefer to Pa rt I, Item 1, Note 12 of the Notes to Condensed Consolidated Financial Statements for a discussion of significant developments in our legal\nproceedings since January 28, 2024. Also refer to Item 3, L egal Proceedings in our Annual Report on Form 10-K for the fiscal year ended January 28, 2024 for\na prior discussion of our legal proceedings.\nItem 1A. Risk Factors\nOther than the risk facto rs liste d below , there have been no material changes from the risk factors previously described under Item 1A of our Annual Report on\nForm 10-K for the fiscal year ended January28, 2024 and Item 1A of our Quarterly Report on Form 10-Q for the fiscal quarter ended April 28, 2024.\nPurchasing or owning NVIDIA common stock involves investment risks including, but not limited to, the risks described in Ite m 1A of our Annual Report on Form\n10-K for the fiscal year ended January28, 2024, and Item 1A of our Quarterly Report on Form 10-Q for the fiscal quarter ended April 28, 2024, and below . Any\none of those risks could harm our business, financial condition and results of operations or reputation, which could cause our stock price to decline. Additional\nrisks, trends and uncertainties not present ly known to us or that we currently believe are immat erial may also harm our business, financial condition, results of\noperations or reputation.\nLong manu facturing lead times and uncertain supply an d component availability , combined with a failure to estimate customer demand accurately ,\nhas led and could lead to mismatches between supply and demand.\nWe use third parties to manufacture and asse mb le our products, and we have long manufacturing lead times. We are not provided guaranteed wafer , component\nor capacity supply , and our supply deliveries and production may be non-linear within a quarter or year. If our estimates of customer demand are inaccurate, as\nwe have experienced in the past, there could be a significant mismatch between supply and demand. This mismatch has resulted in both product shortages and\nexcess inventory , has varied across our market platforms, and has significantly harmed our financial results.\nWe build finished produc ts and maintain invento ry in advanc e of anticipated demand. While we have in the past entered and may in the future enter into long-\nterm supply agreements and capacity commitments, we may not be able to secure sufficient commitments f or capacity to address our business needs, or our\nlong-term demand expectations may change. Additionally , our ability to sell certain products has been and could be impeded if components necessary fo r the\nfinished products are not available from third parties. This risk may increase as a result of our platform strategy . In periods of shortages impacting the\nsemiconductor industry and/or limited supply or capacity in our supply chain, the lead times on orders for certain supply may be extended. We have previously\nexperienced and may continue to experience extended lead times of more than 12 m onths. We have paid premiums and provided deposits to secure future\nsupply and capacity , which have increased our product costs and may continue to do so. If our existing suppliers are unable to scal e their capabilities to meet\nour supply needs, we may require additional sources of capacity , which may require additional deposits. We may not have the ability to reduce our supply\ncommitments at th e same rate or at all if our revenue declines.\nMany additio nal factors have caused and/or could in the future cause us to either underestimate or overestimate our customers future demand for our pr oducts,\nor otherwise cause a mismatch between supply and demand for our products and impact the timing and volume of our revenue, including:\nchanges in product development cycles and time to market;\n competing technologies and competitor product releases, announcements or other actions;\nchanges in business and economic conditions;\nsudden or sustained government lockdowns or public health issues ;\nrapidly changing technology or customer requirements;\nthe availability of suf ficient data center capacity or energy for customers to procure;\nnew product introductions and transitions resulting in less demand for existing products;\nnew or unexpected end-use cases;\nincrease in demand for competitive products;\nbusiness decisions made by third parties;\nthe demand for accelerated computing, AI-related cloud services, or large language models;\n34changes that impact the ecosystem for the architectures underlying our products and technologies;\nthe demand for our products; or\ngovernment a ctions or changes in governmental policies, such as export controls or increased restrictions on gaming usage.\nWe continue to increase our supply and capacit y purchases with existing and new supplier s to support our demand projections. With these additions, we have\nalso entered and may continue to enter into prepaid manufacturing and capacity agreements to supply both current and future products. The increased purchase\nvolumes and integration of new suppliers and contract manufacturers into our supply chain may create more complexity in managing multiple suppliers with\nvariations in productio n planning, execution and logistics. Our expanding product portfolio and varying component compatibility and quality may lead to\nincreased inventory levels. We have incurred and may in the future incu r inventory provisions or impairments if our inventory or supply or capacity commitments\nexceed demand for our products or demand declines. Our customer orders and longer-term demand estimates may cha nge or may not be correct, as we have\nexperienced in the past.\nProduct transitions are complex and we often ship both new and prior architecture products simultaneously as our channel partners prepare to ship and support\nnew products. We may be in various stages of transitioning the architectures of our Data Center , Gaming, Professional Visualization and Automotive products.\nThe computing industr y is experiencing a broader and faster launch cadence of accelerated computing platforms to meet a growing and diverse set of AI\nopportunities. We have introduced a new caden ce of our Data Center arc hitectures where we seek to complete a new GPU computing architecture each year\nand we are providing a greater variety of Data Center offerings. The increased frequency of these transitions and the la rger number of products and product\nconfigurations may magnify the challenges associated with managing our supply and demand. Qualification time for new products, customers anticipating\nproduct transi tions and channel partners reducing channel inventory of prior architectures ahea d of new product introductions can reduce or create volatility in\nour revenue . We have experienced and may in the fut ure experience reduced demand for current generation architectures when customers anticipate\ntransitions, and we may be unable to sell multiple product architectures at the same time for current and f uture architecture transitions. If we are unable to\nexecute our architectural transitions as planned for any reason, our financial results may be negatively impacted. The increased frequency and comp lexity of\nnewly introd uced products could result in unanticipated quality or production issues that could increase the magnitude of inventory provisions, warranty , or other\ncosts or result in produc t delays. For example, we executed a change to the Blackwell GPU mask to improve production yield. Our gross margins in the second\nquarter of fiscal year 2025 were negatively impacted by inventory pro visions for low-yielding Blackwell material and they may continue to be impacted in the\nfuture.\nWe incur significant engineering development resources for new products, and changes to our product road map may impact our ability to develop other products\nor adequate ly manage our supply chain cost. Customers may delay purchasing existing product s as we increase the frequency of new products or may not be\nable to adop t our new products as fast as forecasted, both impacting the timing of our revenue and supply chain cost. While we have managed prior product\ntransitions and have sold multiple pro duct archit ectures at the same time, these transitions are difficult, may impair our ability to predict demand and impact our\nsupply mix, and may cause us to incur additional costs. Many end customer s often do not purchase directly from us but instead purchase indirectly through\nmultiple OEMs, ODMs, system integrators, distributors, and other channel partners. As a result, the decisions made by o ur multiple OEMs, ODMs, system\nintegrators, distributors, and other channel partners, and in response to changing market conditions and changes in end-user demand for our products, have\nimpacted and c ould in the future continue to impact our ability to accurately forecast demand, particularly as they are based on estimates provided by various\ndownstream parties.\nIf we underestimate our customers' future demand for our products, our foundry partners may not have adequate lead-time or capacity to increase production\nand we may not be able to obtain sufficient inventory to fill orders on a timely basis. If our contra ct manufacturers experience supply constraints, we may not be\nable to increase supply to meet customer dema nd in a timely manner , or at all. If we cannot procure sufficient sup ply to meet demand or otherwise fail to fulfill\nour custome rs orders on a timely basis, or at all, our customer relationships could be damage d, we could lose revenue and market share and our reputa tion\ncould be harmed. Additionally , since some of our products are part of a complex data center buildout, supply constraints or availability issues with respect to any\none component have had and may have a broader revenue impact.\nIf we overestimate our customers future demand for our products, or if customers cancel or defer orders or choose to purchase from our competitors, we may\nnot be able to reduce our inventory or other contractual purchase commitments. In the past, we have experienced a reduction in average selling prices, including\ndue to channel pricing programs that we have imple mented and may continue to implement, as a result of our overestimation of future demand, and we may\nneed to continue these reductions. We have had to increase prices for certain of our products as a result of our suppliers increase in prices, and we may need to\ncontinue to do so for other products in the future . We have also written down our inventory , incurred cancellation penalties, and rec orded impairments and may\nhave to do so in the future. These impacts would be amplified by our placement of any non-cancellable and non-returnable purchase orders placed in advance of\nour historical lead times and could be exacerbated if we need to make changes to the design of future products. The risk of\n35these impac ts has increased and may continue to increase as our purchase obligations an d prepaids have grown and are expected to continue to grow and\nbecome a greater portion of our total supply . All of these factors may negatively impact our gross margins and financial results.\nDemand estimates for our new products, applications, and services can be incorrect and create volatility in our revenue or supply levels. We may not be able to\ngenerate significant revenue from them. Recent technologies, such as generative AI models, have emerged, and while they have driven increased demand for\nData Center , the long-term trajectory is unknown. Because our products may be used in multi ple use cases and applications, it is difficult for us to estimate with\nany reasonable degree of precision the impact of generative AI models on our reported revenue or forecasted demand.\nChallenges in estimating demand could become more pronounced or volatile in the future on both a global and regional basis. Extended lead times may occur if\nwe experience other supply constraints caused by natur al disasters, pandemics or other events. In addition, geopolitical tensions, such as those involving Taiwan\nand China, which comprise a significant portion of our revenue and where we have suppliers, contract manufacturers, and assembly partners who are critical to\nour supply continuity , could have a material adverse impact on us.\nThe use of our GPUs other than that for which they were designed a nd marketed, including new and unexpected use cases, has impacted and can in the future\nimpact demand for our products, including by leading to inconsistent spikes and drops in demand. For example, se veral years ago, our Gaming GPUs began to\nbe used for mining digital currencies, such as Ethereum. It is difficult for us to estimate with any reasonable degree of precision the past or current impact of\ncryptocurrency mining, or forecast the future impact of cryptocurrency mining, on demand for our products. Volatility in the cryptocurrency market, including new\ncompute technologies, price change s in cryptocurrencies, government cryptocurrency policies and regulations, new cryptocurrency standards and changes in\nthe method of verifying blockchain transactions, has impacted and can in the futu re impact cryptocurrency mining and demand for our products and can further\nimpact our ability to estimate demand for our products. Changes to cryptocurrency standards and processes including, but not limited to, the Ethereum 2.0\nmerge in 2022, have reduced and may in the future decrease the usage of GPUs for Ethereum mining. This has created and may in the future create increased\naftermarket sale s of our GPUs, which could negatively impact retail prices for our GPUs and reduce demand for our new GPUs. In general, our new products or\npreviously sold products may be resold online or on the unau thorized gray market, which also makes demand forecasting difficult. Gray market products and\nreseller marketplaces compete with our new products and distribution channels.\nAdditionally , we depend on developers, customers and other third parties to build, enhance, and maintain accelerated computing applications that leverage our\nplatforms. We also rely on third-party content providers and publi shers to make their content available on our platforms, such as GeForce NOW . Failure by\ndevelopers, customers, and other third parties to build, enhance, and maintain applications that leverage our p latforms, or failure by third-party content providers\nor publisher s to make their content available on reasonable terms or at all for use by our customers or end users on our platforms, could adverse ly affect\ncustomer demand.\nWe receive a significa nt amount of our revenue from a limited number of partners and distributors and we have a concentration of sales to\ncustomers who purchase directly or indirectl y from us, and our revenue could be adversely affected if we lose or are prevented from selling to any of\nthese customers.\nWe receive a significant amount of our revenue from a limited numb er of customers within our distribution and partner network. Sales to direct Customers, A, B,\nC and D represented 14%,11%, 11% and 10% of total revenue, respectively , for the second quarter of fiscal year 2025, all of which were primarily attributable to\nthe Compute & Networ king segment. With several of these channel partners, we are selling multiple products and systems in our portfolio throug h their\nchannels. Our operating results depend on sales within our partner network, as well as the ability of these partners to sell products that incorporate our\nprocessors. We have a small number of partner s that are involved in system integration with our key customers. As our system design becomes increasingly\ncomplex, system integrators may be unable to meet specifications of our key custome rs. Changes in our partners' or customers' business models or their\nownership can reduce the number of partners available to us and harm our ability to sell our advanced data center systems to custome rs. In the future, these\npartners may decide to purchase fewer products , not to incorporate our products into their ecosystem, or to alter their purchasing patterns in some other way.\nBecause most of our sales are made on a purch ase order basis, our customers can generally cancel, change or delay product purchase commitments with little\nnotice to us and without penalty . Our partners or custome rs may develop their own solutions; our customers may purchase products from our competitors; and\nour partners may discontinue sales or lose market share in the markets for which they purchase our pr oducts, all of which may alter partners or customers\npurchasing patterns. Many of our customers often do not purchase directly from us but purchase through multiple OEMs, ODMs, system integrators, distributors\nand other channel partne rs. For the second quarter of fiscal year 2025, two indirect customers which primarily purchase our products through system integrators\nand distributors, includin g through Customer B and Customer E, are estimated to each represe nt 10% or more of total revenue, attributable to the Compute &\nNetworking segment. If end demand increases or our finished goods supp ly availability is concentrated near a quarter end, the system integrators, distributors\nand channel partners may have limited ability to increase their credit, which could impact the timing and amoun t of our revenue. The loss of any of our large\ncustomers, a significant reduction in purchases by them,\n36our inability to sell to a customer due to U.S. or other countries trade restrictions or any difficulties in collecting accounts receivable would likely harm our\nfinancial condition and results of operations.\nOur operations could be affected by the complex laws, rules and regulations to whic h our business is subject, and political and other actions may\nadversely impact our business.\nWe are subject to laws and regulations domestically and worldwide, affecting our operations in areas inclu ding, but not limited to, IP ownership and infringement;\ntaxes; impor t and export requirements and tariffs; anti-corruption, including the Foreign Corrupt Practices Act; business acquisitions; foreig n exchange controls\nand cash repatriation restrictions; data priva cy requirements; competition and antitrust; advertising; employment; product regulations; cybersecurity;\nenvironmental, health, and s afety requirements;

the responsible use of AI; sustainability; cryptocurrency; and consumer laws. Compliance with such\nrequirements can be onerous and expensive, could impact our competitive position, and may negatively impact our business operations and ability to\nmanufacture and ship our products. There can be no assurance that our employees, contractors , suppliers, customers or agents will not violate applicable laws\nor the policies, controls, and procedures that we have designed to help ensure compliance with such laws, and violations could result in fines, criminal sanctions\nagainst us, our officers, or our employees, prohib itions on the conduct of our business, and damage to our reputation. Changes to the laws, rules and regulations\nto which we are subject, or changes to their inte rpretation and enforcement, could lead to materially greater compliance and other costs and/or further\nrestrictions on our ability to manufacture and supply our products and operate our business. For example, we may face increased compliance costs as a result\nof changes or increases in antitrust legislation, regulation, administrative rule making, increased focus from regulators on cybersecurity v ulnerabilities and risks.\nOur position in markets relating to AI has led to increased interest in our business from regulators worldwide, including the European Union, the United States,\nthe United Ki ngdom, South Korea and China. For example, the French Competition Author ity collected information from us regarding our business and\ncompetition in the graph ics card and cloud service provider marke t as part of an ongoing inquiry into competition in those markets. We have also received\nrequests for information from regulators in the European Union, the United States, the United Kingdom, China, a nd South Korea regarding our sales of GPUs,\nour efforts to allocate supply, foundation models and our investments, partnerships and other agreements with companies developing foundation models, and we \nexpect to receive additional requests for information in the future. Governments and regulators are considering, and in certain cases, have imposed restrictions\non the hardw are, software, and system s used to develop frontier foundation models and generative AI. For example, the EU AI Act was formally adopted in June\n2024 and will be implemented in phases betwee n now and 2030. The State of Calif ornia, among other jurisdictions, is considering similar legislation. Restrictions\nunder this and any other regulations, if implemented, could increase the costs and burdens to us and our customers, d elay or halt deployment of new systems\nusing our products, and reduce the number of new entrants and customers, negatively impacting our business and financial results. Revisions to laws or\nregulation s or their interpretation and enforceme nt could also result in increased taxation, trade sanctions, the imposition of or increase to import duties or tariffs,\nrestrictions and controls on imports or exports, or other retaliatory actions, which could have an adverse effect on our business plans or impact the timing of our\nshipments. Additionally , changes in the public perception of governments in the regions where we operate or plan to operate could negatively impact our\nbusiness and results of operations.\nGovernment actions, including trade protection and national and economic security polic ies of U.S. and foreign government bodies, such as tariffs, import or\nexport regulations, including deemed export restrictions and restrictions on the activities of U.S. persons, trade and economic sa nctions, decrees, quotas or\nother trade barriers and restrictions could affect our ability to ship products, provide services to our customers and employees, do business without an export\nlicense with entities on the U.S. Department of Commerce s U.S. Entity List or other USG restricted parties lists (which is expected to change from time to time),\nand generally fulfill our contractual obligation s and have a material adverse effect on our business. If we were ever found to have violated export control laws or\nsanctions of the U.S. or similar applicable non-U .S. laws, even if the violation oc curred without our knowledge, we may be subject to various penalties available\nunder the laws, any of which could have a material and adverse impact on our business, operating results and financial co ndition.\nFor example , in response to the war in Ukrain e, the United States and other jurisdictions imposed economic sanctions and export control measures which\nblocked the passage of our products, s ervices and support into Russia, Belarus, and certain regions of Ukraine. In fiscal year 2023, we stopped direct sales to\nRussia and closed business operations in Russia. Concurrently , the war in Ukr aine has impacted sales in EMEA and may continue to do so in the future.\nThe increasi ng focus on the risks and strategic importance of AI technologies has resulted in regulatory restrictions that ta rget products and services capable of\nenabling or facilitating AI and may in the future result in additional restrictions impacting some or all of our product and service of ferings.\nConcerns regardin g third-party use of AI for purposes contrary to local governmental interests , including concerns relating to the misuse of AI applications,\nmodels, and solutions, has resulted in and could in the f uture result in unilateral or multilateral restrictions on products that can be used for training, modifying,\ntuning, and deploying LLMs and other AI applications. Such restrictions have limited and c ould in the future limit the ability of downstream customers and users\nworldwide to acquire, deploy and use systems that include our products, software, and services, and negatively impact our busines s and financial results.\n37Such restrictions could include additional unilateral or multilateral export controls on certain products or technology , including but not limited to AI technologies.\nAs ge opolitic al tensions have increased, semic onductors associated with AI, including GPUs and associated products, are increasingly the focus of export\ncontrol restrictions proposed by stakeholders in t he U.S. and its allies. The United States has imposed unilateral controls restricting GPUs and associated\nproducts, and it is likely that additional unilateral or multilateral controls will be adopted . Such controls have been and may again be very broad in scope and\napplication, prohibit us from exporting our products to any or all customers in one or more markets, including but not limited to Chi na, and could negatively\nimpact our manufacturin g, testing and warehousing locations and options, or could impose other conditions that limit our ability to serve demand abroad and\ncould negatively a nd materially impact our business, revenue and financial results. Export controls targeting GPUs and semiconductors associated with AI,\nwhich have been imposed and are increasingly likely to be furthe r tightened, would further restric t our ability to export our technology , products, or services even\nthough comp etitors may not be subject to similar restrictions, creating a competitive disadvanta ge for us and negatively impacting our business and financial\nresults. Expo rt controls targeting GPUs and semiconductors associated with AI have subjected and may in the future subject downstream use rs of our products\nto additional restrictions on the use, resale, repair , or transfer of our products, negatively impacting our business and financial results. Controls could negatively\nimpact our cost and/or ability to provide services such as NVIDIA AI cloud services and could impact the cost and/or ability for our cloud service providers and\ncustomers to provide services to their end custom ers, even outside China.\nExport contr ols could disrupt our supply chain and distribution channels, negatively impacting our ability to serve demand, including in markets outside China\nand for our gam ing products. The possibility of additional export controls has negatively impacted and may in the future negatively impact demand for our\nproducts, benefiting competitors that offer alternatives less likely to be restricted by further controls. Repeated changes in the export control rules are likely to\nimpose compliance burdens on our business and our customers, negatively and materially impactin g our business.\nIncreasing use of economic sanctions and export controls has impacted and may in the future impact demand for our products or services, negatively impacting\nour business and financ ial results. Reduced demand due to export controls could also lead to excess inventory or cause us to incur related supply charges.\nAdditional unilateral or multilateral controls are also likely to inclu de deemed export control limitations that negatively impact the ability of our research and\ndevelopment teams to execute our roadmap or other objectives in a timely manner . Addition al export restric tions may not only impact our ability to serve\noverseas markets, but also provoke responses from foreign governments, including China, that negatively impact our supply chain or our ability to provide our\nproducts and services to customers in all markets worldwide, which could also substantially reduce our revenue. Regulators in China have inquired about our\nsales and efforts to supply the China m arket and our fulfillment of the commitments we entered at the close of our Mellanox acquisition. If the regulators\nconclude that we have failed to fulfill such commitments or we have violated any app licable law in China, we could be subject to various penalties or restrictions\non our ability to conduct our business, any of which could have a material and adverse impact on our business, operating results and financial condition.\nDuring the third quarter of fiscal year 2023, the USG announced export restrictions and expo rt licensing requirements targeting China s semiconductor and\nsupercompu ting industries. These restrictions impact exports of certain chips, as well as software, hardware, equipment and technology used to develop,\nproduce and manufacture certain chips to China (including Hong Kong and Macau) and Russia, and specifically impact our A100 and H100 integrated circuits,\nDGX or any other system s or boards which incorporate A100 or H100 integrated circuits. The licensing r equirements also apply to any future NVIDIA integrated\ncircuit achieving certain peak performance and chip-to-chip I/O performance thresholds, as well as any system or board that includes those circu its. There are\nalso now licensing requirements to export a wide array of products, including networking products, destined for certain end users and for certain end uses in\nChina. During the second qu arter of fiscal year 2024, the USG also informed us of an additional licensing requirement for a subset of A100 and H100 products\ndestined to certain customers and other regions, including some countr ies in the Middle East.\nIn October 2023, the USG announced new and updated licensing requirements that became effective in our fourth quarter of fiscal year 2024 for exports to\nChina and Country Group s D1, D4, and D5 (including but not limited to, Saudi Arabia, the United Arab Emirates, and Vietnam, but excluding Israel) of our\nproducts exceeding certain performance thresholds, including A100, A80 0, H100, H800, L4, L40, L40S and RTX 4090. The licensing requirements also apply to\nthe export of products exceeding certain performance thresholds to a party headquartered in, or with an ultimate par ent headquartered in, Country Group D5,\nincluding China. On Octo ber 23, 2023, the USG informed us that the licensing requirements were effective immediately for shipments of our A100, A800, H100,\nH80 0, and L40S products. W e have not received licenses to ship these restricted products to China.\nFollowing these export controls, we transitioned some operations, including certain testing, validatio n, and supply and distribution operations out of China and\nHong Kong. Any future transitions could be costly and time consuming, and adversely affect our research and development and supply and distri bution\noperations, as well as our revenue, during any such transition period. We expanded our Data Center product portfolio to offer new solutions, including those for\nwhich the USG does not require a license or advance notice before each shipment. To the extent that a customer requires products covered by the licensing\nrequirements, we may seek a license for the customer . However , the licensing process is time-consuming. We have no assurance that the USG will grant such a\nlicense or that the USG will act on the license application in a timely manner or at all. Even if a license is approved, it may impose burdensome conditions that\nwe or our customer or end users cannot or decide not to accept. The USG is evaluating license requests in a closed process that\n38does not have clear standard s or an opportunity for review . For example, the Notified Advanced Computing, or NAC, process has not resulted in approvals for\nexports of products to customers in China. The license process for e xports to D1 and D4 countries has been time-consuming and resulted in license conditions\nthat are onerous, even for small-sized systems that are not able to train frontier AI models. The requirements have a disproportionate impact on NVIDIA and\nalready have disadvantaged and may in the future disadvantage NVIDIA against certain of our competitors who sell products that are not subject to the new \nrestrictions or may be able to acquire licenses for their products.\nManagement of these new licenses and other requirements is complicated and time consuming. Our competitive position has been harmed , and our competitive\nposition and future results may be further harmed, over the long-term, if there are further changes in the USG s export controls, including further expansion of the\ngeographic, customer , or product scope of the controls, if customers purchase product from competitors, if customers develop their own internal solution, if we\nare unable to provide contractual warranty or othe r extended service obligations, if the USG does not grant licenses in a timely manner or denies licenses to\nsignificant customers or if we incur significant transition costs. Even if the USG grants an y requested licenses, the licenses may be temporary or impose\nburdensome conditions that we or our customers or end users cannot or choose not to fulfill. The licensing requirements may benefit certa in of our competitors,\nas the licensing process will make our pre-sale and post-sale technical support efforts more cumbersome and less certain and encourage customers in China to\npursue alternatives to our products, including semiconductor suppliers based in China, Europe, and Israel.\nGiven the increasing strategic importance of AI and rising geopolitical tensions, the USG has changed and may aga in change the export control rules at any time\nand further subject a wider range of our products to export restrictions and licensing requirements, negatively impacting our business and financial resu lts. In the\nevent of such change, we may be unable to sell our inventory of such products and may be unable to develop replacement products not subject to the licensing\nrequirements, effectively exclu ding us from all or part of the China market, as well as other impa cted markets, including the Middle East. For example, the USG\nhas already imposed conditions to limit the ability of foreign firms t o create and offer as a service large-scale GPU clusters, for example by imposing license\nconditions on the use of products to be exported to certain countries, and may impose additional conditions su ch as requiring chip tracking and throttling\nmechanisms that could disable or impair GPUs if certain events, including unauthorized system configuration, use, or location, are detected. The USG has\na lready impo sed export controls restricting certain gaming GPUs, and if the USG expands such controls to restrict additional gaming products, it may disrupt a\nsignificant portion of our supply and dis tribution chain and negatively impact sales of such products to markets outside China, including the U.S. and Europe. In\naddition, as the performa nce of the gaming GPUs increases over time, export co ntrols may have a greater impact on our ability to compete in markets subject to\nthose controls. Export controls may disrupt our supply and distribution chain for a substantial portion of our product s, which are warehoused in and distributed\nfrom Hong Kong. Export controls restricting our ability to sell data center GPUs may also negatively impact demand for our networking products used in serve rs\ncontaining our GPUs. The USG may also impose export controls on our networking products, such as high-speed network interconnects, to limit the ability of\ndownstream parties to create large cluster s for frontier model training. Any new control that impacts a wider range of our products would likely have a\ndisproportionate impact on NVIDIA and may disadvantage us against certain of our competit ors that sell chips that are outside the scope of such control.\nExcessive or shifting export controls have alread y and may in the future encourage customers outside China and other impacted regions t o design-out certain\nU.S. semiconductors from their products to reduce the compliance burden and risk, and to ensure that they are able to serve markets worldwide. Excessive or\nshifting export contr ols have already encourage d and may in the future encourage overseas governments to request that our customers purchase from our\ncompetitors rather than NVIDIA or other U.S. firms, harming our busin ess, market position, and financial results. As a result, excessive or shifting export controls\nmay negatively impact demand for our products and services not only in China, but also in other markets , such as Europe, Latin America, and Southeast Asia.\nExcessive or shifting export controls increase the risk of investing in U.S. advanced semiconductor products, because by the time a new product is ready for\nmarket, it may be subject to new unilateral export controls restricting its sale. At the same time, such controls may increase investment in foreign competitors,\nwhich would be less likely t o be restricted by U.S. controls.\nAdditionally , restrictions imposed by the Chines e government on the duration of gaming activities and access to games may adversely affect our Gaming\nrevenue, and i ncreased oversight of digital platform companies may adversely affect our Data Center revenue. The Chinese government may also impose\nrestrictions on the sale to certain customers of our products, or any products containing components made by our partners and suppliers. For example, the\nChinese government announced restrictions relating to certain sales of products containing certain products mad e by Micron, a supplier of ours. As another\nexample, an agency of the Chinese government announced an Action Plan that endorses new standards regarding the compute performance per watt and per\nmemory bandwidth of accelerators used in new and renovated data centers in China. If the Chine se government modifies or implements the Action Plan in a way\nthat effectively prevents us from being able to de sign products to meet the new standard, this may restrict the ability of customers to use some of our data center\nproducts and may have a material and adverse impact on our business, operating result s and financial condition. Further restrictions on our products or the\nproducts of our suppliers could negatively impact our business and financial results.\n39Finally , our business depends on our abi lity to receive consistent and reliable supply from our overseas partners, especially in Taiwan. Any new restrictions that\nnegatively impact our ability to receive supply of components, parts, or serv ices from Taiwan, would negatively impact our business and financial results.\nItem 2. Unregistered Sales of Equity Securities and Use of Proceeds\nIssuer Purchases of Equity Securities\nDuring the secon d quarter and first half of fiscal year 2025, we repurchased 62.8 million and 162.1 million shares of our common stock for $7.0 billion and $15.1\nbillion, respectively . As of July 28, 2024, we were a uthorized, subject to certain specifications, to repurchase up to $7.5 billion of our common stock.\nThe repurchases can be made in the open market, in privately negotiated transactions, pursuant to a Rule 10b5-1 trading plan or in structured share repurchase\nprograms, and can be made in one or more larger repurchases, in compliance with Rule 10b-18 of the Exchange Act, subject to market conditions , applicable\nlegal requirements, and other factors. The program does not obligate NVIDIA to acquire any particular amount of common stock and the program may be\nsuspended at any time at our discretio n.\nIn the secon d quarter and first half of fiscal year 2025, we paid $246 million and $344 million, respectively , in cash dividends. Our cash dividend program and the\npayment of future cash dividend s under that program are subject to our Board of Directors ' continuing determination that the dividend program and the\ndeclaration of dividends thereunder are in the best interests of our shareholder s.\nThe following table presents details of our share repurchase transactions during the second quarter of fiscal year 2025:\nPeriodTotal Number\nof Shares\nPurchased\n(In millions)Average Price Paid\nper S hareTotal Number of Shares\nPurchased as Part of\nPublicly Announced\nProgram\n(In millions)Approximate Dollar V alue\nof Shares that May Yet Be\nPurchased Under the\nProgram\n(In billions)\nApril 29, 2024 - M ay 26, 2024 23.0 $ 91.50 23.0 $ 12.4 \nMay 27, 2024 - June 23, 2024 14.7 $ 121.36 14.7 $ 10.6 \nJune 24, 2024 - July 28, 2024 25.1 $ 123.63 25.1 $ 7.5 \nTotal 62.8 62.8 \nOn August 26, 2024, our Board of Directors approved an additional $50.0 billion to our share repurchase authorization, without expiration. From July 29, 2024\nthrough August 26, 2024, we repurchased 31.5 million shares for $3.6 billio n pursuant to a Rule 10b5-1 trading plan. As of August 26, 2024, a total of\n$53.9 billion was available for repurchase.\nRestricted Stock Unit Share W ithholding\nWe withhold common stock shares associ ated with net share settlements to cover tax withho lding obligations upon the vesting of RSU awards under our\nemployee equity incentive program. During the second quarter and first half of fiscal yea r 2025, we withheld approximately 11 million and 32 million, respectively ,\nfor a total value of $1.6 billion and $3.4 billion, respectively , through net share settlements.\nRecent Sales of Unregister ed Securities and Use of Proceeds\nOn May 28, 2024, we issued a total of 215,120 shares of our common stock, valued at approxim ately $25 million based on our closing stock price on the date of\nissuanc e, to key employees of a company we acquired.\nOn July 2, 2024, we issued a total of 212,353 shares of our common stock, valued at approxima tely $26 million based on our closing stock price on the dat e of\nissuance, to key employees of a company we acquired.\nThe above securities were issued in transactions not involving a public offering pursuant to an exemption from registration set forth in Secti on4(a)(2) of\ntheSecurities Act (and Regulation D or Regulation S promulgated thereunder).\nItem 5. Other Information\nOn July 22, 2024, Ajay K. Puri, Executive Vice President, Worldwide Field Operatio ns, terminated a Rule 10b5-1 trading arrangement adopted on April 12, 2024\nfor the sale of up to 1,008,320 shares of our common stock on a post-split basis through July 11, 2025. 100,1 10 shares were sold under the plan prior to\ntermination.\n40Item 6. Exhibits\nIncorporated by Reference\nExhibit No. Exhibit Description Schedule/Form Exhibit Filing Date\n3.1 Amendment to Restated Certificate of Incor poration of NVIDIA Corporation 8-K 3.1 6/7/2024\n10.1+* Amended and Restated 2007 Equity Incentive Plan\n10.2+* Amended and Restated 2012 Employee Stock Purchase Plan\n31.1* Certification of Chief Execu tive Of ficer as required by Rule 13a-14(a) of the Securities\nExchange Act of 1934\n31.2* Certification of Chief Financial Of ficer as required by Rule 13a-14(a) of the Securities\nExchange Act of 1934\n 32.1#* Certification of Chief Executive Of ficer as required by Rule 13a-14(b) of the Securities\nExchange Act of 1934\n32.2#* Certification of Chief Financial Of ficer as required by Rule 13a-14(b) of the Securities\nExchange Act of 1934\n101.INS*Inline XBRL Instance Document - the instance document does not appear in the Interactive\nData File because its XBRL tags are embedded within the Inline XB RL document.\n101.SCH* Inline XBRL Taxonomy Extension Schema Document\n101.CAL* Inline

XBRL Taxonomy Extension Calculation Linkbase Document\n101.DEF* Inline XBRL Taxonomy Extension Definition Linkba se Document\n101.LAB* Inline XBRL Taxonomy Extension Labels Linkbase Document\n101.PRE* Inline XBRL Taxonomy Extension Presentation Linkbase Document\n104Cover Page Interactive Data File - the cover pa ge interactive data file does not appear in\nthe Interactive Data File because its XBRL tags are embedded within the Inline XBRL\ndocument.\n+ Management contract or compensatory plan or arrangement.\n* Filed herewith.\n# In accorda nce with Item 601(b)(32)(ii) of Regul ation S-K and SEC Release Nos. 33-8238 and 34-47986, Final Rule: Management's Reports on Internal Control\nOver Financial Reporting an d Certification of Disclosure in Exchange Act Periodic Reports, the certifications furnished in Exhibits 32.1 and 32.2 hereto are\ndeemed to accompany this Quarterly Report on Form 10-Q and will not be deemed filed for purpose of Section 18 of the Exchange Act. Such certifications will\nnot be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, exce pt to the extent that the registrant specifically\nincorporates it by reference.\nCopies of above exhibits not contained herein are available to any shareholder upon written request to:\nInvestor Relatio ns: NVIDIA Corporation, 2788 San Tomas Expressway , Santa Clara, CA 95051.\n41Signature\nPursuant to the requirem ents of the Securities Exchange Act of 1934, the registrant has duly caused this repor t to be signed on its behalf by the undersigned\nthereunto duly authorized.\nDate: August 28, 2024\n NVIDIA Corporation \nBy: /s/ Colette M. Kress\n Colette M. Kress\n Executive V ice President and Chief Financial Of ficer (Duly Authorized Of ficer and Principal\nFinancial Of ficer)\n42NVIDIA Corporation Amended and Restated 2007 Equity Incentive Plan\nApproved by the Compensation Committee: April 24, 2 007\nApproved by the Stockholders: June 21, 2007\nAmended by the Compensation Committee: November 11, 2010\nAmended and Restated by the Compensation Committee: March 22, 2012\nApproved by the Stockholders : May 17, 2012\nAmended and Restated by the Compensation Committee: April 9, 2014\nApproved by the Stockholders: May 23, 2014\nAmended and Restated by the Compensation Committee: April 5, 2016\nApproved b y the Stockholders: May 18, 2016\nAmended and Restated by the Compensation Committee: April 3, 2018\nApproved by the Stockholders: May 16, 2018\nAmended and Restated by the Compensation Committee: April 27, 2020\nApproved by the Stockholders: June 9, 2020\nAmended and Restated by the Board of Directors: July 19, 2021\nAmended and Restated by the Compensation Committee: April 8, 2022\nApproved by the Stoc kholders: June 2, 2022\nAmended and Restated by the Compensation Committee: December 1, 2022\nAmended and Restated by the Board of Directors: June 7, 2024\nTermination Date: April 26, 2030\n1. General.\n(a)Successor and Continuation of Prior Plans. The Plan is intended as the successor to and continuation of the NVIDIA Corporation\n1998 Equity Incentive Plan (the 1998 Plan), the NVIDIA Corporation 199 8 Non-Employee Directors Stock Option Plan, the NVIDIA Corporation\n2000 Nonstatutory Equity Incentive Plan, and the PortalPlayer, Inc. 2004 Stock Incentive Plan (together, the Prior Plans). Followi ng the\nEffective Date, no additional stock awards will be granted under any of the Prior Plans and all newly granted Stock Awards will be subject to the\nterms of this Plan except as follows: from the Effective Date until September 30, 2007 (the Transition Date) (during which time the Company\nanticipates taking such steps as are necessary or appropriate to permit participation in the Plan by Empl oyees, Directors or Consultants who are\nforeign nationals or are employed outside the United States), the Company may grant stock awards subject to the terms of the 1998 Plan\ncovering up to an aggrega te of 100,000 shares of Common Stock to newly hired employees of the Company and its Affiliates who are foreign\nnationals or are employed outside the United States (such 100,000 share reserve, the Fo reign Transition Reserve). On the Effective Date, all\nof the shares remaining available for issuance under the Prior Plans will become available for issuance under the Plan; provided, however, that\nt he issuance of shares upon the exercise of options or the settlement of stock awards granted under the Prior Plans (including the issuance of\nshares upon the exercise or settlement of any awards grant ed following the Effective Date subject to the terms of the 1998 Plan from the Foreign\nTransition Reserve) will occur from this Plan and will reduce the number of shares of Common Stock available for issuance under this Plan as\nprovided in Section 3 below. Any shares of Common Stock subject to outstanding options and stock awards granted under the Prior Plans that\nexpire or terminate for any reaso n prior to exercise or settlement (collectively, the Prior Plans Returning Shares) will become available for\nissuance pursuant to Stock Awards granted hereunder. Except as expressly set forth in th is Section 1(a), all options and stock awards granted\nunder the Prior Plans will remain subject to the terms of the Prior Plans with respect to which they were originally granted.\n(b)Eligible Award Re cipients. The persons eligible to receive Awards are Employees, Directors and Consultants.\n(c)Available Awards. The Plan provides for the grant of the following Awards: (i) Incentive Stock Options, (i i) Nonstatutory Stock Options,\n(iii) Restricted Stock Awards, (iv) Restricted Stock Unit Awards, (v) Stock Appreciation Rights, (vi) Performance Stock Awards, (vii) Performance\nCash Awards, and (viii) Other Stock Awards.(d)Purpose. The Company, by means of the Plan, seeks to secure and retain the services of the group of persons eligible to receive\nAwards as set forth in Section 1(b), to provide i ncentives for such persons to exert maximum efforts for the success of the Company and any\nAffiliate, and to provide a means by which such eligible recipients may be given an opportunity to benefit fr om increases in value of the Common\nStock through the granting of Stock Awards.\n(e)Section 162(m) Transition Relief. Notwithstanding anything in the Plan to the contrary, any reference in the Plan to performance-\nbased compensation under Section 162(m) of the Code will only apply to any Award that is intended, and is eligible, to qualify as such pursuant\nto the transition relief provided by the Tax Cuts and Jobs Act (the TCJA) for remuneration provided by a written binding contract which was in\neffect on November 2, 2017 and which was not subsequently materially modified, as determined by the Board, in its sole discretion, in\naccordance with the TCJA and any applicable guidance, rulings or regulations issued by any governmental authority.\n2. Administration.\n(a)Administration by Board. The Board will administer the Plan unless and until the Board delegates administration of the Plan to a\nCommittee or Committees, as provided in Section 2(c).\n(b)Powers of Board. The Board will have th e power, subject to, and within the limitations of, the express provisions of the Plan:\n(i) To determine from time to time (A) which of the persons eligible under the Plan will be granted Awards; (B) when and how each\nAward will be granted; (C) what type or combination of types of Award will be granted; (D) the provisions of each Award granted (which need not\nbe identical), including the time or t imes when a person will be permitted to receive cash or Common Stock pursuant to a Stock Award; (E) the\nnumber of shares of Common Stock subject to, or the cash value of, an Award; and (F) the Fair Ma rket Value applicable to a Stock Award.\n(ii) To construe and interpret the Plan and Awards granted under it, and to establish, amend and revoke rules and regulations for its\nadministration. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan or in any Stock Award\nAgreement or in the written terms of a Performance Cash Award, in a manner and to th e extent it will deem necessary or expedient to make the\nPlan or Award fully effective.\n(iii) To settle all controversies regarding the Plan and Awards granted under it.\n(iv) To accelerate the time at which an Award may be exercised or the time during which an Award or any part thereof will vest in\naccordance with the Plan, notwithstanding the provisions in the Award stating the time at which it m ay be exercised or the time during which it\nwill vest (or at which cash or shares of Common Stock may be issued); provided, however, that notwithstanding the foregoing or anything in the\nPlan to the c ontrary, the time at which a Participants Award may be exercised or the time during which a Participants Award or any part thereof\nwill vest may only be accelerated in the event of the Participants death or Disability or in the event of a Corporate Transaction or Change in\nControl.\n(v) To suspend or terminate the Plan at any time. Except as otherwise provided in the Plan or an Award Agreement, suspension or\ntermination of the Plan will not materially impair a Participants rights under his or her then-outstanding Award without his or her written consent.\n(vi) To amend the Plan in any respec t the Board deems necessary or advisable, including, without limitation, relating to Incentive\nStock Options and certain nonqualified deferred compensation under Section 409A of the Code and/or to bri ng the Plan or Awards granted under\nthe Plan into compliance therewith, subject to the limitations, if any, of applicable law. However, except as provided in Section 9(a) relating to\nCapitalization Ad justments, stockholder approval will be required for any amendment of the Plan that either (i) materially increases the number of\nshares of Common Stock available for issuance under the Plan, (ii) mat erially expands the class of individuals eligible to receive Awards under\nthe Plan, (iii) materially increases the benefits accruing to Participants under the Plan or materially reduces the price at w hich shares of Common\nStock may be issued or purchased under the Plan, (iv) materially extends the term of the Plan, or (v) materially expands the types of Awards\navailable for issuance under the Plan , but only to the extent required by applicable law or listing requirements. Except as otherwise provided in\nthe Plan or an AwardAgreement, rights under any Award granted before amendment of the Plan will not be materially impaired by any amendment of the Plan unless\n(i) the Company requests the consent of the affected Participant, and (ii) such Participant consents in writing.\n(vii) To submit any amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended\nto satisfy the requirements of (i) Section 162(m) of the Code and the regulations thereu nder regarding the exclusion of performance-based\ncompensation from the limit on corporate deductibility of compensation paid to Covered Employees, (ii) Section 422 of the Code regarding\nIncentive Sto ck Options, or (iii) Rule 16b-3.\n(viii) To approve forms of Award Agreements for use under the Plan and to amend the terms of any one or more Awards, including,\nbut not limited to, amendments to provi de terms more favorable than previously provided in the Award Agreement, subject to any specified limits\nin the Plan that are not subject to Board discretion; provided however, that, except with respe ct to amendments that disqualify or impair the\nstatus of an Incentive Stock Option or as otherwise provided in the Plan or an Award Agreement, the rights under any Award will not be\nmaterially impaire d by any such amendment unless (i) the Company requests the consent of the affected Participant, and (ii) such Participant\nconsents in writing. Notwithstanding the foregoing, subject to the limitation s of applicable law, if any, and without the affected Participants\nconsent, the Board may amend the terms of any one or more Awards if necessary (A) to maintain the qualified status of the Award as a n\nIncentive Stock Option, (B) to clarify the manner of exemption from, or to bring the Award into compliance with, Section 409A of the Code and\nthe related guidance thereunder, or (C) to comply with o ther applicable laws.\n(ix) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best\ninterests of the Company and that are not in confli ct with the provisions of the Plan or Awards.\n(x) To adopt such procedures or terms and sub-plans (none of which will be inconsistent with the provisions of the Plan) as are\nnecessary or desirable to permit or facilitate participation in the Plan by Employees, Directors or Consultants who are foreign nationals or\nemployed or located outside the United States.\n(c)Delegation to Committee.\n(i) Genera l. The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration\nof the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore\npossessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of\n the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee\nor subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by\nthe Board or Committee (as applicable). The Board may retain the authority to concurrently administer the Plan with the Committee and may, at\nany time, revest in the Board some or all of the powers previously delegated.\n(ii) Section 162(m) and Rule 16b-3 Compliance. The Committee may consist solely of two or more Outside Directors, in\naccordance with Section 162(m) of the Code, or solely of two or more Non-Employee Directors, in accordance with Rule 16b-3. In addition, the\nBoard or the Committee, in its s ole discretion, may (A) delegate to a Committee who need not be Outside Directors the authority to grant Awards\nto eligible persons who are either (I) not then Covered Employees and are not expected t o be Covered Employees at the time of recognition of\nincome resulting from such Stock Award, or (II) not persons with respect to whom the Company wishes to comply with Section 162(m) of the\nCode, and/ or (B) delegate to a Committee who need not be Non-Employee Directors the authority to grant Stock Awards to eligible persons who\nare not then subject to Section 16 of the Exchange Act.\n(d)Delegation to Other Person or Body. The Board or any Committee may delegate to one or more persons or bodies the authority to do\none or more of the following to the extent permitted by applicable law: (i) design ate recipients, other than Officers, of Stock Awards, provided that\nno person or body may be delegated authority to grant a Stock Award to themself; (ii) determine the number of shares of Common Stock subject\nto such Stock Awards; and(iii) determine the terms of such Stock Awards; provided, however, that the Board or Committee action regarding such delegation will fix the\nterms of such delegation in accordance with applicable law, including without limitation Sections 152 and 157 of the Delaware General\nCorporation Law. Unless provided otherwise in the Board or Committee action regarding such delegation, each Stock Award granted pursuant to\nthis section will be granted on the applicable form of Stock Award Agreement most recently approved for use by the Board or the Committee,\nwith any mod ifications necessary to incorporate or reflect the terms of such Stock Award. Notwithstanding anything to the contrary in this Section\n2(d), neither the Board nor any Committee may delegate to any per son or body (who is not a Director or that is not comprised solely of Directors,\nrespectively) the authority to determine the Fair Market Value pursuant to Section 13(x)(iii) below.\n(e)Effect of Board s Decision. All determinations, interpretations and constructions made by the Board in good faith will not be subject to\nreview by any person and will be final, binding and conclusive on all persons. \n(f)Cancellation and Re-Grant of Stock Awards. Neither the Board nor any Committee will have the authority to: (i) reduce the exercise\nor strike price of any outstanding Options or Stock Appreciation Rights under the Plan, or (ii) cancel any outstanding Options or Stock\nAppreciation Rights that have an exercise price or strike price greater than the current Fair Market Value in exchange for cash o r other Stock\nAwards under the Plan, unless the stockholders of the Company have approved such an action within twelve (12) months prior to such an event.\n(g)Dividends and Dividend Equivalents. Divide nds or dividend equivalents may be paid or credited, as applicable, with respect to any\nshares of Common Stock subject to an Award, as determined by the Board and contained in the applicable Award Agr eement;

provided,\nhowever, that (i) no dividends or dividend equivalents may be paid with respect to any such shares before the date such shares have vested\nunder the terms of such Award Agreement, (i i) any dividends or dividend equivalents that are credited with respect to any such shares will be\nsubject to all of the terms and conditions applicable to such shares under the terms of such Award Ag reement (including, but not limited to, any\nvesting conditions), and (iii) any dividends or dividend equivalents that are credited with respect to any such shares will be forfeited to the\nCompany on t he date, if any, such shares are forfeited to or repurchased by the Company due to a failure to meet any vesting conditions under\nthe terms of such Award Agreement.\n3.Shares Subject to the Plan.\n(a)Sh are Reserve. Subject to the provisions of Section 9(a) relating to Capitalization Adjustments, the aggregate number of shares of\nCommon Stock of the Company that may be issued pursuant to Stock Awards after the Effective Date will not exceed 10,289,710,640 shares\n(the 2007 Plan Reserve). Such maximum number of shares reserved for issuance consists of (i) 152,767,766 shares, which is the total\nre serve that the Companys stockholders approved at the Companys 2007 Annual Meeting of Stockholders, including but not limited to the\nshares remaining available for issuance under the Prior Plans on t he Effective Date and the Prior Plans Returning Shares, (ii) 25,000,000\nshares that were approved at the Companys 2012 Annual Meeting of Stockholders (and reapproved at the Companys 2013 Annual Mee ting of\nStockholders), (iii) 10,000,000 shares that were approved at the Companys 2014 Annual Meeting of Stockholders, (iv) 18,800,000 shares that\nwere approved at the Companys 2016 Annual Meeting o f Stockholders, (v) 23,000,000 shares that were approved at the Companys 2018\nAnnual Meeting of Stockholders, (vi) 14,800,000 shares that were approved at the Companys 2020 Annual Meeting of Stockho lders, (vii)\n733,103,298 shares that were added to reflect a 4-for-1 stock split effective July 19, 2021, (viii) 51,500,000 shares that were approved at the\nCompanys 2022 Annual Meeting of Stockholde rs, and (ix) 9,260,739,576 shares that were added to reflect a 10-for-1 stock split effective June\n7, 2024. For clarity, the 2007 Plan Reserve in this Section 3(a) is a limitation on the number of sha res of Common Stock that may be issued\npursuant to the Plan.

Accordingly, this Section 3(a) does not limit the granting of Stock Awards except as provided in Section 7(a). Shares may\nbe issued in conn ection with a merger or acquisition as permitted by Nasdaq Listing Rule 5635(c) or, if applicable, NYSE Listed Company\nManual Section 303A.08, AMEX Company Guide Section 711 or other applicable rule, and such issuance will not reduce the number of shares\navailable for issuance under the Plan.\n The initial 101,845,177 shares approved in June 2007 were adjusted to 152,767,766 pursuant to a 3-for-2 s tock split effective September 10, 2007.1\n1(b)Reversion of Shares to the Share Reserve.\n(i) Shares Available For Subsequent Issuance. If any (x) Stock Award shall for any reason expire or otherwise te rminate, in\nwhole or in part, without having been exercised in full, (y) shares of Common Stock issued to a Participant pursuant to a Stock Award are\nforfeited to or repurchased by the Company at thei r original exercise or purchase price pursuant to the Companys reacquisition or repurchase\nrights under the Plan, including any forfeiture or repurchase caused by the failure to meet a contingency or condition required for the vesting of\nsuch shares, or (z) Stock Award is settled in cash, then the shares of Common Stock not issued under such Stock Award, or forfeited to or\nrepurchased by the Comp any, shall revert to and again become available for issuance under the Plan.\n(ii) Shares Not Available for Subsequent Issuance. If any shares subject to a Stock Award are not delivered to a Participan t\nbecause such shares are withheld by the Company to satisfy the exercise or purchase price of a Stock Award (including any shares subject to a\nStock Award that are not delivered to a Participant beca use the Stock Award is exercised through a reduction of shares subject to the Stock\nAward (i.e., net exercised)) or an appreciation distribution in respect of a Stock Appreciation Right is paid in s hares of Common Stock, the\nnumber of shares subject to the Stock Award that are not delivered to the Participant shall not remain available for subsequent issuance under\nthe Plan. If any shares subjec t to a Stock Award are not delivered to a Participant because such shares are withheld by the Company in\nsatisfaction of the withholding of taxes incurred in connection with a Stock Award, the number of shares that are not delivered to the Participant\nshall not remain available for subsequent issuance under the Plan. If the exercise or purchase price of any Stock

Award, or the withholding of\ntaxes incurred in connection with a Stock Award, is satisfied by tendering shares of Common Stock held by the Participant (either by actual\ndelivery or attestation), then the number of shares so tendered s hall not remain available for subsequent issuance under the Plan. If any shares\nof Common Stock are repurchased by the Company on the open market with the proceeds of the exercise or purchase price of a Stock Award,\nthen the number of shares so repurchased shall not remain available for subsequent issuance under the Plan.\n(c)Incentive Stock Option Limit. Subject to the 2007 Plan Reserve and the pr ovisions of Section 9(a) relating to Capitalization\nAdjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock\nOptions under the Plan (including Incentive Stock Options granted under the Prior Plans) will be 10,000,000,000 shares of Common Stock.\n(d)Individual Award Limitations. Subject to the provisions of Section 9(a) relati ng to Capitalization Adjustments, no Participant will be\neligible to be granted during any fiscal year:\n(i) Options, Stock Appreciation Rights and Other Stock Awards whose value is determined by refer ence to an increase over an\nexercise or strike price of at least one hundred percent (100%) of the Fair Market Value on the date the Stock Award is granted covering more\nthan 80,000,000 shares of Comm on Stock;\n(ii) Performance Stock Awards covering more than 80,000,000 shares of Common Stock; and\n(iii) Performance Cash Awards with a value of more than $6,000,000.\nIf a Performance Stock Award is in the form of an Option, it will count only against the Performance Stock Award limit. If a Performance\nStock Award could be paid out in cash, it will count only against the Performance Stock Award lim it.\n(e)Source of Shares. The stock issuable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including\nshares repurchased by the Company on the open market or other wise.\n4.Eligibility.\n(a)Eligibility for Specific Stock Awards. Incentive Stock Options may be granted only to employees of the Company or a parent\ncorporation or subsidiary corporation thereof (as such terms are defined in Sections 424(e) and 424(f) of the Code). Stock Awards other than\nIncentive Stock Options may be granted to Employees, Directors and Consultants; provided, however, that Stoc k Awards may not be granted to\nEmployees, Directors and Consultants who are providing Continuous Service only to any parent of the Company, as such term is defined in\nRule 405 of the SecuritiesAct, unless (i) the stock underlying such Stock Awards is treated as service recipient stock under Section 409A of the Code (for example,\nbecause the Stock Awards are granted pursuant to a corporate tran saction such as a spin off transaction), (ii) the Company, in connection with\nits legal counsel, has determined that such Stock Awards are otherwise exempt from Section 409A of the Code, or (iii) the Company, in\nconnection with its legal counsel, has determined that such Stock Awards comply with the distribution requirements of Section 409A of the Code.\n(b)Ten Percent Stockholders. A Ten Percent S tockholder will not be granted an Incentive Stock Option unless the exercise price of such\nOption is at least one hundred ten percent (110%) of the Fair Market Value on the date of grant and the Optio n is not exercisable after the\nexpiration of five (5) years from the date of grant.\n(c)Consultants. A Consultant will be eligible for the grant of an Award only if, at the time of grant, a Form S-8 Re gistration Statement\nunder the Securities Act or a successor or similar form under the Securities Act (Form S-8) is available to register either the offer or the sale of\nthe Companys securities to such Consultant because of the nature of the services that the Consultant is providing to the Company, because the\nConsultant is a natural person, or because of any other rule governing the use of For m S-8.\n5.Provisions Relating to Options and Stock Appreciation Rights.\nEach Option or SAR will be in such form and will contain such terms and conditions as the Board will deem appropriate. All Option s will be\nseparately designated Incentive Stock Options or Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate\ncertificate or certificates will be issued for s hares of Common Stock purchased on exercise of each type of Option. If an Option is not specifically\ndesignated as an Incentive Stock Option, or if an Option is designated as an Incentive Stock Option but some portion or all of the Option fails to\nqualify as an Incentive Stock Option under the applicable rules, then the Option (or portion thereof) will be a Nonstatutory Stock Option. The\nprovision s of separate Options or SARs need not be identical; provided, however, that each Award Agreement will include (through incorporation\nof provisions hereof by reference in the Award Agreement or otherw ise) the substance of each of the following provisions:\n(a) Term. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, no Option or SAR will be exercisable after the\nexpiratio n of ten (10) years from the date of its grant or such shorter period specified in the Award Agreement (the Expiration Date).\n(b)Exercise Price. Subject to the provisions of Section 4(b) regarding T en Percent Stockholders, and notwithstanding anything in the\nAward Agreement to the contrary, the exercise or strike price of each Option or SAR will not be less than the Fair Market Value subject to the\nOption or SAR on the date the Award is granted. Notwithstanding the foregoing, an Option or SAR may be granted with an exercise or strike\nprice lower than the Fair Market Value subject to the Awar d if such Award is granted pursuant to an assumption or substitution for another option\nor stock appreciation right in a manner consistent with the provisions of Section 409A and, if applicable, Secti on 424(a) of the Code. Each SAR\nwill be denominated in shares of Common Stock equivalents.\n(c)Consideration. The purchase price of Common Stock acquired pursuant to the exercise of an Option will be p aid, to the extent\npermitted by applicable law and as determined by the Board in its sole discretion, by any combination of the methods of payment set forth below.\nThe Board will have the authority to grant Options that do not permit all of the following methods of payment (or otherwise restrict the ability to\nuse certain methods) and to grant Options that require the consent of the Company to uti lize a particular method of payment. The methods of\npayment permitted by this Section 5(c) are:\n(i) by cash, check, bank draft, money order or electronic funds transfer payable to the Company;\n(ii) pu rsuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance\nof the stock subject to the Option, results in either the receipt of cash (or c heck) by the Company or the receipt of irrevocable instructions to pay\nthe aggregate exercise price to the Company from the sales proceeds;(iii) if an option is a Nonstatutory Stock Option, by a net exercise arrangement pursuant to which the Company will reduce the\nnumber of shares of Common Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not \nexceed the aggregate exercise price; provided, however, that the Company will accept a cash or other payment from the Participant to the extent\nof any remaining balance of the aggregate exercise pric e not satisfied by such reduction in the number of whole shares to be issued; provided,\nfurther, that shares of Common Stock will no longer be outstanding under an Option and will not be exercisable t hereafter to the extent that (A)\nshares issuable upon exercise are reduced to pay the exercise price pursuant to the net exercise, (B) shares are delivered to the Participant as\na result of such exe rcise, and (C) shares are withheld to satisfy tax withholding obligations; or\n(iv) in any other form of legal consideration that may be acceptable to the Board and specified in the applicable Award Ag reement.\n(d)Exercise and Payment of a SAR. To exercise any outstanding SAR, the Participant must provide written notice of exercise to the\nCompany in compliance with the provisions of the Stock Apprec iation Right Agreement evidencing such SAR. The appreciation distribution\npayable on the exercise of a SAR will be not greater than an amount equal to the excess of (A) the aggregate Fair Market Value (on the date of\nthe exercise of the SAR) of a number of shares of Common Stock equal to the number of Common Stock equivalents in which the Participant is\nvested under such SAR, and with respect to w hich the Participant is exercising the SAR on such date, over (B) the strike price. The appreciation\ndistribution may be paid in Common Stock, in cash, in any combination of the two or in any other fo rm of consideration, as determined by the\nBoard and contained in the Award Agreement evidencing such SAR.\n(e)Transferability of Options and SARs. The Board may, in its sole discretion, impose such lim itations on the transferability of Options\nand SARs as the Board will determine. If the Board determines that an Option or SAR will be transferable, the Option or SAR will contain such\nadditional term s and conditions as the Board deems appropriate. In the absence of such a determination by the Board to the contrary, the\nfollowing restrictions on the transferability of Options and SARs will apply:\n (i) Restrictions on Transfer. An Option or SAR will not be transferable except by will or by the laws of descent and distribution (or\npursuant to subsections (ii) and (iii) below) and will be exercisa ble during the lifetime of the Participant only by the Participant; provided,\nhowever, that the Board may, in its sole discretion, permit transfer of the Option or SAR in a manner consistent with appl icable tax and securities\nlaws upon the Participants request. Except as explicitly provided herein, neither an Option nor a SAR may be transferred for consideration.\n(ii) Domestic Relations Orders. N otwithstanding the foregoing, subject to the approval of the Board or a duly authorized Officer,\nan Option or SAR may be transferred pursuant to a domestic relations order or official marital settleme nt agreement; provided, however, that an\nIncentive Stock Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.\n(iii) Beneficiary Designation. Notwithstanding the foregoi ng, subject to the approval of the Board or a duly authorized Officer, a\nParticipant may, by delivering written notice to the Company, in a form provided by or otherwise satisfactory to the Company (o r the designated\nbroker), designate a third party who, in the event of the death of the Participant, will thereafter be entitled to exercise the Option or SAR and\nreceive the Common Stock or other con sideration resulting from such exercise. In the absence of such a designation, the executor or\nadministrator of the Participants estate (or other party legally entitled to the Option or SAR proceeds) will be entitled to exercise the Option or\nSAR and receive the Common Stock or other consideration resulting from such exercise. However, the Company may prohibit designation of a\nbeneficiary at any time, including due to any conclusion by the Company that such designation would be inconsistent with the provisions of\napplicable laws or difficult to administer.\n(f)Vesting Generally. The total numb er of shares of Common Stock subject to an Option or SAR may vest and therefore become\nexercisable in periodic installments that may or may not be equal. The Option or SAR may be subject to such other terms and conditions on the\ntime or times when it may or may not be exercised (which may be based on the satisfaction of Performance Goals or other criteria) as the Board\nmay deem appropriate. The ve sting provisions ofindividual Options or SARs may vary; provided, however, that in all cases, in the event that a Participants Continuous Service terminates as a\nresult of his or her death, then the Option or SAR will become fully vested and exercisable as of the date of termination of Continuous Service.\nThe provisions of this Section 5(f) are subject to any Option or SAR provisions governing th e minimum number of shares of Common Stock as to\nwhich an Option or SAR may be exercised.\n(g)Termination of Continuous Service. Except as otherwise provided in the applicable Award Agreement or other agreement between\nthe Participant and the Company, in the event that a Participants Continuous Service terminates (other than for Cause or upon the Participants\ndeath or Disability), the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Award\nas of the date of termination of Continuous Service) but only within such period of time ending on the earlier of (i) the date 90 days following the\ntermination of the Participants Continuous Service, or (ii) the expiration of the term of the Option or SAR as set forth in the Award Agree ment. If,\nafter termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the time specified herein or in the\nAward Agreement (as applicable), the Option or SAR will terminate.\n(h)Extension of Termination Date. If the exercise of an Option or SAR following the termination of the Participants Continuous Service\n(other than for Cause or upon the Participan ts death or Disability) would either (i) be prohibited solely because the issuance of shares of\nCommon Stock would violate the registration requirements under the Securities Act, or (ii) subject the Participant to short-swing liability under\nSection 16(b) of the Exchange Act due to a transaction engaged in by the Participant prior to his or her termination of Continuous Service, then\nthe Option o r SAR will terminate on the earlier of (A) the expiration of a period of 90 days after the termination of the Participants Continuous\nService during which the exercise of the Option or SAR would not be in violation of such registration requirements and would not subject the\nParticipant to short-swing liability under Section 16(b) of the Exchange Act, or (B) the expiration of the term of the Optio n or SAR as set forth in\nthe Award Agreement. All determinations under this Section 5(h) will be made in the sole discretion of the Board.\n(i)Disability of Participant. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant\nand the Company, in the event that a Participants Continuous Service terminates as a result of the Participants Disability, the Participant may\nexercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of termination of\nContinuous Service), but only wi thin such period of time ending on the earlier of (i) the date 12 months following such termination of Continuous\nService, or (ii) the expiration of the term of the Option or SAR as set forth in the A ward Agreement. If, after termination of Continuous Service,\nthe Participant does not exercise his or her Option or SAR within the time specified herein or in the Award Agreement (as applicable), the Option\nor SAR will terminate.\n(j)Death of Participant. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant and\nthe Company, in the event that (i) a Participants Continuous Service terminates as a result of the Participants death (which termination event\nwill give rise to acceleration of vesting as described in Section 5(f) above), or (ii) the Participant dies within the period (if any) specified in the\nAward Agreement after the termination of the Participants Continuous Service for a reason other than death (which event will not give ris e to\nacceleration of vesting as described in Section 5(f) above), then the Option or SAR may be exercised (to the extent the Participant was entitled\nto exercise such Option or SAR as of the date of d eath) by the Participants estate, by a person who acquired the right to exercise the Option or\nSAR by bequest or inheritance or by a person designated to exercise the Option or SAR upon the Participa nts death, but only within the period\nending on the earlier of (A) the date 18 months following the date of death, or (B) the expiration of the term of such Option or SAR as set forth in\nthe Award Ag reement. If, after the Participants death, the Option or SAR is not exercised within the time specified herein or in the Award\nAgreement (as applicable), the Option or SAR will terminate.\n(k)Terminat ion for Cause. Except as explicitly provided otherwise in a Participants Award Agreement, or other individual written\nagreement between the Company or any Affiliate and the Participant, if a Particip ants Continuous Service is terminated for Cause, the Option or\nSAR will terminate immediately upon such Participants termination of Continuous Service, and the Participant will be prohibited from ex ercising\nhis or her Option or SAR from and after the time of such termination of Continuous Service.(l)Non-Exempt Employees. No Option or SAR granted to an Employee that is a non-exempt employee for p urposes of the Fair Labor\nStandards Act of 1938, as amended, will be first exercisable for any shares of Common Stock until at least six (6) months following the date of\ngrant of the Option or SAR (al though the Award may vest prior to such date). Consistent with the provisions of the Worker Economic Opportunity\nAct, (i) if such non-exempt Employee dies or suffers a Disability, (ii) upon a Corporat e Transaction in which such Option or SAR is not assumed,\ncontinued, or substituted, (iii) upon a Change in Control, or (iv) upon the Participants retirement (as such term may be defined in the\nParti cipants Award Agreement or in another agreement between the Participant and the Company, or, if no such definition, in accordance with\nthe Companys then current employment policies and guidelines), the vested portion of any Options and SARs may be exercised earlier than six\n(6) months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non- exempt employee in\nconnection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay. To the extent permitted and/or\nrequired for compliance with the Worke r Economic Opportunity Act to ensure that any income derived by a non-exempt employee in connection\nwith the exercise, vesting or issuance of any shares under any other Stock Award will be exempt from the employees regular rate of pay, the\nprovisions of this Section 5(k) will apply to all Stock Awards and are hereby incorporated by reference into such Stock Award Agreements.\n6.Provisions of Stock Awards other than Options and SARs.\n(a)Restricted Stock Awards. Each Restricted Stock Award Agreement will be in such form and will contain such terms and conditions as\nthe Board will deem appropriat e. To the extent consistent with the Companys Bylaws, at the Boards election, shares of Common Stock may be\n(x) held in book entry form subject to the Companys instructions until any restrictions r elating to the Restricted Stock Award lapse; or\n(y) evidenced by a certificate, which certificate will be held in such form and manner as determined by the Board. The terms and conditions of\nRestricte d Stock Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Award\nAgreements need not be identical, provided, however, that each Restricted Stock A ward Agreement will include (through incorporation of the\nprovisions hereof by reference in the Award

Agreement or otherwise) the substance of each of the following provisions:\n(i) Consideration. A Re stricted Stock Award may be awarded in consideration for (A) cash, check, bank draft, money order or\nelectronic funds transfer payable to the Company, (B) past services rendered to the Company or an A ffiliate, or (C) any other form of legal\nconsideration (including future services) that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.\n(ii) Vesting. Shar es of Common Stock awarded under a Restricted Stock Award Agreement may be subject to forfeiture to the\nCompany in accordance with a vesting schedule to be determined by the Board; provided, however, that in all cases, in the event a Participants\nContinuous Service terminates as a result of his or her death, then the Restricted Stock Award will become fully vested as of the date of\ntermination of Continuous Service.\n(iii) Termination of Participants Continuous Service. In the event a Participants Continuous Service terminates, the Company\nmay receive via a forfeiture condition or a repurcha se right any or all of the shares of Common Stock held by the Participant which have not\nvested as of the date of termination of Continuous Service under the terms of the Restricted Stock Award Agreem ent.\n(iv) Transferability. Rights to acquire shares of Common Stock under the Restricted Stock Award Agreement will be transferable by\nthe Participant only upon such terms and conditions as are set fo rth in the Restricted Stock Award Agreement, as the Board will determine in its\nsole discretion, so long as Common Stock awarded under the Restricted Stock Award Agreement remains subject to the terms of the Restricted\nStock Award Agreement.\n(b)Restricted Stock Unit Awards. Each Restricted Stock Unit Award Agreement will be in such form and will contain such terms and\nconditions as the Board will deem appropriate. The terms and conditions of Restricted Stock Unit Award Agreements may change from time to\ntime, and the terms and conditions of separate Restricted Stock Unit Award Agreements need not be identical, provided, however, that each\nRestricted Stock Unit Award Agreement willinclude (through incorporation of the provisions hereof by reference in the Award Agreement or otherwise) the s ubstance of each of the following\nprovisions:\n(i) Consideration. At the time of grant of a Restricted Stock Unit Award, the Board will determine the consideration, if any, to be\npaid by the Participan t upon delivery of each share of Common Stock subject to the Restricted Stock Unit Award. The consideration to be paid (if\nany) by the Participant for each share of Common Stock subject to a Restricte d Stock Unit Award may be paid in any form of legal consideration\nthat may be acceptable to the Board in its sole discretion and permissible under applicable law.\n(ii) Vesting. At the time of the gran t of a Restricted Stock Unit Award, the Board may impose such restrictions or conditions to the\nvesting of the Restricted Stock Unit Award as it, in its sole discretion, deems appropriate; provided, h owever, that in all cases, in the event a\nParticipants Continuous Service terminates as a result of his or her death, then the Restricted Stock Unit Award will become fully vested as of\nthe date of t ermination of Continuous Service.\n(iii) Payment. A Restricted Stock Unit Award may be settled by the delivery of shares of Common Stock, their cash equivalent, any\ncombination thereof or in any other form of consideration, as determined by the Board and contained in the Restricted Stock Unit Award\nAgreement.\n(iv) Additional Restrictions. At the time of the grant of a Restricted Stock Unit Award, t he Board, as it deems appropriate, may\nimpose such restrictions or conditions that delay the delivery of the shares of Common Stock (or their cash equivalent) subject to a Restricted\nStock Unit Award to a time after the vesting of such Restricted Stock Unit Award.\n(v) Termination of Participants Continuous Service. Except as otherwise provided in the applicable Restricted Stock Unit Award\nAgreeme nt, such portion of the Restricted Stock Unit Award that has not vested will be forfeited upon the Participants termination of Continuous\nService.\n(c)Performance Awards.\n(i) Performance Stock Awards. A Performance Stock Award is a Stock Award that is payable (including that may be granted, vest\nor exercised) contingent upon the attainment during a Performance Period of certain Performance Goals. A Performance Stock Award may\nrequire the completion of a specified period of Continuous Service. In the event a Participants Continuous Service terminates as a result of his\nor her death, then the P erformance Stock Award will be deemed to have been earned at 100% of the target level of performance, will be fully\nvested, as of the date of death, and shares thereunder will be issued promptly follo wing the date of death. The length of any Performance\nPeriod, the Performance

Goals to be achieved during the Performance Period, and the measure of whether and to what degree such\nPerformance Goals h ave been attained will be conclusively determined by the Committee (or, to the extent that an Award is not intended to\nqualify as performance-based compensation under Section 162(m) of the Code, the Board), in its sole discretion. In addition, to the extent\npermitted by applicable law and the applicable Award Agreement, the Board or the Committee, as applicable, may determine that cash may be\nus ed in payment of Performance Stock Awards.\n(ii) Performance Cash Awards. A Performance Cash Award is a cash award that is payable contingent upon the attainment during\na Performance Period of certain Performance Goals. A Performance Cash Award may also require the completion of a specified period of\nContinuous Service. The length of any Performance Period, the Performance Goals to be achieved duri ng the Performance Period, and the\nmeasure of whether and to what degree such Performance Goals have been attained will be conclusively determined by the Committee (or, to\nthe extent that an Award is not intended to qualify as performance-based compensation under Section 162(m) of the Code, the Board), in its\nsole discretion. The Board or the Committee, as applicable, may provide for or, subject to such terms and conditions as the Board or the\nCommittee, as applicable, may specify, may permit a Participant to elect for, the payment of any Performance Cash Award to be deferred to a\nspecified date or event. The Board or the Committee, as applicable, may specify the form of payment of Performance Cash Awards, which may\nbe cash or other property, or may provide for a Participant to have the option for his or her Performance Cash Award, or such portion thereof as\nthe Board or theCommittee, as applicable, may specify, to be paid in whole or in part in cash or other property. In addition, t o the extent permitted by applicable\nlaw and the applicable Award Agreement, the Board or the Committee, as applicable, may determine that Common Stock authorized under this\nPlan may be used in paymen t of Performance Cash Awards, including additional shares in excess of the Performance Cash Award as an\ninducement to hold shares of Common Stock.\n(iii) Section 162(m) Compliance. Unless otherwise per mitted in compliance with the requirements of Section 162(m) of the

Code\nwith respect to any Award intended to qualify as performance-based compensation thereunder, the Committee will establish the Performance\nGoals applicable to, and the formula for calculating the amount payable under, the Award no later than the earlier of (a) the date 90 days after\nthe commencement of the applicable Performa nce Period, and (b) the date on which 25% of the Performance Period has elapsed, and in any\nevent at a time when the achievement of the applicable Performance Goals remains substantially uncertain. Pr ior to the payment of any\ncompensation under an Award intended to qualify as performance-based compensation under Section 162(m) of the Code, the Committee will\ncertify the extent to which any Perfo rmance Goals and any other material terms under such Award have been satisfied (other than in cases\nwhere such relate solely to the increase in the value of the Common Stock). With respect to any Awar d intended to qualify as performance-\nbased compensation under Section 162(m) of the Code, the Committee may reduce or eliminate the compensation or economic benefit due\nupon the attainment of the a pplicable Performance Goals on the basis of any such further considerations as the Committee, in its sole discretion,\nmay determine.\n(d)Other Stock Awards. Other forms of Stock Awards valued in whole or in part by reference to, or otherwise based on, Common Stock,\nincluding the appreciation in value thereof may be granted either alone or in addition to Stock Awards provided for under Section 5 and the\npreceding provisions of this Section 6. Subject to the provisions of the Plan (including, but not limited to, Section 2(g)), the Board will have sole\nand complete authority to determine the perso ns to whom and the time or times at which such Other Stock Awards will be granted, the number\nof shares of Common Stock (or the cash equivalent thereof) to be granted pursuant to such Other Stock Awar ds and all other terms and\nconditions of such Other Stock Awards; provided, however, that in all cases, in the event a Participants Continuous Service terminates as a\nresult of his or her death, then any Other Stock Awards held by such Participant will become fully vested as of the date of termination of\nContinuous Service.\n7.Covenants of the Company.\n(a)Availability of Shares. During the terms o f the Stock Awards, the Company will keep available at all times the number of shares of\nCommon Stock reasonably required to satisfy such Stock Awards.\n(b)Securities Law Compliance. The Company will s eek to obtain from each regulatory commission or agency having jurisdiction over the\nPlan, or any offerings made under the Plan, such authority as may be required to grant Stock Awards and to issue an d sell shares of Common\nStock upon exercise of the Stock Awards; provided, however, that this undertaking will not require the Company to register under the Securities\nAct the Plan, any Stock Award or any Common Stock issued or issuable pursuant to any such Stock Award nor seek to obtain such approval if\nthe cost or efforts to obtain the approval is unreasonable in relation to the value of the ben efits to be provided under the Plan, as determined by\nthe Company in its sole discretion. If, after reasonable efforts and at a reasonable cost, the Company is unable to obtain from any such\nregulator y commission or agency the authority that counsel for the Company deems necessary for the lawful issuance and sale of Common\nStock under the Plan, the Company will be relieved from any liability for f ailure to issue and sell Common Stock upon exercise of such Stock\nAwards unless and until such authority is obtained. A Participant will not be eligible for the grant of an Award or the subsequent iss uance of cash\nor Common Stock pursuant to the Award if such grant or issuance would be in violation of any applicable securities laws.\n(c)No Obligation to Notify or Minimize Taxes. The Company will ha ve no duty or obligation to any Participant to advise such Participant\nas to the time or manner of exercising such Stock Award. Furthermore, the Company will have no duty or obligation to warn or othe rwise advise\nsuch holder of a pending termination or expiration of an Award or a possible period in which the Award may not be exercised. Neither the\nCompany nor any of its Affiliates has any duty or obligation to minimize the tax consequences of an Award to the holder of such Award.8.Miscellaneous.\n(a)Use of Proceeds. Proceeds from the sale of shares of Common Stock pursuant to Awards will consti tute general funds of the Company.\n(b)Corporate Action Constituting Grant of Stock Awards. Corporate action constituting a grant by the Company of an Award to any\nParticipant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the\ninstrument, certificate, or letter evidencing the Award is communicated to, or actually receiv ed or accepted by, the Participant. In the event that\nthe corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action constituting the grant contain terms (e.g.,\n exercise price, vesting schedule or number of shares) that are inconsistent with those in the Award Agreement as a result of a clerical error in the\npapering of the Award Agreement, the corporate reco rds will control and the Participant will have no legally binding right to the incorrect term in\nthe Award Agreement.\n(c)Stockholder Rights. No Participant will be deemed to be the holder of, or to ha ve any of the rights of a holder with respect to, any\nshares of Common Stock subject to an Award unless and until (i) such Participant has satisfied all requirements for exercise of, or the issuance\no f shares under, the Award pursuant to its terms and (ii) the issuance of the Common Stock subject to such Award has been entered into the\nbooks and records of the Company.\n(d)No Employment or Other Se rvice Rights. Nothing in the Plan, any Award Agreement or any other instrument executed thereunder or\nin connection with any Award granted pursuant to the Plan will confer upon any Participant any rig ht to continue to serve the Company or an\nAffiliate in the capacity in effect at the time the Award was granted or will affect the right of the Company or an Affiliate to terminate (i) the\nemployment of an Employee with or without notice and with or without cause (provided in compliance with applicable local laws and the\nEmployees employment contract, if any), (ii) the service of a Consultant pur suant to the terms of such Consultants agreement with the\nCompany or an Affiliate, or (iii) the service of a Director pursuant to the Bylaws of the Company or an Affiliate, and any applicable provisi ons of\nthe corporate law of the state in which the Company or the Affiliate is incorporated, as the case may be.\n(e)Change in Time Commitment. In the event a Participants regular level of time commit ment in the performance of his or her services\nfor the Company or any Affiliates is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the\nEmployee has a change in status from a full-time Employee to a part-time Employee) after the date of grant of any Award to the Participant, the\nBoard has the right in its sole discretion (provided in compliance wi th applicable local laws) to (i) make a corresponding reduction in the number\nof shares or cash amount subject to any portion of such Award that is scheduled to vest or become payable after the date o f such change in time\ncommitment, and (ii) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the\nevent of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced.\n(f)Incentive Stock Option Limitation. To the extent that the aggregate Fair Market Value (determined at the time of grant) with respect to\nwhich Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company\nand any Affiliates) exceeds $100,000 (or such other limit established in the Code) or otherwise does not comply with the rules governing\nIncentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise\ndo not comply with the rules will be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option\nAgree ment(s) or any Board or Committee resolutions related thereto.\n(g)Investment Assurances. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any\nAward, (i) to give written assurances satisfactory to the Company as to the Participants knowledge and experience in financial and business\nmatters and/or to employ a purchaser representative reasonably sat isfactory to the Company who is knowledgeable and experienced in financial\nand business matters and that he or she is capable of evaluating, alone or together with the purchaser representative, the me rits and risks of\nexercising the Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Common Stock\nsubject to the Award for the Participant s own account and not with any present intention of selling or otherwisedistributing the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, will be inope rative if (A)\nthe issuance of the shares upon the exercise or acquisition of Common Stock under the Award has been registered under a then currently\neffective registration statement under the Securiti es Act, or (B) as to any particular requirement, a determination is made by counsel for the\nCompany that such requirement need not be met in the circumstances under the then applicable securities laws . The Company may, upon\nadvice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in\norder to comply with applicable se curities laws, including, but not limited to, legends restricting the transfer of the Common Stock.\n(h)Withholding Obligations. Unless prohibited by the terms of an Award Agreement, the Company may, i n its sole discretion, satisfy any\nfederal, state, foreign or local tax withholding obligation relating to an Award (including but not limited to income tax, social insurance\ncontributions, payment on account or any other taxes) by any of the following means (in addition to the Companys right to withhold from any\ncompensation paid to the Participant by the Company or an Affiliate) or by a combina tion of such means: (i) causing the Participant to tender a\ncash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in\nco nnection with the Award; provided, however, that no shares of Common Stock are withheld with a value exceeding the maximum amount of\ntax required to be withheld by law (or such other amount as may be necessary to avoid classification of the Stock Award as a liability for financial\naccounting purposes); (iii) withholding cash from an Award settled in cash; (iv) withholding payment from any amounts otherwise payable to the\nParticipant; or (v) by such other method as may be set forth in the Award Agreement.\n(i)Electronic Delivery. Any reference herein to a written agreement or document will inc lude any agreement or document delivered\nelectronically, filed publicly at www.sec.gov (or any successor website thereto) or posted on the Companys intranet.\n(j)Deferrals. To the extent permitted by applicable law, the Board, in its sole discretion, may determine that the delivery of Common Stock\nor the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Award may be deferred and may establish programs\nand procedures for deferral elections to be made by Participants. Deferrals by Participants will be made in accordance with Section 409A of the\nCode. Consistent with Section 409A of the Code, the Board may provide for distributions while a Participant is still an employee or otherwise\nproviding services to the Company or an

Affiliate. The Board is authorized to make deferrals of Awards and determine when, and in what annual\npercentages, Participants may receive payments, including lump sum payments, following the Participants termination of Continuous S ervice,\nand implement such other terms and conditions consistent with the provisions of the Plan and in accordance with applicable law.\n(k)Compliance with Section 409A. Unless otherwise expressly prov ided for in an Award Agreement, the Plan and Award Agreements will\nbe interpreted to the greatest extent possible in a manner that makes the Plan and the Awards granted hereunder exempt from Section 4 09A of\nthe Code, and, to the extent not so exempt, in compliance with Section 409A of the Code. If the Board determines that any Award granted\nhereunder is not exempt from and is therefore subject to Section 409A of the Code, the Award Agreement evidencing such Award will\nincorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code, and to th e extent an\nAward Agreement is silent on terms necessary for compliance, such terms are hereby incorporated by reference into the Award Agreement.\nNotwithstanding anything to the contrary in this Plan (and unless the Award Agreement specifically provides otherwise), if the shares of Common\nStock are publicly traded, and if a Participant holding an Award that constitutes deferred compensation und er Section 409A of the Code is a\nspecified employee for purposes of Section 409A of the Code, no distribution or payment of any amount that is due because of a separation\nfrom service (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date\nthat is six (6) months following the date of such Participants separation fro m service or, if earlier, the date of the Participants death, unless\nsuch distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred wil l be paid in\na lump sum on the day after such six (6) month period elapses, with the balance paid thereafter on the original schedule.(l)Clawback/Recovery. All Awards granted under the Plan will be su bject to recoupment in accordance with any clawback policy that the\nCompany is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Compa nys\nsecurities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable law. In\naddition, the Board may impose such other clawback, recovery or recoupment provisions in an Award Agreement as the Board determines\nnecessary or appropriate, including but not limited to a reacquisition right in respect of previously acquired shares of Common Stock or other\ncash or property upon the occurrence of Cause.\n9.Adjustments upon Changes in Common Stock; Other Corporate Events.\n(a)Capitalization Adjustments. In the event of a Capitalizatio n Adjustment, the Board will appropriately and proportionately adjust: (i) the\nclass(es) and maximum number of securities subject to the Plan pursuant to Section 3(a); (ii) the class(es) and maximum n umber of securities\nthat may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 3(c); (iii) the class(es) and maximum number of\nsecurities that may be awarded to any per son pursuant to Section 3(d); and (iv) the class(es) and number of securities and price per share of\nstock subject to outstanding Stock Awards. The Board will make such adjustments, and its determinat ion will be final, binding and conclusive.\n(b)Dissolution or Liquidation. Except as otherwise provided in the Stock Award Agreement, in the event of a dissolution or liquidation of\nthe Company, and up on ten (10) days prior written notice, all outstanding Stock Awards (other than Stock Awards consisting of vested and\noutstanding shares of Common Stock not subject to the Companys right of repurchas e or a forfeiture condition) will terminate immediately prior\nto the completion of such dissolution or liquidation, and the shares of Common Stock subject to the Companys repurchase rights or a forfe iture\ncondition may be repurchased or reacquired by the Company notwithstanding the fact that the holder of such Stock Award is providing\nContinuous Service, provided, however, that the Board may, in its sole discretion, cause some or all Stock Awards to become fully vested,\nexercisable and/or no longer subject to repurchase or forfeiture (to the extent such Stock Awards have not previously expire d or terminated)\nbefore the dissolution or liquidation is completed but contingent on its completion.\n(c)Corporate Transaction.\n(i) Stock Awards May Be Assumed. Except as otherwise stated in the Stock Award Agreement, in the event of a Corporate\nTransaction, any surviving corporation or acquiring corporation (or the surviving or acquiring corporations parent company) may assume or\ncontinue any or all Stock Awards outstanding under the Plan or may substitute similar stock awards for Stock Awards outstanding under the Plan\n(including but not limited to, awards to acquire the same consideration paid to the stockholders of the Company pursuant to the Corporate\nTransaction), and any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to Stock Award s\nmay be assigned by the Company to the successor of the Company (or the successors parent company, if any), in connection with such\nCorporate Transaction. A surviving corporation or acquiring corpor ation (or its parent) may choose to assume or continue only a portion of a\nStock Award or substitute a similar stock award for only a portion of a Stock Award.\n(ii) Stock Awards Not Assumed Held by Cu rrent Participants. Except as otherwise stated in the Stock Award Agreement\n(including an option and stock award agreement subject to the terms of the Prior Plans, which terms remain applicable as to outstanding options\nand stock awards thereunder), in the event of a Corporate Transaction in which the surviving corporation or acquiring corporation (or its parent\ncompany) does not assume or continu e any or all outstanding Stock Awards or substitute similar stock awards for such outstanding Stock\nAwards, then with respect to Stock Awards that have not been assumed, continued or substituted and t hat are held by Participants whose\nContinuous Service has not terminated prior to the effective time of the Corporate Transaction (referred to as the Current Participants), the\nvesting of such Stock Awards (and, if applicable, the time at which such Stock Awards may be exercised) will (contingent upon the effectiveness\nof the Corporate Transaction) be accelerated in full to a date prior to the e ffective time of such Corporate Transaction as the Board will determine\n(or, if the Board will not determine such a date, to the date that is five business (5) days prior to the effective time of the Corporate Transaction),\nand such StockAwards will terminate if not exercised (if applicable) at or prior to the effective time of the Corporate Transaction, and any reacquisition or\nrepurchase rights held by the Company with respect to such Stock Awards will lapse (contingent upon the effectiveness of the Corporate\nTransaction).\n(iii) Stock Awards Not

Assumed Held by Persons other than Current Par ticipants. Except as otherwise stated in the Stock\nAward Agreement (including an option and stock award agreement subject to the terms of the Prior Plans, which terms remain applicable as to\noutstandi ng options and stock awards thereunder), in the event of a Corporate Transaction in which the surviving corporation or acquiring\ncorporation (or its parent company) does not assume or continue any or all outstanding Stock Awards or substitute similar stock awards for such\noutstanding Stock Awards, then with respect to Stock Awards that have not been assumed, continued or substituted and that are h eld by\npersons other than Current Participants, the vesting of such Stock Awards (and, if applicable, the time at which such Stock Award may be\nexercised) will not be accelerated and such Stock Awards (other than a Stock Award consisting of vested and outstanding shares of Common\nStock not subject to the Companys right of repurchase), upon advance written notice by the Company of at least five (5) business days to the\nholders of such Stock Awards, will terminate if not exercised (if applicable) prior to the effective time of the Corporate Transaction; provided,\nhowever, that any reacquisition or repurchase rights held by the Company with respect to such Stock Awards will not terminate and may\ncontinue to be exercised notwithstanding the Corporate Transaction.\n(d)Change in Control.\n(i) Sto ck Awards May Be Assumed. Except as otherwise stated in the Stock Award Agreement, in the event of a Change in\nControl, any surviving corporation or acquiring corporation (or the surviving or acquirin g corporations parent company) may assume or continue\nany or all Stock Awards outstanding under the Plan or may substitute similar stock awards for Stock Awards outstanding under the Plan\n(including but not limited to, awards to acquire the same consideration paid to the stockholders of the Company pursuant to the Change in\nControl), and any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to Stock Awards may be\nassigned by the Company to the successor of the Company (or the successors parent company, if any), in connection with such Change in \nControl. A surviving corporation or acquiring corporation (or its parent) may choose to assume or continue only a portion of a Stock Award or\nsubstitute a similar stock award for only a portion of a Stock Award.\n(ii) Stock Awards Not Assumed Held by Current Participants. Except as otherwise stated in the Stock Award Agreement\n(including an option and stock award agreement subject to the terms of the Prior Plans, which terms remain applicable as to outstanding options\nand stock awards thereunder), in the event of a Change in Control in which the surviving corporation or acquiring corporation (or its parent\ncompany) does not assume or continue any or all outstanding Stock Awards or substitute similar stock awards for such outstanding Stock\nAwards, then with respect to Stock Awards that have not been assumed, continued or substituted and that are held by Current Participants, the\nvesting of such Stock Awards (and, if applicable, the time at which such Stock Awards may be exercised) will (contingent upon the effectiveness\nof the Change in Control) be accelerated in full to a date prior to the effective time of such Change in Control as the Board will determine (or, if\nthe Board will n ot determine such a date, to the date that is five business (5) days prior to the effective time of the Change in Control), and such\nStock Awards will terminate if not exercised (if applicable) at or prior to the effective time of the Change in Control, and any reacquisition or\nrepurchase rights held by the Company with respect to such Stock Awards will lapse (contingent upon the effectiveness of the Change in\nControl).\n(iii) Stock Awards Not Assumed Held by Persons other than Current Participants. Except as otherwise stated in the Stock\nAward Agreement (including an option and stock award agr eement subject to the terms of the Prior Plans, which terms remain applicable as to\noutstanding options and stock awards thereunder), in the event of a Change in Control in which the surviving corpora tion or acquiring\ncorporation (or its parent company) does not assume or continue any or all outstanding Stock Awards or substitute similar stock awards for such\noutstanding Stock Awards, then with re spect to Stock Awards that have not been assumed, continued or substituted and that are held by\npersons other than Current Participants, the vesting of such Stock Awards (and, if applicable, the time at which such Stock Award may be\nexercised) will not be accelerated and such Stock Awards (other than a Stock Award consisting of vestedand outstanding shares of Common Stock not subject to the Compan ys right of repurchase), upon advance written notice by the Company of at\nleast five (5) business days to the holders of such Stock Awards, will terminate if not exercised (if applicable) prior to th e effective time of the\nChange in Control; provided, however, that any reacquisition or repurchase rights held by the Company with respect to such Stock Awards will\nnot terminate and may continue to b e exercised notwithstanding the Change in Control.\n(iv) Additional Provisions. A Stock Award may be subject to additional acceleration of vesting and exercisability upon or after a\nChange in Control a s may be provided in the Stock Award Agreement for such Stock Award or as may be provided in any other written\nagreement between the Company or any Affiliate and the Participant. A Stock Award may ves t as to all or any portion of the shares subject to the\nStock Award (i) immediately upon the occurrence of a Change in Control, whether or not such Stock Award is assumed, continued, or substituted\nby a surviving or acquiring entity in the Change in Control, and/or (ii) in the event a Participants Continuous Service is terminated, actually or\nconstructively, within a designated period following t he occurrence of a Change in Control, but in the absence of such provision, no such\nacceleration will occur.\n10.Termination or Suspension of the Plan.\n(a)Plan Term. Unless sooner terminated by the Boa rd pursuant to Section 2, the Plan will automatically terminate on the day before the\ntenth (10th) anniversary of the earlier of (i) the date the Plan is adopted by the Board or a duly authorized Comm ittee, or (ii) the date the Plan is\napproved by the stockholders of the Company. The Board may suspend the Plan at anytime. No Awards may be granted under the Plan while\nthe Plan is suspended or after it is terminated.\n11.Effective Date of Plan.\nThis Plan will become effective on the Effective Date.\n12.Choice of Law.\nThe law of the State of Delaware will govern all questions concerning the constru ction, validity and interpretation of this Plan, without regard\nto that states conflict of laws rules.\n13.Definitions.\nAs used in the Plan, the following definitions will apply to the capitalized ter ms indicated below:\n(a)Affiliate means, at the time of determination, any parent or subsidiary of the Company as such terms are defined in Rule 405 of the\nSecurities Act. The Board will have the authority to determine the time or times at which parent or subsidiary status is determined within the\nforegoing definition.\n(b)Award means a Stock Award or a Performance Cash

Award.\n(c)Award Agreement means a written agreement between the Company and a Participant evidencing the terms and conditions of an\nAward.\n(d)Board means the Board of Directors of the Company.\n(e)Capitalization A djustment means any change that is made in, or other events that occur with respect to, the Common Stock subject\nto the Plan or subject to any Stock Award after the Effective Date without the receipt of consideration by the Company through merger,\nconsolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, stock split, liquidating\ndivide nd, combination of shares, exchange of shares, change in corporate structure or any similar equity restructuring transaction, as that term is\nused in Financial Accounting Standards Board Accounting St andards Codification Topic 718 (or any successor thereto). Notwithstanding the\nforegoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment .\n(f)Cause means (i) if a Participant is party to an agreement with the Company or an Affiliate that relates to equity awards and contains a\ndefinition of Cause, the definition of Cause in the a pplicable agreement, or (ii) if a Participant is not party to any such agreement, such\nParticipants termination because of (A) any willful, material violation by theParticipant of any law or regulati on applicable to the business of the Company or an Affiliate, the Participants conviction for, or guilty plea to, a\nfelony or a crime involving moral turpitude, or any willful perpetration by the Par ticipant of a common law fraud, (B) the Participants commission\nof an act of personal dishonesty that involves personal profit in connection with the Company or any other entity having a business rel ationship\nwith the Company, (C) any material breach by the Participant of any provision of any agreement or understanding between the Company or an\nAffiliate and the Participant regarding the terms of the Participants service as an Employee, Officer, Director or Consultant to the Company or an\nAffiliate, including without limitation, the willful and continued failure or refusal of the Participant to perform the material duties required of such\nParticipant as an Employee, Officer, Director or Consultant of the Company or an Affiliate, other than as a result of having a Disability, or a\nbreach of any applicable invention assignment and confidentiality agreement or similar agreement between the

Company or an Affiliate and the\nParticipant, (D) the Participants disregard of the policies of th e Company or an Affiliate so as to cause loss, damage or injury to the property,\nreputation or employees of the Company or an Affiliate, or (E) any other misconduct by the Participant that is material ly injurious to the financial\ncondition or business reputation of, or is otherwise materially injurious to, the Company or an Affiliate.\n(g) Change in Control means the occurrence, in a single trans action or in a series of related transactions, of any one or more of the\nfollowing events:\n(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company represent ing more than 50%\nof the combined voting power of the Companys then outstanding securities other than by virtue of a merger, consolidation or similar transaction.\nNotwithstanding the foregoing, a Cha nge in Control will not be deemed to occur (A) on account of the acquisition of securities of the Company by\nan investor, any affiliate thereof or any other Exchange Act Person that acquires the Compa nys securities in a transaction or series of related\ntransactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities, or (B) solely because\n the level of Ownership held by any Exchange Act Person (the Subject Person) exceeds the designated percentage threshold of the\noutstanding voting securities as a result of a repurchase or other acqu isition of voting securities by the Company reducing the number of shares\noutstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acqu isition of voting\nsecurities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that,\nassuming the repurchase or other acquisiti on had not occurred, increases the percentage of the then outstanding voting securities Owned by the\nSubject Person over the designated percentage threshold, then a Change in Control will be deemed to occur;\n(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and,\nimmediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior\nthereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting\npower of the surviving Entity in such merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power\nof the parent of the surviving Entit y in such merger, consolidation or similar transaction, in each case in substantially the same proportions as\ntheir Ownership of the outstanding voting securities of the Company immediately prior to s uch transaction;\n(iii) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of\nthe Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the\nCompany and its Subsidiaries to an Entity, more than 50% of the combined voting power of the voting securities of which are Owned by\nstockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company\nimmediately prior to su ch sale, lease, license or other disposition; or\n(iv) individuals who, on the date this Plan is adopted by the Board, are members of the Board (the Incumbent Board) cease for\nany reason to constitut e at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for\nelection) of any new Board member was approved orrecommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of this Plan, be\nconsidered as a member of the Incumbent Board.\nFor purposes of determining voting p ower under the term Change in Control, voting power will be calculated by assuming the conversion of\nall equity securities convertible (immediately or at some future time) into shares entitled to vote , but not assuming the exercise of any warrant or\nright to subscribe to or purchase those shares. In addition, (A) the term Change in Control will not include a sale of assets, merger or other\ntransac tion effected exclusively for the purpose of changing the domicile of the Company, and (B) the definition of Change in Control (or any\nanalogous term) in an individual written agreement between the Co mpany or any Affiliate and the Participant will supersede the foregoing\ndefinition with respect to Awards subject to such agreement; provided, however, that if no definition of Change in Control or an y analogous term\nis set forth in such an individual written agreement, the foregoing definition will apply; provided, further, that no Change in Control will be deemed\nto occur upon announcement or co mmencement of a tender offer or upon a potential takeover or upon stockholder approval of a merger or other\ntransaction, in each case without a requirement that the Change in Control actually occur.\nI f required for compliance with Section 409A of the Code, in no event will a Change in Control be deemed to have occurred if such\ntransaction is not also a change in the ownership or effective control of the Company or a change in the ownership of a substantial portion of\nthe assets of the Company as determined under Treasury Regulation Section 1.409A-3(i)(5) (without regard to any alternative definition\nthereunder). The Board may, in its sole discretion and without a Participants consent, amend the definition of Change in Control to conform to\nthe definition of Change in Control under Section 409A of the Code and the regulations thereunder.\n(h)Code means the Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.\n(i)Committee me ans a committee of one (1) or more Directors to whom authority has been delegated by the Board in accordance with\nSection 2(c).\n(j)Common Stock means the common stock of the Company.\n(k)Company me",

"result": "Based on the analysis of Nvidia's 10-K report, several key insights emerge regarding the company's financial performance, risks, and market trends. Heres a synthesis of these insights along with actionable strategic recommendations for Nvidia's leadership team:\n\n### Financial Performance Insights\n1. **Revenue Growth**: Nvidia reported a significant increase in revenue, particularly in the Compute & Networking segment, which grew 154% year-on-year. This growth is primarily driven by demand for AI solutions and the Hopper GPU architecture.\n2. **Gross Margin Improvement**: The gross margin improved to 75.1% for the second quarter of fiscal year 2025, up from 70.1% a year ago, indicating effective cost management and strong demand for high-margin products.\n3. **Operating Income**: Operating income also saw a substantial increase, reflecting the company's ability to scale operations efficiently in response to rising demand.\n4. **Cash Position**: Nvidia has a robust liquidity position with $34.8 billion in cash, cash equivalents, and marketable securities, providing a strong buffer for future investments and operational needs.\n\n### Risk Factors\n1. **Supply Chain Vulnerabilities**: Nvidia faces risks related to long manufacturing lead times and uncertain supply availability, which could lead to mismatches between supply and demand.\n2. **Concentration of Revenue**: A significant portion of revenue comes from a limited number of customers, which poses a risk if any of these customers reduce their orders or switch to competitors.\n3. **Geopolitical Risks**: Increasing geopolitical tensions, particularly involving China and Taiwan, could impact Nvidia's supply chain and market access.\n4. **Regulatory Challenges**: The evolving regulatory landscape around AI technologies and export controls could impose additional compliance costs and operational constraints.\n\n### Market Trends\n1. **AI and Data Center Demand**: The demand for AI and accelerated computing solutions is surging, driven by advancements in generative AI and large language models.\n2. **Automotive Sector Growth**: Nvidia's automotive revenue is on the rise, indicating a growing market for AI-driven automotive solutions.\n3. **Competitive Landscape**: The semiconductor industry is highly competitive, with rapid technological advancements and new entrants that could disrupt Nvidia's market position.\n\n### Strategic Recommendations\n1. **Diversify Customer Base**: To mitigate the risk of revenue concentration, Nvidia should focus on diversifying its customer base by targeting new sectors and smaller enterprises that can benefit from AI solutions. This could involve tailored marketing strategies and partnerships with system integrators.\n \n2. **Strengthen Supply Chain Resilience**: Nvidia should invest in building a more resilient supply chain by establishing long-term partnerships with multiple suppliers and exploring vertical integration where feasible. This could help mitigate risks associated with supply shortages and lead times.\n\n3. **Expand AI Product Offerings**: Given the strong demand for AI solutions, Nvidia should continue to innovate and expand its product offerings in the AI space. This includes enhancing its software ecosystem and developing new applications for its hardware.\n\n4. **Enhance Regulatory Compliance Framework**: As regulatory scrutiny increases, Nvidia should proactively enhance its compliance framework to address potential legal and regulatory challenges. This includes engaging with policymakers and industry groups to shape favorable regulations.\n\n5. **Leverage Cash

Position for Strategic Investments**: With a strong cash position, Nvidia should consider strategic acquisitions or investments in emerging technologies that complement its core business, particularly in AI and machine learning.\n\n6. **Focus on Sustainable Practices**: As sustainability becomes a critical factor for investors and consumers, Nvidia should enhance its sustainability initiatives, including energy-efficient product designs and responsible sourcing practices.\n\n7. **Monitor Geopolitical Developments**: Nvidia should establish a dedicated team to monitor geopolitical developments and assess their potential impact on operations. This team can develop contingency plans to address supply chain disruptions or market access issues.\n\nBy implementing these strategic recommendations, Nvidia can enhance its growth trajectory, manage risks effectively, and capitalize on emerging market opportunities in the rapidly evolving technology landscape.",

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"agent_name": "Revenue-Maximization-Agent",

"task": "Analyze Nvidia's 10-K report and provide your analysis: us quarter and up 20% from a year ago.\nWe introduc ed generativ e AI models and NIM microservices for OpenUSD; and announced majo r Taiwanese electronics makers are creating more autonomous\nfactories with a new reference workflow that combines NVIDIA Metropolis vision AI, NVIDIA Omniverse simulation and NVIDIA Isaac AI robot development.\nAutomotive revenue for the second quarter of fiscal year 2025 was $346 million, up 5% from the previous quarter and up 37% from a year ago. At the Computer\nVision and Pattern Recognition conference, NVIDIA won the Autonomous Grand Challenge in the End-to- End Driving at Scale category , highlighting the\nimportance of generative AI in building applications for physical AI deployments in autonomous vehicle development.\nFinancial Information by Business Segment and Geographic Data\nRefer to Note 14 of the Notes to the Condensed Consolidated Financial Statements for disclosure regarding segment information.\nCritical Accounting Policies and Estimates\nR efer to Part II, Item 7, \"Critical

Accounting Policies and Estimates\" of our Annual Report on Form 10-K for the fiscal year ended January 28, 2024. There have\nbeen no material changes to our Critical Accounting Policies and Estimates.\n27Results of Operations\nThe following table sets forth, for the periods indicated, certain items in our Condensed Cons olidated Statements of Income expressed as a p ercentage of\nrevenue.\n Three Months Ended Six Months Ended\n Jul 28, 2024 Jul 30, 2023 Jul 28, 2024 Jul 30, 2023\nRevenue 100.0 % 100.0 % 100.0 % 100.0 %\n Cost of revenue 24.9 29.9 23.4 31.8 \nGross profit 75.1 70.1 76.6 68.2 \nOperating expenses \n Research and development 10.3 15.1 10.4 18.9 \n Sales, general and administrative 2.8 4.7 2.9 6.1 \nTotal operating expenses 13.1 19.8 13.3 25 .0 \nOperating income 62.0 50.3 63.3 43.2 \n Interest income 1.5 1.4 1.4 1.6 \n Interest expense (0.2) (0.5) (0.2) (0.6)\n Other , net 0.6 0.4 0.5 0.2 \nOther income (expense), net 1.9 1.3 1.7 1.2 \nIncome before income tax 63.9 51.6 65.0 44.4 \nIncome tax expense 8.7 5.9 8.9 4.6 \nNet income 55.2 % 45.7 % 56.1 % 39.8 %\nRevenue\nRevenue by Reportable Segments\nThree Months Ended Six Months Ended \n Jul 28, 2024 Jul 30, 2023$\nChange%\nChangeJul 28, 2024 Jul 30, 2023$\nChange%\nChange\n ($ in millions)\nCompute & Networking $ 26,446 $ 10,402 $ 16,044 154 %$ 49,121 $ 14,862 $ 34,259 231 %\nGraphics 3,5 94 3,105 489 16 % 6,963 5,837 1,126 19 %\nTotal $ 30,040 $ 13,507 $ 16,533 122 %$ 56,084 $ 20,699 $ 35,385 171 %\nOperating Income by Reportable Segments\nThree Months Ended Six Months Ended\n Jul 28, 202 4 Jul 30, 2023$\nChange%\nChangeJul 28, 2024 Jul 30, 2023$\nChange%\nChange\n ($ in millions)\nCompute & Networking $ 18,848 $ 6,728 $ 12,120 180 %$ 35,896 $ 8,887 $ 27,009 304 %\nGraphics 1,369 1,211 158 13 %$ 2,609 2,258 351 16 %\nAll Other (1,575) (1,139) (436) 38 %$ (2,954) (2,204) (750) 34 %\nTotal $ 18,642 $ 6,800 $ 11,842 174 %$ 35,551 $ 8,941 $ 26,610 298 %\nCompute & Networking revenue The increa se in the second quarter and first half of fiscal year 2025 compared to the second quarter and first half of fiscal year\n2024 was due to strengt h in Data Center computing and networking for accelerat ed computing and AI solutions. Revenue from GPU computing grew 166% year-\non-year and 257% compared to the first half of fiscal year 2024, was driven by demand for our Hopper GPU architecture computin g platform for training and\ninferencing of large language models, recomm endation engines, and generative AI applications. Networking was also up 114% year-on-year and 159%\ncompared to the first half of last year driven by both InfiniBand and Ethernet for AI revenue.\n28Graphics revenue The increase in the second quarter and first half of fiscal year 2025 compared to the second quarter and first half of fiscal year 2024 was led\nby higher sales of our GeForce R TX 40 Series GPUs.\nReportable segment operating income The increase in the second quarter and first half of fiscal year 2025 compa red to the second quarter and first half of\nfiscal year 2024 in Compute & Networking and Graphics operating income was driven by higher revenue.\nAll Other operating loss The incre ase in the second quarter and first half of fiscal year 2025 compared to the second quarter and first half of fiscal year 2024\nwas due to an increase in stock-based compensation expense reflecting employee growth and c ompensation increases.\nConcentration of Revenue\nRevenue by geographic region is designated based on the billing location even if the revenue may be attributable to end customers, such as enterprises and\ngamers in a different location. Revenue from sales to customers outside of the United States accounted for 57% and 53% of total revenue for the second quarter\nand first half of fiscal year 2025, r espectively , and 55% and 59% of total revenue for the second quarter and first half of fiscal year 2024, respectively .\nWe refer to customers who purchase products directly from NVIDIA as direct cus tomers, such as add-in board manufacturers, distributors, ODMs, OEMs, and\nsystem integ rators. We have certain customers that may purchase products directly from NVIDIA and may use either internal re sources or third-party system\nintegrators to complete their build. We also have indirect customers, who purchase products through our direct customers; indirect customers include cloud\nservice provide rs, consumer internet companies, enterprises, and public sector entities.\nSales to direct customers which represented 10% or more of total revenue, all of which were primarily attributable to the Comp ute & Networking segment, are\npresented in the following table:\n Three Months Ended Six Months Ended\n Jul 28, 2024 Jul 28, 2024\nCustomer A 14 % 14 %\nCustomer B 11 % *\nCustomer C 11 % *\nCustomer D 10 % 10 %\nCustomer E * 10

%\n* Less than 10% of total revenue\nFor the second quarter of fiscal year 2025, two indirect customers which primarily purchase our products through system integrators and distrib utors, including\nthrough Customer B and Customer E, are estimated to each represent 10% or more of total revenue attributable to the Compute & Networking segment.\nFor the first half of fiscal year 202 5, an indirect customer which primarily purchases our products from system integrators and distributors, including from\nCustomer E, is estimated to represent 10% or more of total revenue, attributable to the Compute & Networking segment.\nIndirect customer revenue is an estimation based upon multiple factors including customer purchase order information, product specifications, internal sales data\n and other sources. Actual indirect customer revenue may dif fer from our estimates.\nWe have experienced periods where we receive a significant amount of our revenue from a limited number of customers, and this trend may continue.\nGross Profit and Gross Margin\nGross profit consists of total net revenue less cost of revenue.\nOur overall gross margi n increased to 75.1% and 76.6% for the second quart er and first half of fiscal year 2025, respectively , from 70.1% and 68.2% for the\nsecond quarter and first half of fiscal year 2024, respectively . The increases in the second quarter and first half of fiscal year 2025 compared to the second\nquarter and first half of fiscal year 2024 were primarily due to strong Data Center revenue growth of 154% and 234% for the second quarter and first half of\n 2025, respectively .\nProvisions for inventory and excess inventory purchase obligations totaled $908 million and $1.3 billion for the second quarter and first half of fiscal year 2025,\nrespectively , and were primarily due to low-yielding Blackwell material. Sales of previously reserved inventory and settlements of excess inventory purchase\nobligations resulted in a provision release of $85 millio n and $199 million for the second quarter and first half of fiscal year 2025, respectively . The net effect on\nour\n29gross margin was an unfavorable impact of 2.7% and 2.0% in the second quarter and first half of fiscal year 2025, respectively .\nProvisions for inventory and excess inventory purchase obligations totaled $576 million and $709 million for the second quarter and first half of fiscal year 2024,\nrespectively . Sales of previously reserved invent ory and settlements of excess inventory purchase obligations resulted in a provision release of $84 million and\n$134 million for the seco nd quarter and first half of fiscal year 2024, respectively . The net effect on our gross margin was an unfavorable impact of 3.6% and\n2.8% in the second quarter and first half of fiscal year 2024, re spectively .\nWe expect our Data Center mix to continue to shift to new products in the second half of fiscal year 2025. For fiscal year 2025, we expect gross margins to be in\nthe mid-70% range.\nOperat ing Expenses\n Three Months Ended Six Months Ended\n Jul 28, 2024 Jul 30, 2023$\nChange%\nChange Jul 28, 2024 Jul 30, 2023$\nChange%\nChange\n ($ in millions)\nResearch and development\nexpenses $ 3,090 $ 2,04 0 $1,050 51 %$ 5,810 $ 3,916 $1,894 48 %\n% of net revenue 10.3 % 15.1 % 10.4 % 18.9 %\nSales, general and administrative\nexpenses 842 622 220 35 % 1,618 1,253 365 29 %\n% of net revenue 2.8 % 4.7 % 2.9 % 6.1 %\nTotal operating expenses $ 3,932 $ 2,662 $1,270 48 %$ 7,428 $ 5,169 $2,259 44 %\n% of net revenue 13.1 % 19.8 % 13.3 % 25.0 %\nThe increases in research and development expenses for the second q uarter and first half of fiscal year 2025 were driven by 35% and 34% increase in\ncompensation and benefits, including stock-bas ed compensation, reflecting employee growth and compensation increases, and 118% and 117% increase in\ncompute and infrastructure investments, respectively .\nThe increases in sales, general and administrative expenses for the second quarter and first half of fiscal year 20 25 was primarily driven by compensation and\nbenefits, including stock-based compensation, reflecting employee growth and compensation increases.\nFor fiscal year 2025, we expect operating expenses to g row in the mid to upper 40% range as we work on developing our next generation of products.\nOther Income (Expense), Net\nThree Months Ended Six Months Ended\n Jul 28, 2024 Jul 30, 2023$\nChange Jul 28, 2 024 Jul 30, 2023$\nChange\n ($ in millions)\nInterest income $ 444 $ 187 $ 257 $ 803 $ 338 $ 465 \nInterest expense (61) (65) 4 (125) (131) 6 \nOther , net 189 59 130 264 42 222 \nOther income (expense), ne t $ 572 $ 181 $ 391 $ 942 $ 249 $ 693 \nThe increas es in interest income for the second quarter and first half of fiscal year 2025 was due to higher cash, cash equivalents, and publicly-held debt\nsecu rity balances.\nInterest expense is comprised of coupon interest and debt discount amortization related to our notes.\nOther , net consists of realized or unrealized gains and losses from investments in privately-held equity securities, publicly-held equity securities, and the impact\nof changes in foreign currency rates. The change in Other , net, compared to the second quarter and first half of fis cal year 2024 was primarily driven by an\nincrease in fair value of our privately-held and publicly-held equity securities. Refer to Note 6 and 7 of the Notes to Condensed Consolidated Financial\nStatem ents in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information regarding our investments in privately-held and publicly-held equity\nsecurities.\n30Income T axes\nWe recognized i ncome tax expense of $2.6 billion and $5.0 billion for the second quarter and first half of fiscal year 2025, respectively , and $793 million and\n$958 million for the second quarter and first half of fiscal year 2024, respectively . Income tax expense as a percentage of income before income tax was 13.6%\nand 13.7% for the second quarter and first half of fiscal year 2025, respectively , and 11.4% and 10.4% for the second quarter and first half of fiscal year 2024,\nrespectively .\nThe effective tax rate increased primarily due to a lower percentage of tax benefits from the foreign-derived intang ible income deduction relative to the increase\nin income before income tax.\nGiven our current and anticipated future earnings, we believe that we may release the valuation allowance associated with c ertain state deferred tax assets in\nthe near term, which would decrease our income tax expense for the period the release is recor ded. The timing and amount of the valuation allowance release\ncould vary based on our assessment of all available evidence.\nRefer to Note 5 of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for addition al information.\nLiquidity and Capital Resources\n Jul 28, 2024 Jan 28, 2024\n (In millions)\nCash and cash equivalents $ 8,563 $ 7,280 \nMarketable securities 26,237 18,704 \nCash, cash equivalents and mar ketable securities $ 34,800 $ 25,984 \n Six Months Ended\nJul 28, 2024 Jul 30, 2023\n (In millions)\nNet cash provided by operating activities $ 29,833 $ 9,259 \nNet cash used in investing activities $ (8, 877) $ (1,287)\nNet cash used in financing activities $ (19,665) $ (5,479)\nOur investm ent policy requires the purchase of high-rated fixed income securities, the diversi fication of investment types a nd credit exposures, and certain\nmaturity limits on our portfolio.\nCash provided by operating activities increased in the first half of fiscal year 2025 compared to the first half of fiscal year 2024 due to growth in revenue, partially\noffset by higher tax paym ents. Our accounts receivable balance at the end of the first half of fiscal year 2025 reflects the strong revenue growth, partially offse t\nby $2.8 billion from customer payments received prior to the invoice due date.\nCash used in investing activities increased in the first half of fiscal year 2025 compared to the first half of fiscal year 2024, primarily driven by net purchases of\nmarketable securities, and acquisition of land and buildings.\nCash used in financing activities increased in the first half of fiscal year 2025 compared to the first half of fiscal year 2024, mainly due to higher share\nrepurchases and higher tax payments related to RSUs.\nLiquidity\nOur primary sources of liquidity include cash, cash equivalents, and m arketable securities, and the cash generated by our operations. As of July 28, 2024, we\nhad $34.8 billion in cash, cash equivalents, and marketable securities. We believe that we have sufficient liqui dity to meet our operating requirements for at least\nthe next twelve months, and for the foreseeable future, including our future supply obligations and share repurchases. We continuously evaluate our liquidity and\ncapital resources, including our access to external capital, to ensure we can finance future capital requirements.\nOur marketable securities consist of publicly-he ld equity securities, debt securities issued by the U.S. government and its agencies, highly rated corporations\nand financial institutions, and foreign government entities, as well as certificates of deposit issued by hig hly rated financial institutions. Our corporate debt\nsecurities are publicly traded. These marketable securities are primarily denominated in U.S. dollars. Refer to Note 6 of the Notes to Condensed Co nsolidated\nFinancial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information.\n31Except for approximately $1.4 billion of cash, cash equivalents, and marketable se curities held outside the U.S. for which we have not accrued any related\nforeign or state taxes if we repatriate these amounts to the U.S., substantially all of our cash, cash equivalents and marketab le securities held outside the U.S.\nas of July 28, 2024 are available for use in the U.S. without incurring additional U.S. federal income taxes.\nPayment from customers, per our standard paym ent term s, is generally due shortly after delivery of products, availability of software licenses or commencement\nof services.\nCapital Return to Shareholders\nDuring the second quarter and first half of fisca l year 2025, we paid $246 million and $344 million, respectively , in quarterly cash dividends.\nOur cash dividend program and the payment of future cash dividends under that program are subject to our Board of Directors' continuing determination that the\ndividend program and the declaration of dividends thereunder are in the best interests of our shareholders.\nOn June 7, 2024, we increased our qua rterly cash dividend to $0.01 per share on a post-Stock Split basis to all shareholders of record on June 11, 2024. Our\nquarterly cash dividend was paid on June 28, 2024.\nDuring the second quarter and first half of fiscal year 2025, we repurchased 62.8 million and 162.1 million shares of our common stock for $7.0 billion and\n$15.1 billion, respectively . As of July 28, 2024, we were authorized, su bject to certain specifications, to repurchase up to $7.5 billion of our common stock. On\nAugust 26, 2024, our Board of Directors approve d an additional $50.0 billion to our share repurchase authoriz ation, without expiration. As of August 26, 2024, a\ntotal of $53.9 billion was available for repurchase. Our share repurchase program aims to offset dilution from shares issued to employees while main taining\nadequate liquidity to meet our operating requirements. We may pursue additional share repurchases as we weigh market factors and other investment\nopportunities. W e plan to continue share repu rchases this fiscal year .\nFrom April 29, 2024 through August 26, 2024, we repurchased 31.5 million shares for $3.6 billion pursuant to a Rule 10b5-1 trading plan.\nThe U.S. Inflation Reduc tion Act of 2022 requires a 1% excise tax on certain share repurchases in excess of shares issued for employee compensation made\nafter December 31, 2022. The excise tax is included in our share repurchase cost a nd was not material for the second quarter and first half of fiscal year 2025.\nOutstanding Indebtedness and Commercial Paper Program\nOur aggregate debt maturities as of July 28, 2024, by year payable, are as follows:\n Jul 28, 2024\n (In millions)\nDue in one year $ \nDue in one to five years 2,250 \nDue in five to ten years 2,750 \nDue in greater than ten years 3,500 \nUnamortized debt discount and is suance costs (39)\nNet carrying amount 8,461 \nLess short-term portion \nTotal long-term portion $ 8,461 \nWe have a $575 million commercial paper program to support general corporate purposes. As of Ju ly 28, 2024, no commercial paper was outstanding.\nRefer to Note 1 1 of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for further disc ussion.\nMaterial Cash Requirements and Other Obligations\nUnrecognized tax benefits were $1.7 billion, which includes related interest and penalties of $186 million recorded in non-current income tax p ayable as of\nJuly 28, 2024. We are unable to estimate the timing of any potential tax liability , interest payme nts, or penalties in individual years due to uncertainties in the\nunderlying income tax positions and the timing of\n32the ef fective settlement of such tax positions. Refer to Note 5 of the Notes to Condensed Consolidated Financial Statements for further information.\nOther than the cont ractual obligations described above, there were no material changes outside the ordinary course of business in our contractual obligations\nfrom those disclosed in our Annual Report on Form 10-K for th e fiscal year ended January 28, 2024. Refer to Item 7, Management s Discussion and Analysis of\nFinancial Condition and Results of Operations - Liquidity and Capital Resources in our Annual Report o n Form 10-K for the fiscal year ended January 28, 2024\nfor a description of our contractual obligations. For a description of our operating lease obligations, long-term debt, and purchase obligations, refer to Notes 2,\n11, and 12 of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q, respectively .\nClimate Change\nTo date, there has been no material impact to our results of operations associated with global sustainability regulations, compliance, costs from sourcing\nrenewable energy or climate-related business trends.\nAdoption of New and Recently Issued Accounting Pronouncements\nThere has been no adoption of any new and recently issued accounting pronouncements.\nItem 3. Quantitative and Qualitative Disclosures about Market Risk\nI nvestment and Interest Rate Risk\nFinancial market risks related to investment and interest rate risk are described in Part II, Item 7A, Quantitative and Qualitative Disclosures About Market Risk\nin our Annual Report on Form 10-K for the fiscal year ended January 28, 2024. As of July 28, 2024, there have been no material changes to the financial market\nrisks described as of January 28, 2024.\nFore ign Exchange Rate Risk\nThe impact of foreign currency transactions related to foreign exchange rate risk is described in Part II, Item 7A, Quantitative and Qualitative Disclosures About\nMarket Risk in our Annual Report on Form 10-K for the fiscal year ended January 28, 2024. As of July 28, 2024, there have been no material changes to the\nforeign exchange rate risks described as of January 28, 20 24.\nItem 4. Controls and Procedures\nControls and Procedures\nDisclosure Controls and Procedures\nBased on their evaluation as of July 28, 2024, our management, including our Chief Executive Officer and Chief Financial Officer, has concluded that our\ndisclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15d-15 (e)) were effective to provide reasonable assurance that the\ni nformation we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time\nperiods specified in the SEC rules and f orms, and that such information is accumulated and communicated to our management, including our Chief Executive\nOfficer and our Chief Financial Of ficer, as appropriate, to allow timely decisions reg arding required disclosures.\nChanges in Internal Control Over Financial Reporting\nThere were no changes that occurred during the second quarter of fiscal year 2025 that have materially affected, or ar e reasonably likely to materially affect, our\ninternal control over financial reporting. In fiscal year 2022, we began an upgrade of our enterprise resource planning, or ERP, system, which will update much of\nour existing core financia l systems. The ERP system is designed to accurately maintain our financial records used to report operating results. The upgrade will\noccur in phases. W e will cont inue to evaluate each quarter whether there are changes that materially af fect our internal control over financial reporting.\nInherent Limitations on Effectiveness of Controls\nOur manage ment, includ ing our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal\ncontrols, will prevent all error and all fraud. A control sys tem, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance\nthat the objectives of the control system are met. Further , the design of a control system must re flect the fact that there are resource constraints, and the benefits\nof controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation o f controls can provide absolute\nassurance that all control issues and instances of fraud, if any , within NVIDIA have been detected.\n33Part II. Other Information\nItem 1. Legal Proceedings\nRefer to Pa rt I, Item 1, Note 12 of the Notes to Condensed Consolidated Financial Statements for a discussion of significant developments in our legal\nproceedings since January 28, 2024. Also refer to Item 3, L egal Proceedings in our Annual Report on Form 10-K for the fiscal year ended January 28, 2024 for\na prior discussion of our legal proceedings.\nItem 1A. Risk Factors\nOther than the risk facto rs liste d below , there have been no material changes from the risk factors previously described under Item 1A of our Annual Report on\nForm 10-K for the fiscal year ended January28, 2024 and Item 1A of our Quarterly Report on Form 10-Q for the fiscal quarter ended April 28, 2024.\nPurchasing or owning NVIDIA common stock involves investment risks including, but not limited to, the risks described in Ite m 1A of our Annual Report on Form\n10-K for the fiscal year ended January28, 2024, and Item 1A of our Quarterly Report on Form 10-Q for the fiscal quarter ended April 28, 2024, and below . Any\none of those risks could harm our business, financial condition and results of operations or reputation, which could cause our stock price to decline. Additional\nrisks, trends and uncertainties not present ly known to us or that we currently believe are immat erial may also harm our business, financial condition, results of\noperations or reputation.\nLong manu facturing lead times and uncertain supply an d component availability , combined with a failure to estimate customer demand accurately ,\nhas led and could lead to mismatches between supply and demand.\nWe use third parties to manufacture and asse mb le our products, and we have long manufacturing lead times. We are not provided guaranteed wafer , component\nor capacity supply , and our supply deliveries and production may be non-linear within a quarter or year. If our estimates of customer demand are inaccurate, as\nwe have experienced in the past, there could be a significant mismatch between supply and demand. This mismatch has resulted in both product shortages and\nexcess inventory , has varied across our market platforms, and has significantly harmed our financial results.\nWe build finished produc ts and maintain invento ry in advanc e of anticipated demand. While we have in the past entered and may in the future enter into long-\nterm supply agreements and capacity commitments, we may not be able to secure sufficient commitments f or capacity to address our business needs, or our\nlong-term demand expectations may change. Additionally , our ability to sell certain products has been and could be impeded if components necessary fo r the\nfinished products are not available from third parties. This risk may increase as a result of our platform strategy . In periods of shortages impacting the\nsemiconductor industry and/or limited supply or capacity in our supply chain, the lead times on orders for certain supply may be extended. We have previously\nexperienced and may continue to experience extended lead times of more than 12 m onths. We have paid premiums and provided deposits to secure future\nsupply and capacity , which have increased our product costs and may continue to do so. If our existing suppliers are unable to scal e their capabilities to meet\nour supply needs, we may require additional sources of capacity , which may require additional deposits. We may not have the ability to reduce our supply\ncommitments at th e same rate or at all if our revenue declines.\nMany additio nal factors have caused and/or could in the future cause us to either underestimate or overestimate our customers future demand for our pr oducts,\nor otherwise cause a mismatch between supply and demand for our products and impact the timing and volume of our revenue, including:\nchanges in product development cycles and time to market;\n competing technologies and competitor product releases, announcements or other actions;\nchanges in business and economic conditions;\nsudden or sustained government lockdowns or public health issues ;\nrapidly changing technology or customer requirements;\nthe availability of suf ficient data center capacity or energy for customers to procure;\nnew product introductions and transitions resulting in less demand for existing products;\nnew or unexpected end-use cases;\nincrease in demand for competitive products;\nbusiness decisions made by third parties;\nthe demand for accelerated computing, AI-related cloud services, or large language models;\n34changes that impact the ecosystem for the architectures underlying our products and technologies;\nthe demand for our products;

or\ngovernment a ctions or changes in governmental policies, such as export controls or increased restrictions on gaming usage.\nWe continue to increase our supply and capacit y purchases with existing and new supplier s to support our demand projections. With these additions, we have\nalso entered and may continue to enter into prepaid manufacturing and capacity agreements to supply both current and future products. The increased purchase\nvolumes and integration of new suppliers and contract manufacturers into our supply chain may create more complexity in managing multiple suppliers with\nvariations in productio n planning, execution and logistics. Our expanding product portfolio and varying component compatibility and quality may lead to\nincreased inventory levels. We have incurred and may in the future incu r inventory provisions or impairments if our inventory or supply or capacity commitments\nexceed demand for our products or demand declines. Our customer orders and longer-term demand estimates may cha nge or may not be correct, as we have\nexperienced in the past.\nProduct transitions are complex and we often ship both new and prior architecture products simultaneously as our channel partners prepare to ship and support\nnew products. We may be in various stages of transitioning the architectures of our Data Center , Gaming, Professional Visualization and Automotive products.\nThe computing industr y is experiencing a broader and faster launch cadence of accelerated computing platforms to meet a growing and diverse set of AI\nopportunities. We have introduced a new caden ce of our Data Center arc hitectures where we seek to complete a new GPU computing architecture each year\nand we are providing a greater variety of Data Center offerings. The increased frequency of these transitions and the la rger number of products and product\nconfigurations may magnify the challenges associated with managing our supply and demand. Qualification time for new products, customers anticipating\nproduct transi tions and channel partners reducing channel inventory of prior architectures ahea d of new product introductions can reduce or create volatility in\nour revenue . We have experienced and may in the fut ure experience reduced demand for current generation architectures when customers anticipate\ntransitions, and we may be unable to sell multiple product architectures at the same time for current and f uture architecture transitions. If we are unable to\nexecute our architectural transitions as planned for any reason, our financial results may be negatively impacted. The increased frequency and comp lexity of\nnewly introd uced products could result in unanticipated quality or production issues that could increase the magnitude of inventory provisions, warranty , or other\ncosts or result in produc t delays. For example, we executed a change to the Blackwell GPU mask to improve production yield. Our gross margins in the second\nquarter of fiscal year 2025 were negatively impacted by inventory pro visions for low-yielding Blackwell material and they may continue to be impacted in the\nfuture.\nWe incur significant engineering development resources for new products, and changes to our product road map may impact our ability to develop other products\nor adequate ly manage our supply chain cost. Customers may delay purchasing existing product s as we increase the frequency of new products or may not be\nable to adop t our new products as fast as forecasted, both impacting the timing of our revenue and supply chain cost. While we have managed prior product\ntransitions and have sold multiple pro duct archit ectures at the same time, these transitions are difficult, may impair our ability to predict demand and impact our\nsupply mix, and may cause us to incur additional costs. Many end customer s often do not purchase directly from us but instead purchase indirectly through\nmultiple OEMs, ODMs, system integrators, distributors, and other channel partners. As a result, the decisions made by o ur multiple OEMs, ODMs, system\nintegrators, distributors, and other channel partners, and in response to changing market conditions and changes in end-user demand for our products, have\nimpacted and c ould in the future continue to impact our ability to accurately forecast demand, particularly as they are based on estimates provided by various\ndownstream parties.\nIf we underestimate our customers' future demand for our products, our foundry partners may not have adequate lead-time or capacity to increase production\nand we may not be able to obtain sufficient inventory to fill orders on a timely basis. If our contra ct manufacturers experience supply constraints, we may not be\nable to increase supply to meet customer dema nd in a timely manner , or at all. If we cannot procure sufficient sup ply to meet demand or otherwise fail to fulfill\nour custome rs orders on a timely basis, or at all, our customer relationships could be damage d, we could lose revenue and market share and our reputa tion\ncould be harmed. Additionally , since some of our products are part of a complex data center buildout, supply constraints or availability issues with respect to any\none component have had and may have a broader revenue impact.\nIf we overestimate our customers future demand for our products, or if customers cancel or defer orders or choose to purchase from our competitors, we may\nnot be able to reduce our inventory or other contractual purchase commitments. In the past, we have experienced a reduction in average selling prices, including\ndue to channel pricing programs that we have imple mented and may continue to implement, as a result of our overestimation of future demand, and we may\nneed to continue these reductions. We have had to increase prices for certain of our products as a result of our suppliers increase in prices, and we may need to\ncontinue to do so for other products in the future . We have also written down our inventory , incurred cancellation penalties, and rec orded impairments and may\nhave to do so in the future. These impacts would be amplified by our placement of any non-cancellable and non-returnable purchase orders placed in advance of\nour historical lead times and could be exacerbated if we need to make changes to the design of future products. The risk of\n35these impac ts has increased and may continue to increase as our purchase obligations an d prepaids have grown and are expected to continue to grow and\nbecome a greater portion of our total supply . All of these factors may negatively impact our gross margins and financial results.\nDemand estimates for our new products, applications, and services can be incorrect and create volatility in our revenue or supply levels. We may not be able to\ngenerate significant revenue from them. Recent technologies, such as generative AI models, have emerged, and while they have driven increased demand for\nData Center , the long-term trajectory is unknown. Because our products may be used in multi ple use cases and applications, it is difficult for us to estimate with\nany reasonable degree of precision the impact of generative AI models on our reported revenue or forecasted demand.\nChallenges in estimating demand could become more pronounced or volatile in the future on both a global and regional basis. Extended lead times may occur if\nwe experience other supply constraints caused by natur al disasters, pandemics or other events. In addition, geopolitical tensions, such as those involving Taiwan\nand China, which comprise a significant portion of our revenue and where we have suppliers, contract manufacturers, and assembly partners who are critical to\nour supply continuity , could have a material adverse impact on us.\nThe use of our GPUs other than that for which they were designed a nd marketed, including new and unexpected use cases, has impacted and can in the future\nimpact demand for our products, including by leading to inconsistent spikes and drops in demand. For example, se veral years ago, our Gaming GPUs began to\nbe used for mining digital currencies, such as Ethereum. It is difficult for us to estimate with any reasonable degree of precision the past or current impact of\ncryptocurrency mining, or forecast the future impact of cryptocurrency mining, on demand for our products. Volatility in the cryptocurrency market, including new\ncompute technologies, price change s in cryptocurrencies, government cryptocurrency policies and regulations, new cryptocurrency standards and changes in\nthe method of verifying blockchain transactions, has impacted and can in the futu re impact cryptocurrency mining and demand for our products and can further\nimpact our ability to estimate demand for our products. Changes to cryptocurrency standards and processes including, but not limited to, the Ethereum 2.0\nmerge in 2022, have reduced and may in the future decrease the usage of GPUs for Ethereum mining. This has created and may in the future create increased\naftermarket sale s of our GPUs, which could negatively impact retail prices for our GPUs and reduce demand for our new GPUs. In general, our new products or\npreviously sold products may be resold online or on the unau thorized gray market, which also makes demand forecasting difficult. Gray market products and\nreseller marketplaces compete with our new products and distribution channels.\nAdditionally , we depend on developers, customers and other third parties to build, enhance, and maintain accelerated computing applications that leverage our\nplatforms. We also rely on third-party content providers and publi shers to make their content available on our platforms, such as GeForce NOW . Failure by\ndevelopers, customers, and other third parties to build, enhance, and maintain applications that leverage our p latforms, or failure by third-party content providers\nor publisher s to make their content available on reasonable terms or at all for use by our customers or end users on our platforms, could adverse ly affect\ncustomer demand.\nWe receive a significa nt amount of our revenue from a limited number of partners and distributors and we have a concentration of sales to\ncustomers who purchase directly or indirectl y from us, and our revenue could be adversely affected if we lose or are prevented from selling to any of\nthese customers.\nWe receive a significant amount of our revenue from a limited numb er of customers within our distribution and partner network. Sales to direct Customers, A, B,\nC and D represented 14%,11%, 11% and 10% of total revenue, respectively , for the second quarter of fiscal year 2025, all of which were primarily attributable to\nthe Compute & Networ king segment. With several of these channel partners, we are selling multiple products and systems in our portfolio throug h their\nchannels. Our operating results depend on sales within our partner network, as well as the ability of these partners to sell products that incorporate our\nprocessors. We have a small number of partner s that are involved in system integration with our key customers. As our system design becomes increasingly\ncomplex, system integrators may be unable to meet specifications of our key custome rs. Changes in our partners' or customers' business models or their\nownership can reduce the number of partners available to us and harm our ability to sell our advanced data center systems to custome rs. In the future, these\npartners may decide to purchase fewer products , not to incorporate our products into their ecosystem, or to alter their purchasing patterns in some other way.\nBecause most of our sales are made on a purch ase order basis, our customers can generally cancel, change or delay product purchase commitments with little\nnotice to us and without penalty . Our partners or custome rs may develop their own solutions; our customers may purchase products from our competitors; and\nour partners may discontinue sales or lose market share in the markets for which they purchase our pr oducts, all of which may alter partners or customers\npurchasing patterns. Many of our customers often do not purchase directly from us but purchase through multiple OEMs, ODMs, system integrators, distributors\nand other channel partne rs. For the second quarter of fiscal year

2025, two indirect customers which primarily purchase our products through system integrators\nand distributors, includin g through Customer B and Customer E, are estimated to each represe nt 10% or more of total revenue, attributable to the Compute &\nNetworking segment. If end demand increases or our finished goods supp ly availability is concentrated near a quarter end, the system integrators, distributors\nand channel partners may have limited ability to increase their credit, which could impact the timing and amoun t of our revenue. The loss of any of our large\ncustomers, a significant reduction in purchases by them,\n36our inability to sell to a customer due to U.S. or other countries trade restrictions or any difficulties in collecting accounts receivable would likely harm our\nfinancial condition and results of operations.\nOur operations could be affected by the complex laws, rules and regulations to whic h our business is subject, and political and other actions may\nadversely impact our business.\nWe are subject to laws and regulations domestically and worldwide, affecting our operations in areas inclu ding, but not limited to, IP ownership and infringement;\ntaxes; impor t and export requirements and tariffs; anti-corruption, including the Foreign Corrupt Practices Act; business acquisitions; foreig n exchange controls\nand cash repatriation restrictions; data priva cy requirements; competition and antitrust; advertising; employment; product regulations; cybersecurity;\nenvironmental, health, and s afety requirements; the responsible use of AI; sustainability; cryptocurrency; and consumer laws. Compliance with such\nrequirements can be onerous and expensive, could impact our competitive position, and may negatively impact our business operations and ability to\nmanufacture and ship our products. There can be no assurance that our employees, contractors , suppliers, customers or agents will not violate applicable laws\nor the policies, controls, and procedures that we have designed to help ensure compliance with such laws, and violations could result in fines, criminal sanctions\nagainst us, our officers, or our employees, prohib itions on the conduct of our business, and damage to our reputation. Changes to the laws, rules and regulations\nto which we are subject, or changes to their inte rpretation and enforcement, could lead to materially greater compliance and other costs and/or further\nrestrictions on our ability to manufacture and supply our products and operate our business.

For example, we may face increased compliance costs as a result\nof changes or increases in antitrust legislation, regulation, administrative rule making, increased focus from regulators on cybersecurity v ulnerabilities and risks.\nOur position in markets relating to AI has led to increased interest in our business from regulators worldwide, including the European Union, the United States,\nthe United Ki ngdom, South Korea and China. For example, the French Competition Author ity collected information from us regarding our business and\ncompetition in the graph ics card and cloud service provider marke t as part of an ongoing inquiry into competition in those markets. We have also received\nrequests for information from regulators in the European Union, the United States, the United Kingdom, China, a nd South Korea regarding our sales of GPUs,\nour efforts to allocate supply, foundation models and our investments, partnerships and other agreements with companies developing foundation models, and we \nexpect to receive additional requests for information in the future. Governments and regulators are considering, and in certain cases, have imposed restrictions\non the hardw are, software, and system s used to develop frontier foundation models and generative AI. For example, the EU AI Act was formally adopted in June\n2024 and will be implemented in phases betwee n now and 2030. The State of Calif ornia, among other jurisdictions, is considering similar legislation. Restrictions\nunder this and any other regulations, if implemented, could increase the costs and burdens to us and our customers, d elay or halt deployment of new systems\nusing our products, and reduce the number of new entrants and customers, negatively impacting our business and financial results. Revisions to laws or\nregulation s or their interpretation and enforceme nt could also result in increased taxation, trade sanctions, the imposition of or increase to import duties or tariffs,\nrestrictions and controls on imports or exports, or other retaliatory actions, which could have an adverse effect on our business plans or impact the timing of our\nshipments. Additionally , changes in the public perception of governments in the regions where we operate or plan to operate could negatively impact our\nbusiness and results of operations.\nGovernment actions, including trade protection and national and economic security polic ies of U.S. and foreign government bodies, such as tariffs, import or\nexport regulations, including deemed export restrictions and restrictions on the activities of U.S. persons, trade and economic sa nctions, decrees, quotas or\nother trade barriers and restrictions could affect our ability to ship products, provide services to our customers and employees, do business without an export\nlicense with entities on the U.S. Department of Commerce s U.S. Entity List or other USG restricted parties lists (which is expected to change from time to time),\nand generally fulfill our contractual obligation s and have a material adverse effect on our business. If we were ever found to have violated export control laws or\nsanctions of the U.S. or similar applicable non-U .S. laws, even if the violation oc curred without our knowledge, we may be subject to various penalties available\nunder the laws, any of which could have a material and adverse impact on our business, operating results and financial co ndition.\nFor example , in response to the war in Ukrain e, the United States and other jurisdictions imposed economic sanctions and export control measures which\nblocked the passage of our products, s ervices and support into Russia, Belarus, and certain regions of Ukraine. In fiscal year 2023, we stopped direct sales to\nRussia and closed business operations in Russia. Concurrently , the war in Ukr aine has impacted sales in EMEA and may continue to do so in the future.\nThe increasi ng focus on the risks and strategic importance of AI technologies has resulted in regulatory restrictions that ta rget products and services capable of\nenabling or facilitating AI and may in the future result in additional restrictions impacting some or all of our product and service of ferings.\nConcerns regardin g third-party use of AI for purposes contrary to local governmental interests , including concerns relating to the misuse of AI applications,\nmodels, and solutions, has resulted in and could in the f uture result in unilateral or multilateral restrictions on products that can be used for training, modifying,\ntuning, and deploying LLMs and other AI applications. Such restrictions have limited and c ould in the future limit the ability of downstream customers and users\nworldwide to acquire, deploy and use systems that include our products, software, and services, and negatively impact our busines s and financial results.\n37Such restrictions could include additional unilateral or multilateral export controls on certain products or technology , including but not limited to AI technologies.\nAs ge opolitic al tensions have increased, semic onductors associated with AI, including GPUs and associated products, are increasingly the focus of export\ncontrol restrictions proposed by stakeholders in t he U.S. and its allies. The United States has imposed unilateral controls restricting GPUs and associated\nproducts, and it is likely that additional unilateral or multilateral controls will be adopted . Such controls have been and may again be very broad in scope and\napplication, prohibit us from exporting our products to any or all customers in one or more markets, including but not limited to Chi na, and could negatively\nimpact our manufacturin g, testing and warehousing locations and options, or could impose other conditions that limit our ability to serve demand abroad and\ncould negatively a nd materially impact our business, revenue and financial results. Export controls targeting GPUs and semiconductors associated with AI,\nwhich have been imposed and are increasingly likely to be furthe r tightened, would further restric t our ability to export our technology , products, or services even\nthough comp etitors may not be subject to similar restrictions, creating a competitive disadvanta ge for us and negatively impacting our business and financial\nresults. Expo rt controls targeting GPUs and semiconductors associated with AI have subjected and may in the future subject downstream use rs of our products\nto additional restrictions on the use, resale, repair , or transfer of our products, negatively impacti ng our business and financial results. Controls could negatively\nimpact our cost and/or ability to provide services such as NVIDIA AI cloud services and could impact the cost and/or ability for our cloud service providers and\ncustomers to provide services to their end custom ers, even outside China.\nExport contr ols could disrupt our supply chain and distribution channels, negatively impacting our ability to serve demand, including in markets outside China\nand for our gam ing products. The possibility of additional export controls has negatively impacted and may in the future negatively impact demand for our\nproducts, benefiting competitors that offer alternatives less likely to be restricted by further controls. Repeated changes in the export control rules are likely to\nimpose compliance burdens on our business and our customers, negatively and materially impactin g our business.\nIncreasing use of economic sanctions and export controls has impacted and may in the future impact demand for our products or services, negatively impacting\nour business and financ ial results. Reduced demand due to export controls could also lead to excess inventory or cause us to incur related supply charges.\nAdditional unilateral or multilateral controls are also likely to inclu de deemed export control limitations that negatively impact the ability of our research and\ndevelopment teams to execute our roadmap or other objectives in a timely manner . Addition al export restric tions may not only impact our ability to serve\noverseas markets, but also provoke responses from foreign governments, including China, that negatively impact our supply chain or our ability to provide our\nproducts and services to customers in all markets worldwide, which could also substantially reduce our revenue. Regulators in China have inquired about our\nsales and efforts to supply the China m arket and our fulfillment of the commitments we entered at the close of our Mellanox acquisition. If the regulators\nconclude that we have failed to fulfill such commitments or we have violated any app licable law in China, we could be subject to various penalties or restrictions\non our ability to conduct our business, any of which could have a material and adverse impact on our business, operating results and financial condition.\nDuring the third quarter of fiscal year 2023, the USG announced export restrictions and expo rt licensing requirements targeting China s semiconductor and\nsupercompu ting industries. These restrictions impact exports of certain chips, as well as software, hardware, equipment and technology used to develop,\nproduce and manufacture certain chips to China (including Hong Kong and Macau) and Russia, and specifically impact our A100 and H100 integrated circuits,\nDGX or any other system s or boards which incorporate A100 or H100 integrated circuits. The licensing r equirements also apply to any future NVIDIA integrated\ncircuit achieving certain peak performance and chip-to-chip I/O performance thresholds, as well as any system or board that includes those circu its. There are\nalso now licensing requirements to export a wide array of products, including networking products, destined for certain end users and for certain end uses in\nChina. During the second qu arter of fiscal year 2024, the USG also informed us of an additional licensing requirement for a subset of A100 and H100 products\ndestined to certain customers and other regions, including some countr ies in the

Middle East.\nIn October 2023, the USG announced new and updated licensing requirements that became effective in our fourth quarter of fiscal year 2024 for exports to\nChina and Country Group s D1, D4, and D5 (including but not limited to, Saudi Arabia, the United Arab Emirates, and Vietnam, but excluding Israel) of our\nproducts exceeding certain performance thresholds, including A100, A80 0, H100, H800, L4, L40, L40S and RTX 4090. The licensing requirements also apply to\nthe export of products exceeding certain performance thresholds to a party headquartered in, or with an ultimate par ent headquartered in, Country Group D5,\nincluding China. On Octo ber 23, 2023, the USG informed us that the licensing requirements were effective immediately for shipments of our A100, A800, H100,\nH80 0, and L40S products. W e have not received licenses to ship these restricted products to China.\nFollowing these export controls, we transitioned some operations, including certain testing, validatio n, and supply and distribution operations out of China and\nHong Kong. Any future transitions could be costly and time consuming, and adversely affect our research and development and supply and distri bution\noperations, as well as our revenue, during any such transition period. We expanded our Data Center product portfolio to offer new solutions, including those for\nwhich the USG does not require a license or advance notice before each shipment. To the extent that a customer requires products covered by the licensing\nrequirements, we may seek a license for the customer . However , the licensing process is time-consuming. We have no assurance that the USG will grant such a\nlicense or that the USG will act on the license application in a timely manner or at all. Even if a license is approved, it may impose burdensome conditions that\nwe or our customer or end users cannot or decide not to accept. The USG is evaluating license requests in a closed process that\n38does not have clear standard s or an opportunity for review . For example, the Notified Advanced Computing, or NAC, process has not resulted in approvals for\nexports of products to customers in China. The license process for e xports to D1 and D4 countries has been time-consuming and resulted in license conditions\nthat are onerous, even for small-sized systems that are not able to train frontier AI models. The requirements have a disproportionate impact on NVIDIA and\nalready have disadvantaged and may in the future disadvantage NVIDIA against certain of our competitors who sell products that are not subject to the new \nrestrictions or may be able to acquire licenses for their products.\nManagement of these new licenses and other requirements is complicated and time consuming. Our competitive position has been harmed , and our competitive\nposition and future results may be further harmed, over the long-term, if there are further changes in the USG s export controls, including further expansion of the\ngeographic, customer , or product scope of the controls, if customers purchase product from competitors, if customers develop their own internal solution, if we\nare unable to provide contractual warranty or othe r extended service obligations, if the USG does not grant licenses in a timely manner or denies licenses to\nsignificant customers or if we incur significant transition costs. Even if the USG grants an y requested licenses, the licenses may be temporary or impose\nburdensome conditions that we or our customers or end users cannot or choose not to fulfill. The licensing requirements may benefit certa in of our competitors,\nas the licensing process will make our pre-sale and post-sale technical support efforts more cumbersome and less certain and encourage customers in China to\npursue alternatives to our products, including semiconductor suppliers based in China, Europe, and Israel.\nGiven the increasing strategic importance of AI and rising geopolitical tensions, the USG has changed and may aga in change the export control rules at any time\nand further subject a wider range of our products to export restrictions and licensing requirements, negatively impacting our business and financial resu lts. In the\nevent of such change, we may be unable to sell our inventory of such products and may be unable to develop replacement products not subject to the licensing\nrequirements, effectively exclu ding us from all or part of the China market, as well as other impa cted markets, including the Middle East. For example, the USG\nhas already imposed conditions to limit the ability of foreign firms t o create and offer as a service large-scale GPU clusters, for example by imposing license\nconditions on the use of products to be exported to certain countries, and may impose additional conditions su ch as requiring chip tracking and throttling\nmechanisms that could disable or impair GPUs if certain events, including unauthorized system configuration, use, or location, are detected. The USG has\na lready impo sed export controls restricting certain gaming GPUs, and if the USG expands such controls to restrict additional gaming products, it may disrupt a\nsignificant portion of our supply and dis tribution chain and negatively impact sales of such products to markets outside China, including the U.S. and Europe. In\naddition, as the performa nce of the gaming GPUs increases over time, export co ntrols may have a greater impact on our ability to compete in markets subject to\nthose controls. Export controls may disrupt our supply and distribution chain for a substantial portion of our product s, which are warehoused in and distributed\nfrom Hong Kong. Export controls restricting our ability to sell data center GPUs may also negatively impact demand for our networking products used in serve rs\ncontaining our GPUs. The USG may also impose export controls on our networking products, such as high-speed network interconnects, to limit the ability of\ndownstream parties to create large cluster s for frontier model training. Any new control that impacts a wider range of our products would likely have a\ndisproportionate impact on NVIDIA and may disadvantage us against certain of our competit ors that sell chips that are outside the scope of such control.\nExcessive or shifting export controls have alread y and may in the future encourage customers outside China and other impacted regions t o design-out certain\nU.S. semiconductors from their products to reduce the compliance burden and risk, and to ensure that they are able to serve markets worldwide. Excessive or\nshifting export contr ols have already encourage d and may in the future encourage overseas governments to request that our customers purchase from our\ncompetitors rather than NVIDIA or other U.S. firms, harming our busin ess, market position, and financial results. As a result, excessive or shifting export controls\nmay negatively impact demand for our products and services not only in China, but also in other markets , such as Europe, Latin America, and Southeast Asia.\nExcessive or shifting export controls increase the risk of investing in U.S. advanced semiconductor products, because by the time a new product is ready for\nmarket, it may be subject to new unilateral export controls restricting its sale. At the same time, such controls may increase investment in foreign competitors,\nwhich would be less likely t o be restricted by U.S. controls.\nAdditionally , restrictions imposed by the Chines e government on the duration of gaming activities and access to games may adversely affect our Gaming\nrevenue, and i ncreased oversight of digital platform companies may adversely affect our Data Center revenue. The Chinese government may also impose\nrestrictions on the sale to certain customers of our products, or any products containing components made by our partners and suppliers. For example, the\nChinese government announced restrictions relating to certain sales of products containing certain products mad e by Micron, a supplier of ours. As another\nexample, an agency of the Chinese government announced an Action Plan that endorses new standards regarding the compute performance per watt and per\nmemory bandwidth of accelerators used in new and renovated data centers in China. If the Chine se government modifies or implements the Action Plan in a way\nthat effectively prevents us from being able to de sign products to meet the new standard, this may restrict the ability of customers to use some of our data center\nproducts and may have a material and adverse impact on our business, operating result s and financial condition. Further restrictions on our products or the\nproducts of our suppliers could negatively impact our business and financial results.\n39Finally , our business depends on our abi lity to receive consistent and reliable supply from our overseas partners, especially in Taiwan. Any new restrictions that\nnegatively impact our ability to receive supply of components, parts, or serv ices from Taiwan, would negatively impact our business and financial results.\nItem 2. Unregistered Sales of Equity Securities and Use of Proceeds\nIssuer Purchases of Equity Securities\nDuring the secon d quarter and first half of fiscal year 2025, we repurchased 62.8 million and 162.1 million shares of our common stock for $7.0 billion and $15.1\nbillion, respectively . As of July 28, 2024, we were a uthorized, subject to certain specifications, to repurchase up to $7.5 billion of our common stock.\nThe repurchases can be made in the open market, in privately negotiated transactions, pursuant to a Rule 10b5-1 trading plan or in structured share repurchase\nprograms, and can be made in one or more larger repurchases, in compliance with Rule 10b-18 of the Exchange Act, subject to market conditions , applicable\nlegal requirements, and other factors. The program does not obligate NVIDIA to acquire any particular amount of common stock and the program may be\nsuspended at any time at our discretio n.\nIn the secon d quarter and first half of fiscal year 2025, we paid $246 million and $344 million, respectively , in cash dividends. Our cash dividend program and the\npayment of future cash dividend s under that program are subject to our Board of Directors ' continuing determination that the dividend program and the\ndeclaration of dividends thereunder are in the best interests of our shareholder s.\nThe following table presents details of our share repurchase transactions during the second quarter of fiscal year 2025:\nPeriodTotal Number\nof Shares\nPurchased\n(In millions)Average Price Paid\nper S hareTotal Number of Shares\nPurchased as Part of\nPublicly Announced\nProgram\n(In millions)Approximate Dollar V alue\nof Shares that May Yet Be\nPurchased Under the\nProgram\n(In billions)\nApril 29, 2024 - M ay 26, 2024 23.0 $ 91.50 23.0 $ 12.4 \nMay 27, 2024 - June 23, 2024 14.7 $ 121.36 14.7 $ 10.6 \nJune 24, 2024 - July 28, 2024 25.1 $ 123.63 25.1 $ 7.5 \nTotal 62.8 62.8 \nOn August 26, 2024, our Board of Directors approved an additional $50.0 billion to our share repurchase authorization, without expiration. From July 29, 2024\nthrough August 26, 2024, we repurchased 31.5 million shares for $3.6 billio n pursuant to a Rule 10b5-1 trading plan. As of August 26, 2024, a total of\n$53.9 billion was available for repurchase.\nRestricted Stock Unit Share W ithholding\nWe withhold common stock shares associ ated with net share settlements to cover tax withho lding obligations upon the vesting of RSU awards under our\nemployee equity incentive program. During the second quarter and first half of fiscal yea r 2025, we withheld approximately 11 million and 32 million, respectively ,\nfor a total value of $1.6 billion and $3.4 billion, respectively , through net share settlements.\nRecent Sales of Unregister ed Securities and Use of Proceeds\nOn May 28, 2024, we issued a total of 215,120 shares of our common stock, valued at approxim ately $25 million based on our closing stock price on the date of\nissuanc e, to key employees of a company we acquired.\nOn July 2, 2024, we issued a total of 212,353 shares of our common stock, valued at approxima tely $26 million based on our closing stock price on the dat e of\nissuance, to key employees of a company we acquired.\nThe above securities were issued in transactions not involving a public offering pursuant to an exemption from registration set forth in Secti on4(a)(2) of\ntheSecurities Act (and Regulation D or Regulation S promulgated thereunder).\nItem 5. Other Information\nOn July 22, 2024, Ajay K. Puri, Executive Vice President, Worldwide Field Operatio ns, terminated a Rule 10b5-1 trading arrangement adopted on April 12, 2024\nfor the sale of up to 1,008,320 shares of our common stock on a post-split basis through July 11, 2025. 100,1 10 shares were sold under the plan prior to\ntermination.\n40Item 6. Exhibits\nIncorporated by Reference\nExhibit No. Exhibit Description Schedule/Form Exhibit Filing Date\n3.1 Amendment to Restated Certificate of Incor poration of NVIDIA Corporation 8-K 3.1 6/7/2024\n10.1+* Amended and Restated 2007 Equity Incentive Plan\n10.2+* Amended and Restated 2012 Employee Stock Purchase Plan\n31.1* Certification of Chief Execu tive Of ficer as required by Rule 13a-14(a) of the Securities\nExchange Act of 1934\n31.2* Certification of Chief Financial Of ficer as required by Rule 13a-14(a) of the Securities\nExchange Act of 1934\n 32.1#* Certification of Chief Executive Of ficer as required by Rule 13a-14(b) of the Securities\nExchange Act of 1934\n32.2#* Certification of Chief Financial Of ficer as required by Rule 13a-14(b) of the Securities\nExchange Act of 1934\n101.INS*Inline XBRL Instance Document - the instance document does not appear in the Interactive\nData File because its XBRL tags are embedded within the Inline XB RL document.\n101.SCH* Inline XBRL Taxonomy Extension Schema Document\n101.CAL* Inline XBRL Taxonomy Extension Calculation Linkbase Document\n101.DEF* Inline XBRL Taxonomy Extension Definition Linkba se Document\n101.LAB* Inline XBRL Taxonomy Extension Labels Linkbase Document\n101.PRE* Inline XBRL Taxonomy Extension Presentation Linkbase Document\n104Cover Page Interactive Data File - the cover pa ge interactive data file does not appear in\nthe Interactive Data File because its XBRL tags are embedded within the Inline XBRL\ndocument.\n+ Management contract or compensatory plan or arrangement.\n* Filed herewith.\n# In accorda nce with Item 601(b)(32)(ii) of Regul ation S-K and SEC Release Nos. 33-8238 and 34-47986, Final Rule: Management's Reports on Internal Control\nOver Financial Reporting an d Certification of Disclosure in Exchange Act Periodic Reports, the certifications furnished in Exhibits 32.1 and 32.2 hereto are\ndeemed to accompany this Quarterly Report on

Form 10-Q and will not be deemed filed for purpose of Section 18 of the Exchange Act. Such certifications will\nnot be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, exce pt to the extent that the registrant specifically\nincorporates it by reference.\nCopies of above exhibits not contained herein are available to any shareholder upon written request to:\nInvestor Relatio ns: NVIDIA Corporation, 2788 San Tomas Expressway , Santa Clara, CA 95051.\n41Signature\nPursuant to the requirem ents of the Securities Exchange Act of 1934, the registrant has duly caused this repor t to be signed on its behalf by the undersigned\nthereunto duly authorized.\nDate: August 28, 2024\n NVIDIA Corporation \nBy: /s/ Colette M. Kress\n Colette M. Kress\n Executive V ice President and Chief Financial Of ficer (Duly Authorized Of ficer and Principal\nFinancial Of ficer)\n42NVIDIA Corporation Amended and Restated 2007 Equity Incentive Plan\nApproved by the Compensation Committee: April 24, 2 007\nApproved by the Stockholders: June 21, 2007\nAmended by the Compensation Committee: November 11, 2010\nAmended and Restated by the Compensation Committee: March 22, 2012\nApproved by the Stockholders : May 17, 2012\nAmended and Restated by the Compensation Committee: April 9, 2014\nApproved by the Stockholders: May 23, 2014\nAmended and Restated by the Compensation Committee: April 5, 2016\nApproved b y the Stockholders: May 18, 2016\nAmended and Restated by the Compensation Committee: April 3, 2018\nApproved by the Stockholders: May 16, 2018\nAmended and Restated by the Compensation Committee: April 27, 2020\nApproved by the Stockholders: June 9, 2020\nAmended and Restated by the Board of Directors: July 19, 2021\nAmended and Restated by the Compensation Committee: April 8, 2022\nApproved by the Stoc kholders: June 2, 2022\nAmended and Restated by the Compensation Committee: December 1, 2022\nAmended and Restated by the Board of Directors: June 7, 2024\nTermination Date: April 26, 2030\n1. General.\n(a)Successor and Continuation of Prior Plans. The Plan is intended as the successor to and continuation of the NVIDIA Corporation\n1998 Equity Incentive Plan (the 1998 Plan), the NVIDIA Corporation 199 8 Non-Employee Directors Stock Option Plan, the NVIDIA Corporation\n2000 Nonstatutory Equity Incentive Plan, and the

PortalPlayer, Inc. 2004 Stock Incentive Plan (together, the Prior Plans). Followi ng the\nEffective Date, no additional stock awards will be granted under any of the Prior Plans and all newly granted Stock Awards will be subject to the\nterms of this Plan except as follows: from the Effective Date until September 30, 2007 (the Transition Date) (during which time the Company\nanticipates taking such steps as are necessary or appropriate to permit participation in the Plan by Empl oyees, Directors or Consultants who are\nforeign nationals or are employed outside the United States), the Company may grant stock awards subject to the terms of the 1998 Plan\ncovering up to an aggrega te of 100,000 shares of Common Stock to newly hired employees of the Company and its Affiliates who are foreign\nnationals or are employed outside the United States (such 100,000 share reserve, the Fo reign Transition Reserve). On the Effective Date, all\nof the shares remaining available for issuance under the Prior Plans will become available for issuance under the Plan; provided, however, that\nt he issuance of shares upon the exercise of options or the settlement of stock awards granted under the Prior Plans (including the issuance of\nshares upon the exercise or settlement of any awards grant ed following the Effective Date subject to the terms of the 1998 Plan from the Foreign\nTransition Reserve) will occur from this Plan and will reduce the number of shares of Common Stock available for issuance under this Plan as\nprovided in Section 3 below. Any shares of Common Stock subject to outstanding options and stock awards granted under the Prior Plans that\nexpire or terminate for any reaso n prior to exercise or settlement (collectively, the Prior Plans Returning Shares) will become available for\nissuance pursuant to Stock Awards granted hereunder. Except as expressly set forth in th is Section 1(a), all options and stock awards granted\nunder the Prior Plans will remain subject to the terms of the Prior Plans with respect to which they were originally granted.\n(b)Eligible Award Re cipients. The persons eligible to receive Awards are Employees, Directors and Consultants.\n(c)Available Awards. The Plan provides for the grant of the following Awards: (i) Incentive Stock Options, (i i) Nonstatutory Stock Options,\n(iii) Restricted Stock Awards, (iv) Restricted Stock Unit Awards, (v) Stock Appreciation Rights, (vi) Performance Stock Awards, (vii) Performance\nCash Awards, and (viii) Other Stock

Awards.(d)Purpose. The Company, by means of the Plan, seeks to secure and retain the services of the group of persons eligible to receive\nAwards as set forth in Section 1(b), to provide i ncentives for such persons to exert maximum efforts for the success of the Company and any\nAffiliate, and to provide a means by which such eligible recipients may be given an opportunity to benefit fr om increases in value of the Common\nStock through the granting of Stock Awards.\n(e)Section 162(m) Transition Relief. Notwithstanding anything in the Plan to the contrary, any reference in the Plan to performance-\nbased compensation under Section 162(m) of the Code will only apply to any Award that is intended, and is eligible, to qualify as such pursuant\nto the transition relief provided by the Tax Cuts and Jobs Act (the TCJA) for remuneration provided by a written binding contract which was in\neffect on November 2, 2017 and which was not subsequently materially modified, as determined by the Board, in its sole discretion, in\naccordance with the TCJA and any applicable guidance, rulings or regulations issued by any governmental authority.\n2. Administration.\n(a)Administration by Board. The Board will administer the Plan unless and until the Board delegates administration of the Plan to a\nCommittee or Committees, as provided in Section 2(c).\n(b)Powers of Board. The Board will have th e power, subject to, and within the limitations of, the express provisions of the Plan:\n(i) To determine from time to time (A) which of the persons eligible under the Plan will be granted Awards; (B) when and how each\nAward will be granted; (C) what type or combination of types of Award will be granted; (D) the provisions of each Award granted (which need not\nbe identical), including the time or t imes when a person will be permitted to receive cash or Common Stock pursuant to a Stock Award; (E) the\nnumber of shares of Common Stock subject to, or the cash value of, an Award; and (F) the Fair Ma rket Value applicable to a Stock Award.\n(ii) To construe and interpret the Plan and Awards granted under it, and to establish, amend and revoke rules and regulations for its\nadministration. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan or in any Stock Award\nAgreement or in the written terms of a Performance Cash Award, in a manner and to th e extent it will deem necessary or expedient to make the\nPlan or Award fully effective.\n(iii) To settle all controversies regarding the Plan and Awards granted under it.\n(iv) To accelerate the time at which an Award may be exercised or the time during which an Award or any part thereof will vest in\naccordance with the Plan, notwithstanding the provisions in the Award stating the time at which it m ay be exercised or the time during which it\nwill vest (or at which cash or shares of Common Stock may be issued); provided, however, that notwithstanding the foregoing or anything in the\nPlan to the c ontrary, the time at which a Participants Award may be exercised or the time during which a Participants Award or any part thereof\nwill vest may only be accelerated in the event of the Participants death or Disability or in the event of a Corporate Transaction or Change in\nControl.\n(v) To suspend or terminate the Plan at any time. Except as otherwise provided in the Plan or an Award Agreement, suspension or\ntermination of the Plan will not materially impair a Participants rights under his or her then-outstanding Award without his or her written consent.\n(vi) To amend the Plan in any respec t the Board deems necessary or advisable, including, without limitation, relating to Incentive\nStock Options and certain nonqualified deferred compensation under Section 409A of the Code and/or to bri ng the Plan or Awards granted under\nthe Plan into compliance therewith, subject to the limitations, if any, of applicable law. However, except as provided in Section 9(a) relating to\nCapitalization Ad justments, stockholder approval will be required for any amendment of the Plan that either (i) materially increases the number of\nshares of Common Stock available for issuance under the Plan, (ii) mat erially expands the class of individuals eligible to receive Awards under\nthe Plan, (iii) materially increases the benefits accruing to Participants under the Plan or materially reduces the price at w hich shares of Common\nStock may be issued or purchased under the Plan, (iv) materially extends the term of the Plan, or (v) materially expands the types of Awards\navailable for issuance under the Plan , but only to the extent required by applicable law or listing requirements. Except as otherwise provided in\nthe Plan or an AwardAgreement, rights under any Award granted before amendment of the Plan will not be materially impaired by any amendment of the Plan unless\n(i) the Company requests the consent of the affected Participant, and (ii) such Participant consents in writing.\n(vii) To submit any amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended\nto satisfy the requirements of (i) Section 162(m) of the Code and the regulations thereu nder regarding the exclusion of performance-based\ncompensation from the limit on corporate deductibility of compensation paid to Covered Employees, (ii) Section 422 of the Code regarding\nIncentive Sto ck Options, or (iii) Rule 16b-3.\n(viii) To approve forms of Award Agreements for use under the Plan and to amend the terms of any one or more Awards, including,\nbut not limited to, amendments to provi de terms more favorable than previously provided in the Award Agreement, subject to any specified limits\nin the Plan that are not subject to Board discretion; provided however, that, except with respe ct to amendments that disqualify or impair the\nstatus of an Incentive Stock Option or as otherwise provided in the Plan or an Award Agreement, the rights under any Award will not be\nmaterially impaire d by any such amendment unless (i) the Company requests the consent of the affected Participant, and (ii) such Participant\nconsents in writing. Notwithstanding the foregoing, subject to the limitation s of applicable law, if any, and without the affected Participants\nconsent, the Board may amend the terms of any one or more Awards if necessary (A) to maintain the qualified status of the Award as a n\nIncentive Stock Option, (B) to clarify the manner of exemption from, or to bring the Award into compliance with, Section 409A of the Code and\nthe related guidance thereunder, or (C) to comply with o ther applicable laws.\n(ix) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best\ninterests of the Company and that are not in confli ct with the provisions of the Plan or Awards.\n(x) To adopt such procedures or terms and sub-plans (none of which will be inconsistent with the provisions of the Plan) as are\nnecessary or desirable to permit or facilitate participation in the Plan by Employees, Directors or Consultants who are foreign nationals or\nemployed or located outside the United States.\n(c)Delegation to Committee.\n(i) Genera l. The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration\nof the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore\npossessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of\n the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee\nor subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by\nthe Board or Committee (as applicable). The Board may retain the authority to concurrently administer the Plan with the Committee and may, at\nany time, revest in the Board some or all of the powers previously delegated.\n(ii) Section 162(m) and Rule 16b-3 Compliance. The Committee may consist solely of two or more Outside Directors, in\naccordance with Section 162(m) of the Code, or solely of two or more Non-Employee Directors, in accordance with Rule 16b-3. In addition, the\nBoard or the Committee, in its s ole discretion, may (A) delegate to a Committee who need not be Outside Directors the authority to grant Awards\nto eligible persons who are either (I) not then Covered Employees and are not expected t o be Covered Employees at the time of recognition of\nincome resulting from such Stock Award, or (II) not persons with respect to whom the Company wishes to comply with Section 162(m) of the\nCode, and/ or (B) delegate to a Committee who need not be Non-Employee Directors the authority to grant Stock Awards to eligible persons who\nare not then subject to Section 16 of the Exchange Act.\n(d)Delegation to Other Person or Body. The Board or any Committee may delegate to one or more persons or bodies the authority to do\none or more of the following to the extent permitted by applicable law: (i) design ate recipients, other than Officers, of Stock Awards, provided that\nno person or body may be delegated authority to grant a Stock Award to themself; (ii) determine the number of shares of Common Stock subject\nto such Stock Awards; and(iii) determine the terms of such Stock Awards; provided, however, that the Board or Committee action regarding such delegation will fix the\nterms of such delegation in accordance with applicable law, including without limitation Sections 152 and 157 of the Delaware General\nCorporation Law. Unless provided otherwise in the Board or Committee action regarding such delegation, each Stock Award granted pursuant to\nthis section will be granted on the applicable form of Stock Award Agreement most recently approved for use by the Board or the Committee,\nwith any mod ifications necessary to incorporate or reflect the terms of such Stock Award. Notwithstanding anything to the contrary in this Section\n2(d), neither the Board nor any Committee may delegate to any per son or body (who is not a Director or that is not comprised solely of Directors,\nrespectively) the authority to determine the Fair Market Value pursuant to Section 13(x)(iii) below.\n(e)Effect of Board s Decision. All determinations, interpretations and constructions made by the Board in good faith will not be subject to\nreview by any person and will be final, binding and conclusive on all persons. \n(f)Cancellation and Re-Grant of Stock Awards. Neither the Board nor any Committee will have the authority to: (i) reduce the exercise\nor strike price of any outstanding Options or Stock Appreciation Rights under the Plan, or (ii) cancel any outstanding Options or Stock\nAppreciation Rights that have an exercise price or strike price greater than the current Fair Market Value in exchange for cash o r other Stock\nAwards under the Plan, unless the stockholders of the Company have approved such an action within twelve (12) months prior to such an event.\n(g)Dividends and Dividend Equivalents. Divide nds or dividend equivalents may be paid or credited, as applicable, with respect to any\nshares of Common Stock subject to an Award, as determined by the Board and contained in the applicable Award Agr eement; provided,\nhowever, that (i) no dividends or dividend equivalents may be paid with respect to any such shares before the date such shares have vested\nunder the terms of such Award Agreement, (i i) any dividends or dividend equivalents that are credited with respect to any such shares will be\nsubject to all of the terms and conditions applicable to such shares under the terms of such Award Ag reement (including, but not limited to, any\nvesting conditions), and (iii) any dividends or dividend equivalents that are credited with respect to any such shares will be forfeited to the\nCompany on t he date, if any, such shares are forfeited to or repurchased by the Company due to a failure to meet any vesting conditions under\nthe terms of such Award Agreement.\n3.Shares Subject to the Plan.\n(a)Sh are Reserve. Subject to the provisions of Section 9(a) relating to Capitalization Adjustments, the aggregate number of shares of\nCommon Stock of the Company that may be issued pursuant to Stock Awards after the Effective Date will not exceed 10,289,710,640 shares\n(the 2007 Plan Reserve). Such maximum number of shares reserved for issuance consists of (i) 152,767,766 shares, which is the total\nre serve that the Companys stockholders approved at the Companys 2007 Annual Meeting of Stockholders, including but not limited to the\nshares remaining available for issuance under the Prior Plans on t he Effective Date and the Prior Plans Returning Shares, (ii) 25,000,000\nshares that were approved at the Companys 2012 Annual Meeting of Stockholders (and reapproved at the Companys 2013 Annual Mee ting of\nStockholders), (iii) 10,000,000 shares that were approved at the Companys 2014 Annual Meeting of Stockholders, (iv) 18,800,000 shares that\nwere approved at the Companys 2016 Annual Meeting o f Stockholders, (v) 23,000,000 shares that were approved at the Companys 2018\nAnnual Meeting of Stockholders, (vi) 14,800,000 shares that were approved at the Companys 2020 Annual Meeting of Stockho lders, (vii)\n733,103,298 shares that were added to reflect a 4-for-1 stock split effective July 19, 2021, (viii) 51,500,000 shares that were approved at the\nCompanys 2022 Annual Meeting of Stockholde rs, and (ix) 9,260,739,576 shares that were added to reflect a 10-for-1 stock split effective June\n7, 2024. For clarity, the 2007 Plan Reserve in this Section 3(a) is a limitation on the number of sha res of Common Stock that may be issued\npursuant to the Plan. Accordingly, this Section 3(a) does not limit the granting of Stock Awards except as provided in Section 7(a). Shares may\nbe issued in conn ection with a merger or acquisition as permitted by Nasdaq Listing Rule 5635(c) or, if applicable, NYSE Listed Company\nManual Section 303A.08, AMEX Company Guide Section 711 or other applicable rule, and such issuance will not reduce the number of shares\navailable for issuance under the Plan.\n The initial 101,845,177 shares approved in June 2007 were adjusted to 152,767,766 pursuant to a 3-for-2 s tock split effective September 10, 2007.1\n1(b)Reversion of Shares to the Share Reserve.\n(i) Shares Available For Subsequent Issuance. If any (x) Stock Award shall for any reason expire or otherwise te rminate, in\nwhole or in part, without having been exercised in full, (y) shares of Common Stock issued to a Participant pursuant to a Stock Award are\nforfeited to or repurchased by the Company at thei r original exercise or purchase price pursuant to the Companys reacquisition or repurchase\nrights under the Plan, including any forfeiture or repurchase caused by the failure to meet a contingency or condition required for the vesting of\nsuch shares, or (z) Stock Award is settled in cash, then the shares of Common Stock not issued under such Stock Award, or forfeited to or\nrepurchased by the Comp any, shall revert to and again become available for issuance under the Plan.\n(ii) Shares Not Available for Subsequent Issuance. If any shares subject to a Stock Award are not delivered to a Participan t\nbecause such shares are withheld by the Company to satisfy the exercise or purchase price of a Stock Award (including any shares subject to a\nStock Award that are not delivered to a Participant beca use the Stock Award is exercised through a reduction of shares subject to the Stock\nAward (i.e., net exercised)) or an appreciation distribution in respect of a Stock Appreciation Right is paid in s hares of Common Stock, the\nnumber of shares subject to the Stock Award that are not delivered to the Participant shall not remain available for subsequent issuance under\nthe Plan. If any shares subjec t to a Stock Award are not delivered to a Participant because such shares are withheld by the Company in\nsatisfaction of the withholding of taxes incurred in connection with a Stock Award, the number of shares that are not delivered to the Participant\nshall not remain available for subsequent issuance under the Plan. If the exercise or purchase price of any Stock Award, or the withholding of\ntaxes incurred in connection with a Stock Award, is satisfied by tendering shares of Common Stock held by the Participant (either by actual\ndelivery or attestation), then the number of shares so tendered s hall not remain available for subsequent issuance under the Plan. If any shares\nof Common Stock are repurchased by the Company on the open market with the proceeds of the exercise or purchase price of a Stock Award,\nthen the number of shares so repurchased shall not remain available for subsequent issuance under the Plan.\n(c)Incentive Stock Option Limit. Subject to the 2007 Plan Reserve and the pr ovisions of Section 9(a) relating to Capitalization\nAdjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock\nOptions under the Plan (including Incentive Stock Options granted under the Prior Plans) will be 10,000,000,000 shares of Common

Stock.\n(d)Individual Award Limitations. Subject to the provisions of Section 9(a) relati ng to Capitalization Adjustments, no Participant will be\neligible to be granted during any fiscal year:\n(i) Options, Stock Appreciation Rights and Other Stock Awards whose value is determined by refer ence to an increase over an\nexercise or strike price of at least one hundred percent (100%) of the Fair Market Value on the date the Stock Award is granted covering more\nthan 80,000,000 shares of Comm on Stock;\n(ii) Performance Stock Awards covering more than 80,000,000 shares of Common Stock; and\n(iii) Performance Cash Awards with a value of more than $6,000,000.\nIf a Performance Stock Award is in the form of an Option, it will count only against the Performance Stock Award limit. If a Performance\nStock Award could be paid out in cash, it will count only against the Performance Stock Award lim it.\n(e)Source of Shares. The stock issuable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including\nshares repurchased by the Company on the open market or other wise.\n4.Eligibility.\n(a)Eligibility for Specific Stock Awards. Incentive Stock Options may be granted only to employees of the Company or a parent\ncorporation or subsidiary corporation thereof (as such terms are defined in Sections 424(e) and 424(f) of the Code). Stock Awards other than\nIncentive Stock Options may be granted to Employees, Directors and Consultants; provided, however, that Stoc k Awards may not be granted to\nEmployees, Directors and Consultants who are providing Continuous Service only to any parent of the Company, as such term is defined in\nRule 405 of the SecuritiesAct, unless (i) the stock underlying such Stock Awards is treated as service recipient stock under Section 409A of the Code (for example,\nbecause the Stock Awards are granted pursuant to a corporate tran saction such as a spin off transaction), (ii) the Company, in connection with\nits legal counsel, has determined that such Stock Awards are otherwise exempt from Section 409A of the Code, or (iii) the Company, in\nconnection with its legal counsel, has determined that such Stock Awards comply with the distribution requirements of Section 409A of the Code.\n(b)Ten Percent Stockholders. A Ten Percent S tockholder will not be granted an Incentive Stock Option unless the exercise price of such\nOption is at least one hundred ten percent (110%) of the Fair Market Value on the date of grant and the Optio n is not exercisable after the\nexpiration of five (5) years from the date of grant.\n(c)Consultants. A Consultant will be eligible for the grant of an Award only if, at the time of grant, a Form S-8 Re gistration Statement\nunder the Securities Act or a successor or similar form under the Securities Act (Form S-8) is available to register either the offer or the sale of\nthe Companys securities to such Consultant because of the nature of the services that the Consultant is providing to the Company, because the\nConsultant is a natural person, or because of any other rule governing the use of For m S-8.\n5.Provisions Relating to Options and Stock Appreciation Rights.\nEach Option or SAR will be in such form and will contain such terms and conditions as the Board will deem appropriate. All Option s will be\nseparately designated Incentive Stock Options or Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate\ncertificate or certificates will be issued for s hares of Common Stock purchased on exercise of each type of Option. If an Option is not specifically\ndesignated as an Incentive Stock Option, or if an Option is designated as an Incentive Stock Option but some portion or all of the Option fails to\nqualify as an Incentive Stock Option under the applicable rules, then the Option (or portion thereof) will be a Nonstatutory Stock Option. The\nprovision s of separate Options or SARs need not be identical; provided, however, that each Award Agreement will include (through incorporation\nof provisions hereof by reference in the Award Agreement or otherw ise) the substance of each of the following provisions:\n(a) Term. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, no Option or SAR will be exercisable after the\nexpiratio n of ten (10) years from the date of its grant or such shorter period specified in the Award Agreement (the Expiration Date).\n(b)Exercise Price. Subject to the provisions of Section 4(b) regarding T en Percent Stockholders, and notwithstanding anything in the\nAward Agreement to the contrary, the exercise or strike price of each Option or SAR will not be less than the Fair Market Value subject to the\nOption or SAR on the date the Award is granted. Notwithstanding the foregoing, an Option or SAR may be granted with an exercise or strike\nprice lower than the Fair Market Value subject to the Awar d if such Award is granted pursuant to an assumption or substitution for another option\nor stock appreciation right in a manner consistent with the provisions of Section 409A and, if applicable, Secti on 424(a) of the Code. Each SAR\nwill be denominated in shares of Common Stock equivalents.\n(c)Consideration. The purchase price of Common Stock acquired pursuant to the exercise of an Option will be p aid, to the extent\npermitted by applicable law and as determined by the Board in its sole discretion, by any combination of the methods of payment set forth below.\nThe Board will have the authority to grant Options that do not permit all of the following methods of payment (or otherwise restrict the ability to\nuse certain methods) and to grant Options that require the consent of the Company to uti lize a particular method of payment. The methods of\npayment permitted by this Section 5(c) are:\n(i) by cash, check, bank draft, money order or electronic funds transfer payable to the Company;\n(ii) pu rsuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance\nof the stock subject to the Option, results in either the receipt of cash (or c heck) by the Company or the receipt of irrevocable instructions to pay\nthe aggregate exercise price to the Company from the sales proceeds;(iii) if an option is a Nonstatutory Stock Option, by a net exercise arrangement pursuant to which the Company will reduce the\nnumber of shares of Common Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not \nexceed the aggregate exercise price; provided, however, that the Company will accept a cash or other payment from the Participant to the extent\nof any remaining balance of the aggregate exercise pric e not satisfied by such reduction in the number of whole shares to be issued; provided,\nfurther, that shares of Common Stock will no longer be outstanding under an Option and will not be exercisable t hereafter to the extent that (A)\nshares issuable upon exercise are reduced to pay the exercise price pursuant to the net exercise, (B) shares are delivered to the Participant as\na result of such exe rcise, and (C) shares are withheld to satisfy tax withholding obligations; or\n(iv) in any other form of legal consideration that may be acceptable to the Board and specified in the applicable Award Ag reement.\n(d)Exercise and Payment of a SAR. To exercise any outstanding SAR, the Participant must provide written notice of exercise to the\nCompany in compliance with the provisions of the

Stock Apprec iation Right Agreement evidencing such SAR. The appreciation distribution\npayable on the exercise of a SAR will be not greater than an amount equal to the excess of (A) the aggregate Fair Market Value (on the date of\nthe exercise of the SAR) of a number of shares of Common Stock equal to the number of Common Stock equivalents in which the Participant is\nvested under such SAR, and with respect to w hich the Participant is exercising the SAR on such date, over (B) the strike price. The appreciation\ndistribution may be paid in Common Stock, in cash, in any combination of the two or in any other fo rm of consideration, as determined by the\nBoard and contained in the Award Agreement evidencing such SAR.\n(e)Transferability of Options and SARs. The Board may, in its sole discretion, impose such lim itations on the transferability of Options\nand SARs as the Board will determine. If the Board determines that an Option or SAR will be transferable, the Option or SAR will contain such\nadditional term s and conditions as the Board deems appropriate. In the absence of such a determination by the Board to the contrary, the\nfollowing restrictions on the transferability of Options and SARs will apply:\n (i) Restrictions on Transfer. An Option or SAR will not be transferable except by will or by the laws of descent and distribution (or\npursuant to subsections (ii) and (iii) below) and will be exercisa ble during the lifetime of the Participant only by the Participant; provided,\nhowever, that the Board may, in its sole discretion, permit transfer of the Option or SAR in a manner consistent with appl icable tax and securities\nlaws upon the Participants request. Except as explicitly provided herein, neither an Option nor a SAR may be transferred for consideration.\n(ii) Domestic Relations Orders. N otwithstanding the foregoing, subject to the approval of the Board or a duly authorized Officer,\nan Option or SAR may be transferred pursuant to a domestic relations order or official marital settleme nt agreement; provided, however, that an\nIncentive Stock Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.\n(iii) Beneficiary Designation. Notwithstanding the foregoi ng, subject to the approval of the Board or a duly authorized Officer, a\nParticipant may, by delivering written notice to the Company, in a form provided by or otherwise satisfactory to the Company (o r the designated\nbroker), designate a third party who, in the event of the death of the Participant, will thereafter be entitled to exercise the Option or SAR and\nreceive the Common Stock or other con sideration resulting from such exercise. In the absence of such a designation, the executor or\nadministrator of the Participants estate (or other party legally entitled to the Option or SAR proceeds) will be entitled to exercise the Option or\nSAR and receive the Common Stock or other consideration resulting from such exercise. However, the Company may prohibit designation of a\nbeneficiary at any time, including due to any conclusion by the Company that such designation would be inconsistent with the provisions of\napplicable laws or difficult to administer.\n(f)Vesting Generally. The total numb er of shares of Common Stock subject to an Option or SAR may vest and therefore become\nexercisable in periodic installments that may or may not be equal. The Option or SAR may be subject to such other terms and conditions on the\ntime or times when it may or may not be exercised (which may be based on the satisfaction of Performance Goals or other criteria) as the Board\nmay deem appropriate. The ve sting provisions ofindividual Options or SARs may vary; provided, however, that in all cases, in the event that a Participants Continuous Service terminates as a\nresult of his or her death, then the Option or SAR will become fully vested and exercisable as of the date of termination of Continuous Service.\nThe provisions of this Section 5(f) are subject to any Option or SAR provisions governing th e minimum number of shares of Common Stock as to\nwhich an Option or SAR may be exercised.\n(g)Termination of Continuous Service. Except as otherwise provided in the applicable Award Agreement or other agreement between\nthe Participant and the Company, in the event that a Participants Continuous Service terminates (other than for Cause or upon the Participants\ndeath or Disability), the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Award\nas of the date of termination of Continuous Service) but only within such period of time ending on the earlier of (i) the date 90 days following the\ntermination of the Participants Continuous Service, or (ii) the expiration of the term of the Option or SAR as set forth in the Award Agree ment. If,\nafter termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the time specified herein or in the\nAward Agreement (as applicable), the Option or SAR will terminate.\n(h)Extension of Termination Date. If the exercise of an Option or SAR following the termination of the Participants Continuous Service\n(other than for Cause or upon the Participan ts death or Disability) would either (i) be prohibited solely because the issuance of shares of\nCommon Stock would violate the registration requirements under the Securities Act, or (ii) subject the Participant to short-swing liability under\nSection 16(b) of the Exchange Act due to a transaction engaged in by the Participant prior to his or her termination of Continuous Service, then\nthe Option o r SAR will terminate on the earlier of (A) the expiration of a period of 90 days after the termination of the Participants Continuous\nService during which the exercise of the Option or SAR would not be in violation of such registration requirements and would not subject the\nParticipant to short-swing liability under Section 16(b) of the Exchange Act, or (B) the expiration of the term of the Optio n or SAR as set forth in\nthe Award Agreement. All determinations under this Section 5(h) will be made in the sole discretion of the Board.\n(i)Disability of Participant. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant\nand the Company, in the event that a Participants Continuous Service terminates as a result of the Participants Disability, the Participant may\nexercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of termination of\nContinuous Service), but only wi thin such period of time ending on the earlier of (i) the date 12 months following such termination of Continuous\nService, or (ii) the expiration of the term of the Option or SAR as set forth in the A ward Agreement. If, after termination of Continuous Service,\nthe Participant does not exercise his or her Option or SAR within the time specified herein or in the Award Agreement (as applicable), the Option\nor SAR will terminate.\n(j)Death of Participant. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant and\nthe Company, in the event that (i) a Participants Continuous Service terminates as a result of the Participants death (which termination event\nwill give rise to acceleration of vesting as described in Section 5(f) above), or (ii) the Participant dies within the period (if any) specified in the\nAward Agreement after the termination of the Participants Continuous Service for a reason other than death (which event will not give ris e to\nacceleration of vesting as described in Section 5(f) above), then the Option or SAR may be exercised (to the extent the Participant was entitled\nto exercise such Option or SAR as of the date of d eath) by the Participants estate, by a person who acquired the right to exercise the Option or\nSAR by bequest or inheritance or by a person designated to exercise the Option or SAR upon the Participa nts death, but only within the period\nending on the earlier of (A) the date 18 months following the date of death, or (B) the expiration of the term of such Option or SAR as set forth in\nthe Award Ag reement. If, after the Participants death, the Option or SAR is not exercised within the time specified herein or in the Award\nAgreement (as applicable), the Option or SAR will terminate.\n(k)Terminat ion for Cause. Except as explicitly provided otherwise in a Participants Award Agreement, or other individual written\nagreement between the Company or any Affiliate and the Participant, if a Particip ants Continuous Service is terminated for Cause, the Option or\nSAR will terminate immediately upon such Participants termination of Continuous Service, and the Participant will be prohibited from ex ercising\nhis or her Option or SAR from and after the time of such termination of Continuous Service.(l)Non-Exempt Employees. No Option or SAR granted to an Employee that is a non-exempt employee for p urposes of the Fair Labor\nStandards Act of 1938, as amended, will be first exercisable for any shares of Common Stock until at least six (6) months following the date of\ngrant of the Option or SAR (al though the Award may vest prior to such date). Consistent with the provisions of the Worker Economic Opportunity\nAct, (i) if such non-exempt Employee dies or suffers a Disability, (ii) upon a Corporat e Transaction in which such Option or SAR is not assumed,\ncontinued, or substituted, (iii) upon a Change in Control, or (iv) upon the Participants retirement (as such term may be defined in the\nParti cipants Award Agreement or in another agreement between the Participant and the Company, or, if no such definition, in accordance with\nthe Companys then current employment policies and guidelines), the vested portion of any Options and SARs may be exercised earlier than six\n(6) months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non- exempt employee in\nconnection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay. To the extent permitted and/or\nrequired for compliance with the Worke r Economic Opportunity Act to ensure that any income derived by a non-exempt employee in connection\nwith the exercise, vesting or issuance of any shares under any other Stock Award will be exempt from the employees regular rate of pay, the\nprovisions of this Section 5(k) will apply to all Stock Awards and are hereby incorporated by reference into such Stock Award Agreements.\n6.Provisions of Stock Awards other than Options and SARs.\n(a)Restricted Stock Awards. Each Restricted Stock Award Agreement will be in such form and will contain such terms and conditions as\nthe Board will deem appropriat e. To the extent consistent with the Companys Bylaws, at the Boards election, shares of Common Stock may be\n(x) held in book entry form subject to the Companys instructions until any restrictions r elating to the Restricted Stock Award lapse; or\n(y) evidenced by a certificate, which certificate will be held in such form and manner as determined by the Board. The terms and conditions of\nRestricte d Stock Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Award\nAgreements need not be identical, provided, however, that each Restricted Stock A ward Agreement will include (through incorporation of the\nprovisions hereof by reference in the Award Agreement or otherwise) the substance of each of the following provisions:\n(i) Consideration. A Re stricted Stock Award may be awarded in consideration for (A) cash, check, bank draft, money order or\nelectronic funds transfer payable to the Company, (B) past services rendered to the Company or an A ffiliate, or (C) any other form of legal\nconsideration (including future services) that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.\n(ii) Vesting. Shar es of Common Stock awarded under a Restricted Stock Award Agreement may be subject to forfeiture to the\nCompany in accordance with a vesting schedule to be determined by the Board; provided, however, that in all cases, in the event a Participants\nContinuous Service terminates as a result of his or her death, then the Restricted Stock Award will become fully vested as of the date of\ntermination of Continuous Service.\n(iii) Termination of Participants Continuous Service. In the event a Participants Continuous Service terminates, the Company\nmay receive via a forfeiture condition or a repurcha se right any or all of the shares of Common Stock held by the Participant which have not\nvested as of the date of termination of Continuous Service under the terms of the Restricted Stock Award Agreem ent.\n(iv) Transferability. Rights to acquire shares of Common Stock under the Restricted Stock Award Agreement will be transferable by\nthe Participant only upon such terms and conditions as are set fo rth in the Restricted Stock Award Agreement, as the Board will determine in its\nsole discretion, so long as Common Stock awarded under the Restricted Stock Award Agreement remains subject to the terms of the Restricted\nStock Award Agreement.\n(b)Restricted Stock Unit Awards. Each Restricted Stock Unit Award Agreement will be in such form and will contain such terms and\nconditions as the Board will deem appropriate. The terms and conditions of Restricted Stock Unit Award Agreements may change from time to\ntime, and the terms and conditions of separate Restricted Stock Unit Award Agreements need not be identical, provided, however, that each\nRestricted Stock Unit Award Agreement willinclude (through incorporation of the provisions hereof by reference in the Award Agreement or otherwise) the s ubstance of each of the following\nprovisions:\n(i) Consideration. At the time of grant of a Restricted Stock Unit Award, the Board will determine the consideration, if any, to be\npaid by the Participan t upon delivery of each share of Common Stock subject to the Restricted Stock Unit Award. The consideration to be paid (if\nany) by the Participant for each share of Common Stock subject to a Restricte d Stock Unit Award may be paid in any form of legal consideration\nthat may be acceptable to the Board in its sole discretion and permissible under applicable law.\n(ii) Vesting. At the time of the gran t of a Restricted Stock Unit Award, the Board may impose such restrictions or conditions to the\nvesting of the Restricted Stock Unit Award as it, in its sole discretion, deems appropriate; provided, h owever, that in all cases, in the event a\nParticipants Continuous Service terminates as a result of his or her death, then the Restricted Stock Unit Award will become fully vested as of\nthe date of t ermination of Continuous Service.\n(iii) Payment. A Restricted Stock Unit Award may be settled by the delivery of shares of Common Stock, their cash equivalent, any\ncombination thereof or in any other form of consideration, as determined by the Board and contained in the Restricted Stock Unit Award\nAgreement.\n(iv) Additional Restrictions. At the time of the grant of a Restricted Stock Unit Award, t he Board, as it deems appropriate, may\nimpose such restrictions or conditions that delay the delivery of the shares of Common Stock (or their cash equivalent) subject to a Restricted\nStock Unit Award to a time after the vesting of such Restricted Stock Unit Award.\n(v) Termination of Participants Continuous Service. Except as otherwise provided in the applicable Restricted Stock Unit Award\nAgreeme nt, such portion of the Restricted Stock Unit Award that has not vested will be forfeited upon the Participants termination of Continuous\nService.\n(c)Performance Awards.\n(i) Performance Stock Awards. A Performance Stock Award is a Stock Award that is payable (including that may be granted, vest\nor exercised) contingent upon the attainment during a Performance Period of certain Performance Goals. A Performance Stock Award may\nrequire the completion of a specified period of Continuous Service. In the event a Participants Continuous Service terminates as a result of his\nor her death, then the P erformance Stock Award will be deemed to have been earned at 100% of the target level of performance, will be fully\nvested, as of the date of death, and shares thereunder will be issued promptly follo wing the date of death. The length of any Performance\nPeriod, the Performance Goals to be achieved during the Performance Period, and the measure of whether and to what degree such\nPerformance Goals h ave been attained will be conclusively determined by the Committee (or, to the extent that an Award is not intended to\nqualify as performance-based compensation under Section 162(m) of the Code, the Board), in its sole discretion. In addition, to the extent\npermitted by applicable law and the applicable Award Agreement, the Board or the Committee, as applicable, may determine that cash may be\nus ed in payment of Performance Stock Awards.\n(ii) Performance Cash Awards. A Performance Cash Award is a cash award that is payable contingent upon the attainment during\na Performance Period of certain Performance Goals. A Performance Cash Award may also require the completion of a specified period of\nContinuous Service. The length of any Performance Period, the Performance Goals to be achieved duri ng the Performance Period, and the\nmeasure of whether and to what degree such Performance Goals have been attained will be conclusively determined by the Committee (or, to\nthe extent that an Award is not intended to qualify as performance-based compensation under Section 162(m) of the Code, the Board), in its\nsole discretion. The Board or the Committee, as applicable, may provide for or, subject to such terms and conditions as the Board or the\nCommittee, as applicable, may specify, may permit a Participant to elect for, the payment of any Performance Cash Award to be deferred to a\nspecified date or event. The Board or the Committee, as applicable, may specify the form of payment of Performance Cash Awards, which may\nbe cash or other property, or may provide for a Participant to have the option for his or her Performance Cash Award, or such portion thereof as\nthe Board or theCommittee, as applicable, may specify, to be paid in whole or in part in cash or other property. In addition, t o the extent permitted by applicable\nlaw and the applicable Award Agreement, the Board or the Committee, as applicable, may determine that Common Stock authorized under this\nPlan may be used in paymen t of Performance Cash Awards, including additional shares in excess of the Performance Cash Award as an\ninducement to hold shares of Common Stock.\n(iii) Section 162(m) Compliance. Unless otherwise per mitted in compliance with the requirements of Section 162(m) of the Code\nwith respect to any Award intended to qualify as performance-based compensation thereunder, the Committee will establish the Performance\nGoals applicable to, and the formula for calculating the amount payable under, the Award no later than the earlier of (a) the date 90 days after\nthe commencement of the applicable Performa nce Period, and (b) the date on which 25% of the Performance Period has elapsed, and in any\nevent at a time when the achievement of the applicable Performance Goals remains substantially uncertain. Pr ior to the payment of any\ncompensation under an Award intended to qualify as performance-based compensation under Section 162(m) of the Code, the Committee will\ncertify the extent to which any Perfo rmance Goals and any other material terms under such Award have been satisfied (other than in cases\nwhere such relate solely to the increase in the value of the Common Stock). With respect to any Awar d intended to qualify as performance-\nbased compensation under Section 162(m) of the Code, the Committee may reduce or eliminate the compensation or economic benefit due\nupon the attainment of the a pplicable Performance Goals on the basis of any such further considerations as the Committee, in its sole discretion,\nmay determine.\n(d)Other Stock Awards. Other forms of Stock Awards valued in whole or in part by reference to, or otherwise based on, Common Stock,\nincluding the appreciation in value thereof may be granted either alone or in addition to Stock Awards provided for under Section 5 and the\npreceding provisions of this Section 6. Subject to the provisions of the Plan (including, but not limited to, Section 2(g)), the Board will have sole\nand complete authority to determine the perso ns to whom and the time or times at which such Other Stock Awards will be granted, the number\nof shares of Common Stock (or the cash equivalent thereof) to be granted pursuant to such Other Stock Awar ds and all other terms and\nconditions of such Other Stock Awards; provided, however, that in all cases, in the event a Participants Continuous Service terminates as a\nresult of his or her death, then any Other Stock Awards held by such Participant will become fully vested as of the date of termination of\nContinuous Service.\n7.Covenants of the Company.\n(a)Availability of Shares. During the terms o f the Stock Awards, the Company will keep available at all times the number of shares of\nCommon Stock reasonably required to satisfy such Stock Awards.\n(b)Securities Law Compliance. The Company will s eek to obtain from each regulatory commission or agency having jurisdiction over the\nPlan, or any offerings made under the Plan, such authority as may be required to grant Stock Awards and to issue an d sell shares of Common\nStock upon exercise of the Stock Awards; provided, however, that this undertaking will not require the Company to register under the Securities\nAct the Plan, any Stock Award or any Common Stock issued or issuable pursuant to any such Stock Award nor seek to obtain such approval if\nthe cost or efforts to obtain the approval is unreasonable in relation to the value of the ben efits to be provided under the Plan, as determined by\nthe Company in its sole discretion. If, after reasonable efforts and at a reasonable cost, the Company is unable to obtain from any such\nregulator y commission or agency the authority that counsel for the Company deems necessary for the lawful issuance and sale of Common\nStock under the Plan, the Company will be relieved from any liability for f ailure to issue and sell Common Stock upon exercise of such Stock\nAwards unless and until such authority is obtained. A Participant will not be eligible for the grant of an Award or the subsequent iss uance of cash\nor Common Stock pursuant to the Award if such grant or issuance would be in violation of any applicable securities laws.\n(c)No Obligation to Notify or Minimize Taxes. The Company will ha ve no duty or obligation to any Participant to advise such Participant\nas to the time or manner of exercising such Stock Award. Furthermore, the Company will have no duty or obligation to warn or othe rwise advise\nsuch holder of a pending termination or expiration of an Award or a possible period in which the Award may not be exercised. Neither the\nCompany nor any of its Affiliates has any duty or obligation to minimize the tax consequences of an Award to the holder of such Award.8.Miscellaneous.\n(a)Use of Proceeds. Proceeds from the sale of shares of Common Stock pursuant to Awards will consti tute general funds of the Company.\n(b)Corporate Action Constituting Grant of Stock Awards. Corporate action constituting a grant by the Company of an Award to any\nParticipant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the\ninstrument, certificate, or letter evidencing the Award is communicated to, or actually receiv ed or accepted by, the Participant. In the event that\nthe corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action constituting the grant contain terms (e.g.,\n exercise price, vesting schedule or number of shares) that are inconsistent with those in the Award Agreement as a result of a clerical error in the\npapering of the Award Agreement, the corporate reco rds will control and the Participant will have no legally binding right to the incorrect term in\nthe Award Agreement.\n(c)Stockholder Rights. No Participant will be deemed to be the holder of, or to ha ve any of the rights of a holder with respect to, any\nshares of Common Stock subject to an Award unless and until (i) such Participant has satisfied all requirements for exercise of, or the issuance\no f shares under, the Award pursuant to its terms and (ii) the issuance of the Common Stock subject to such Award has been entered into the\nbooks and records of the Company.\n(d)No Employment or Other Se rvice Rights. Nothing in the Plan, any Award Agreement or any other instrument executed thereunder or\nin connection with any Award granted pursuant to the Plan will confer upon any Participant any rig ht to continue to serve the Company or an\nAffiliate in the capacity in effect at the time the Award was granted or will affect the right of the Company or an Affiliate to terminate (i) the\nemployment of an Employee with or without notice and with or without cause (provided in compliance with applicable local laws and the\nEmployees employment contract, if any), (ii) the service of a Consultant pur suant to the terms of such Consultants agreement with the\nCompany or an Affiliate, or (iii) the service of a Director pursuant to the Bylaws of the Company or an Affiliate, and any applicable provisi ons of\nthe corporate law of the state in which the Company or the Affiliate is incorporated, as the case may be.\n(e)Change in Time Commitment. In the event a Participants regular level of time commit ment in the performance of his or her services\nfor the Company or any Affiliates is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the\nEmployee has a change in status from a full-time Employee to a part-time Employee) after the date of grant of any Award to the Participant, the\nBoard has the right in its sole discretion (provided in compliance wi th applicable local laws) to (i) make a corresponding reduction in the number\nof shares or cash amount subject to any portion of such Award that is scheduled to vest or become payable after the date o f such change in time\ncommitment, and (ii) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the\nevent of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced.\n(f)Incentive Stock Option Limitation. To the extent that the aggregate Fair Market Value (determined at the time of grant) with respect to\nwhich Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company\nand any Affiliates) exceeds $100,000 (or such other limit established in the Code) or otherwise does not comply with the rules governing\nIncentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise\ndo not comply with the rules will be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option\nAgree ment(s) or any Board or Committee resolutions related thereto.\n(g)Investment Assurances. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any\nAward, (i) to give written assurances satisfactory to the Company as to the Participants knowledge and experience in financial and business\nmatters and/or to employ a purchaser representative reasonably sat isfactory to the Company who is knowledgeable and experienced in financial\nand business matters and that he or she is capable of evaluating, alone or together with the purchaser representative, the me rits and risks of\nexercising the Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Common Stock\nsubject to the Award for the Participant s own account and not with any present intention of selling or otherwisedistributing the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, will be inope rative if (A)\nthe issuance of the shares upon the exercise or acquisition of Common Stock under the Award has been registered under a then currently\neffective registration statement under the Securiti es Act, or (B) as to any particular requirement, a determination is made by counsel for the\nCompany that such requirement need not be met in the circumstances under the then applicable securities laws . The Company may, upon\nadvice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in\norder to comply with applicable se curities laws, including, but not limited to, legends restricting the transfer of the Common Stock.\n(h)Withholding Obligations. Unless prohibited by the terms of an Award Agreement, the Company may, i n its sole discretion, satisfy any\nfederal, state, foreign or local tax withholding obligation relating to an Award (including but not limited to income tax, social insurance\ncontributions, payment on account or any other taxes) by any of the following means (in addition to the Companys right to withhold from any\ncompensation paid to the Participant by the Company or an Affiliate) or by a combina tion of such means: (i) causing the Participant to tender a\ncash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in\nco nnection with the Award; provided, however, that no shares of Common Stock are withheld with a value exceeding the maximum amount of\ntax required to be withheld by law (or such other amount as may be necessary to avoid classification of the Stock Award as a liability for financial\naccounting purposes); (iii) withholding cash from an Award settled in cash; (iv) withholding payment from any amounts otherwise payable to the\nParticipant; or (v) by such other method as may be set forth in the Award Agreement.\n(i)Electronic Delivery. Any reference herein to a written agreement or document will inc lude any agreement or document delivered\nelectronically, filed publicly at www.sec.gov (or any successor website thereto) or posted on the Companys intranet.\n(j)Deferrals. To the extent permitted by applicable law, the Board, in its sole discretion, may determine that the delivery of Common Stock\nor the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Award may be deferred and may establish programs\nand procedures for deferral elections to be made by Participants. Deferrals by Participants will be made in accordance with Section 409A of the\nCode. Consistent with Section 409A of the Code, the Board may provide for distributions while a Participant is still an employee or otherwise\nproviding services to the Company or an Affiliate. The Board is authorized to make deferrals of Awards and determine when, and in what annual\npercentages, Participants may receive payments, including lump sum payments, following the Participants termination of Continuous S ervice,\nand implement such other terms and conditions consistent with the provisions of the Plan and in accordance with applicable law.\n(k)Compliance with Section 409A. Unless otherwise expressly prov ided for in an Award Agreement, the Plan and Award Agreements will\nbe interpreted to the greatest extent possible in a manner that makes the Plan and the Awards granted hereunder exempt from Section 4 09A of\nthe Code, and, to the extent not so exempt, in compliance with Section 409A of the Code. If the Board determines that any Award granted\nhereunder is not exempt from and is therefore subject to Section 409A of the Code, the Award Agreement evidencing such Award will\nincorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code, and to th e extent an\nAward Agreement is silent on terms necessary for compliance, such terms are hereby incorporated by reference into the Award Agreement.\nNotwithstanding anything to the contrary in this Plan (and unless the Award Agreement specifically provides otherwise), if the shares of Common\nStock are publicly traded, and if a Participant holding an Award that constitutes deferred compensation und er Section 409A of the Code is a\nspecified employee for purposes of Section 409A of the Code, no distribution or payment of any amount that is due because of a separation\nfrom service (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date\nthat is six (6) months following the date of such Participants separation fro m service or, if earlier, the date of the Participants death, unless\nsuch distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred wil l be paid in\na lump sum on the day after such six (6) month period elapses, with the balance paid thereafter on the original schedule.(l)Clawback/Recovery. All Awards granted under the Plan will be su bject to recoupment in accordance with any clawback policy that the\nCompany is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Compa nys\nsecurities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable law. In\naddition, the Board may impose such other clawback, recovery or recoupment provisions in an Award Agreement as the Board determines\nnecessary or appropriate, including but not limited to a reacquisition right in respect of previously acquired shares of Common Stock or other\ncash or property upon the occurrence of Cause.\n9.Adjustments upon Changes in Common Stock; Other Corporate Events.\n(a)Capitalization Adjustments. In the event of a Capitalizatio n Adjustment, the Board will appropriately and proportionately adjust: (i) the\nclass(es) and maximum number of securities subject to the Plan pursuant to Section 3(a); (ii) the class(es) and maximum n umber of securities\nthat may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 3(c); (iii) the class(es) and maximum number of\nsecurities that may be awarded to any per son pursuant to Section 3(d); and (iv) the class(es) and number of securities and price per share of\nstock subject to outstanding Stock Awards. The Board will make such adjustments, and its determinat ion will be final, binding and conclusive.\n(b)Dissolution or Liquidation. Except as otherwise provided in the Stock Award Agreement, in the event of a dissolution or liquidation of\nthe Company, and up on ten (10) days prior written notice, all outstanding Stock Awards (other than Stock Awards consisting of vested and\noutstanding shares of Common Stock not subject to the Companys right of repurchas e or a forfeiture condition) will terminate immediately prior\nto the completion of such dissolution or liquidation, and the shares of Common Stock subject to the Companys repurchase rights or a forfe iture\ncondition may be repurchased or reacquired by the Company notwithstanding the fact that the holder of such Stock Award is providing\nContinuous Service, provided, however, that the Board may, in its sole discretion, cause some or all Stock Awards to become fully vested,\nexercisable and/or no longer subject to repurchase or forfeiture (to the extent such Stock Awards have not previously expire d or terminated)\nbefore the dissolution or liquidation is completed but contingent on its completion.\n(c)Corporate Transaction.\n(i) Stock Awards May Be Assumed. Except as otherwise stated in the Stock Award Agreement, in the event of a Corporate\nTransaction, any surviving corporation or acquiring corporation (or the surviving or acquiring corporations parent company) may assume or\ncontinue any or all Stock Awards outstanding under the Plan or may substitute similar stock awards for Stock Awards outstanding under the Plan\n(including but not limited to, awards to acquire the same consideration paid to the stockholders of the Company pursuant to the Corporate\nTransaction), and any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to Stock Award s\nmay be assigned by the Company to the successor of the Company (or the successors parent company, if any), in connection with such\nCorporate Transaction. A surviving corporation or acquiring corpor ation (or its parent) may choose to assume or continue only a portion of a\nStock Award or substitute a similar stock award for only a portion of a Stock Award.\n(ii) Stock Awards Not Assumed Held by Cu rrent Participants. Except as otherwise stated in the Stock Award Agreement\n(including an option and stock award agreement subject to the terms of the Prior Plans, which terms remain applicable as to outstanding options\nand stock awards thereunder), in the event of a Corporate Transaction in which the surviving corporation or acquiring corporation (or its parent\ncompany) does not assume or continu e any or all outstanding Stock Awards or substitute similar stock awards for such outstanding Stock\nAwards, then with respect to Stock Awards that have not been assumed, continued or substituted and t hat are held by Participants whose\nContinuous Service has not terminated prior to the effective time of the Corporate Transaction (referred to as the Current Participants), the\nvesting of such Stock Awards (and, if applicable, the time at which such Stock Awards may be exercised) will (contingent upon the effectiveness\nof the Corporate Transaction) be accelerated in full to a date prior to the e ffective time of such Corporate Transaction as the Board will determine\n(or, if the Board will not determine such a date, to the date that is five business (5) days prior to the effective time of the Corporate Transaction),\nand such StockAwards will terminate if not exercised (if applicable) at or prior to the effective time of the Corporate Transaction, and any reacquisition or\nrepurchase rights held by the Company with respect to such Stock Awards will lapse (contingent upon the effectiveness of the Corporate\nTransaction).\n(iii) Stock Awards Not Assumed Held by Persons other than Current Par ticipants. Except as otherwise stated in the Stock\nAward Agreement (including an option and stock award agreement subject to the terms of the Prior Plans, which terms remain applicable as to\noutstandi ng options and stock awards thereunder), in the event of a Corporate Transaction in which the surviving corporation or acquiring\ncorporation (or its parent company) does not assume or continue any or all outstanding Stock Awards or substitute similar stock awards for such\noutstanding Stock Awards, then with respect to Stock Awards that have not been assumed, continued or substituted and that are h eld by\npersons other than Current Participants, the vesting of such Stock Awards (and, if applicable, the time at which such Stock Award may be\nexercised) will not be accelerated and such Stock Awards (other than a Stock Award consisting of vested and outstanding shares of Common\nStock not subject to the Companys right of repurchase), upon advance written notice by the Company of at least five (5) business days to the\nholders of such Stock Awards, will terminate if not exercised (if applicable) prior to the effective time of the Corporate Transaction; provided,\nhowever, that any reacquisition or repurchase rights held by the Company with respect to such Stock Awards will not terminate and may\ncontinue to be exercised notwithstanding the Corporate Transaction.\n(d)Change in Control.\n(i) Sto ck Awards May Be Assumed. Except as otherwise stated in the Stock Award Agreement, in the event of a Change in\nControl, any surviving corporation or acquiring corporation (or the surviving or acquirin g corporations parent company) may assume or continue\nany or all Stock Awards outstanding under the Plan or may substitute similar stock awards for Stock Awards outstanding under the Plan\n(including but not limited to, awards to acquire the same consideration paid to the stockholders of the Company pursuant to the Change in\nControl), and any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to Stock Awards may be\nassigned by the Company to the successor of the Company (or the successors parent company, if any), in connection with such Change in \nControl. A surviving corporation or acquiring corporation (or its parent) may choose to assume or continue only a portion of a Stock Award or\nsubstitute a similar stock award for only a portion of a Stock Award.\n(ii) Stock Awards Not Assumed Held by Current Participants. Except as otherwise stated in the Stock Award Agreement\n(including an option and stock award agreement subject to the terms of the Prior Plans, which terms remain applicable as to outstanding options\nand stock awards thereunder), in the event of a Change in Control in which the surviving corporation or acquiring corporation (or its parent\ncompany) does not assume or continue any or all outstanding Stock Awards or substitute similar stock awards for such outstanding Stock\nAwards, then with respect to Stock Awards that have not been assumed, continued or substituted and that are held by Current Participants, the\nvesting of such Stock Awards (and, if applicable, the time at which such Stock Awards may be exercised) will (contingent upon the effectiveness\nof the Change in Control) be accelerated in full to a date prior to the effective time of such Change in Control as the

Board will determine (or, if\nthe Board will n ot determine such a date, to the date that is five business (5) days prior to the effective time of the Change in Control), and such\nStock Awards will terminate if not exercised (if applicable) at or prior to the effective time of the Change in Control, and any reacquisition or\nrepurchase rights held by the Company with respect to such Stock Awards will lapse (contingent upon the effectiveness of the Change in\nControl).\n(iii) Stock Awards Not Assumed Held by Persons other than Current Participants. Except as otherwise stated in the Stock\nAward Agreement (including an option and stock award agr eement subject to the terms of the Prior Plans, which terms remain applicable as to\noutstanding options and stock awards thereunder), in the event of a Change in Control in which the surviving corpora tion or acquiring\ncorporation (or its parent company) does not assume or continue any or all outstanding Stock Awards or substitute similar stock awards for such\noutstanding Stock Awards, then with re spect to Stock Awards that have not been assumed, continued or substituted and that are held by\npersons other than Current Participants, the vesting of such Stock Awards (and, if applicable, the time at which such Stock Award may be\nexercised) will not be accelerated and such Stock Awards (other than a Stock Award consisting of vestedand outstanding shares of Common Stock not subject to the Compan ys right of repurchase), upon advance written notice by the Company of at\nleast five (5) business days to the holders of such Stock Awards, will terminate if not exercised (if applicable) prior to th e effective time of the\nChange in Control; provided, however, that any reacquisition or repurchase rights held by the Company with respect to such Stock Awards will\nnot terminate and may continue to b e exercised notwithstanding the Change in Control.\n(iv) Additional Provisions. A Stock Award may be subject to additional acceleration of vesting and exercisability upon or after a\nChange in Control a s may be provided in the Stock Award Agreement for such Stock Award or as may be provided in any other written\nagreement between the Company or any Affiliate and the Participant. A Stock Award may ves t as to all or any portion of the shares subject to the\nStock Award (i) immediately upon the occurrence of a Change in Control, whether or not such Stock Award is assumed, continued, or substituted\nby a surviving or acquiring entity in the Change in Control, and/or (ii) in the event a Participants Continuous Service is terminated, actually or\nconstructively, within a designated period following t he occurrence of a Change in Control, but in the absence of such provision, no such\nacceleration will occur.\n10.Termination or Suspension of the Plan.\n(a)Plan Term. Unless sooner terminated by the Boa rd pursuant to Section 2, the Plan will automatically terminate on the day before the\ntenth (10th) anniversary of the earlier of (i) the date the Plan is adopted by the Board or a duly authorized Comm ittee, or (ii) the date the Plan is\napproved by the stockholders of the Company. The Board may suspend the Plan at anytime. No Awards may be granted under the Plan while\nthe Plan is suspended or after it is terminated.\n11.Effective Date of Plan.\nThis Plan will become effective on the Effective Date.\n12.Choice of Law.\nThe law of the State of Delaware will govern all questions concerning the constru ction, validity and interpretation of this Plan, without regard\nto that states conflict of laws rules.\n13.Definitions.\nAs used in the Plan, the following definitions will apply to the capitalized ter ms indicated below:\n(a)Affiliate means, at the time of determination, any parent or subsidiary of the Company as such terms are defined in Rule 405 of the\nSecurities Act. The Board will have the authority to determine the time or times at which parent or subsidiary status is determined within the\nforegoing definition.\n(b)Award means a Stock Award or a Performance Cash Award.\n(c)Award Agreement means a written agreement between the Company and a Participant evidencing the terms and conditions of an\nAward.\n(d)Board means the Board of Directors of the Company.\n(e)Capitalization A djustment means any change that is made in, or other events that occur with respect to, the Common Stock subject\nto the Plan or subject to any Stock Award after the Effective Date without the receipt of consideration by the Company through merger,\nconsolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, stock split, liquidating\ndivide nd, combination of shares, exchange of shares, change in corporate structure or any similar equity restructuring transaction, as that term is\nused in Financial Accounting Standards Board Accounting St andards Codification Topic 718 (or any successor thereto). Notwithstanding the\nforegoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment .\n(f)Cause means (i) if a Participant is party to an agreement with the Company or an Affiliate that relates to equity awards and contains a\ndefinition of Cause, the definition of Cause in the a pplicable agreement, or (ii) if a Participant is not party to any such agreement, such\nParticipants termination because of (A) any willful, material violation by theParticipant of any law or regulati on applicable to the business of the Company or an Affiliate, the Participants conviction for, or guilty plea to, a\nfelony or a crime involving moral turpitude, or any willful perpetration by the Par ticipant of a common law fraud, (B) the Participants commission\nof an act of personal dishonesty that involves personal profit in connection with the Company or any other entity having a business rel ationship\nwith the Company, (C) any material breach by the Participant of any provision of any agreement or understanding between the Company or an\nAffiliate and the Participant regarding the terms of the Participants service as an Employee, Officer, Director or Consultant to the Company or an\nAffiliate, including without limitation, the willful and continued failure or refusal of the Participant to perform the material duties required of such\nParticipant as an Employee, Officer, Director or Consultant of the Company or an Affiliate, other than as a result of having a Disability, or a\nbreach of any applicable invention assignment and confidentiality agreement or similar agreement between the Company or an Affiliate and the\nParticipant, (D) the Participants disregard of the policies of th e Company or an Affiliate so as to cause loss, damage or injury to the property,\nreputation or employees of the Company or an Affiliate, or (E) any other misconduct by the Participant that is material ly injurious to the financial\ncondition or business reputation of, or is otherwise materially injurious to, the Company or an Affiliate.\n(g) Change in Control means the occurrence, in a single trans action or in a series of related transactions, of any one or more of the\nfollowing events:\n(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company represent ing more than 50%\nof the combined voting power of the Companys then outstanding securities other than by virtue of a merger, consolidation or similar transaction.\nNotwithstanding the foregoing, a Cha nge in Control will not be deemed to occur (A) on account of the acquisition of securities of the Company by\nan investor, any affiliate thereof or any other Exchange Act Person that acquires the Compa nys securities in a transaction or series of related\ntransactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities, or (B) solely because\n the level of Ownership held by any Exchange Act Person (the Subject Person) exceeds the designated percentage threshold of the\noutstanding voting securities as a result of a repurchase or other acqu isition of voting securities by the Company reducing the number of shares\noutstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acqu isition of voting\nsecurities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that,\nassuming the repurchase or other acquisiti on had not occurred, increases the percentage of the then outstanding voting securities Owned by the\nSubject Person over the designated percentage threshold, then a Change in Control will be deemed to occur;\n(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and,\nimmediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior\nthereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting\npower of the surviving Entity in such merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power\nof the parent of the surviving Entit y in such merger, consolidation or similar transaction, in each case in substantially the same proportions as\ntheir Ownership of the outstanding voting securities of the Company immediately prior to s uch transaction;\n(iii) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of\nthe Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the\nCompany and its Subsidiaries to an Entity, more than 50% of the combined voting power of the voting securities of which are Owned by\nstockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the

Company\nimmediately prior to su ch sale, lease, license or other disposition; or\n(iv) individuals who, on the date this Plan is adopted by the Board, are members of the Board (the Incumbent Board) cease for\nany reason to constitut e at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for\nelection) of any new Board member was approved orrecommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of this Plan, be\nconsidered as a member of the Incumbent Board.\nFor purposes of determining voting p ower under the term Change in Control, voting power will be calculated by assuming the conversion of\nall equity securities convertible (immediately or at some future time) into shares entitled to vote , but not assuming the exercise of any warrant or\nright to subscribe to or purchase those shares. In addition, (A) the term Change in Control will not include a sale of assets, merger or other\ntransac tion effected exclusively for the purpose of changing the domicile of the Company, and (B) the definition of Change in Control (or any\nanalogous term) in an individual written agreement between the Co mpany or any Affiliate and the Participant will supersede the foregoing\ndefinition with respect to Awards subject to such agreement; provided, however, that if no definition of Change in Control or an y analogous term\nis set forth in such an individual written agreement, the foregoing definition will apply; provided, further, that no Change in Control will be deemed\nto occur upon announcement or co mmencement of a tender offer or upon a potential takeover or upon stockholder approval of a merger or other\ntransaction, in each case without a requirement that the Change in Control actually occur.\nI f required for compliance with Section 409A of the Code, in no event will a Change in Control be deemed to have occurred if such\ntransaction is not also a change in the ownership or effective control of the Company or a change in the ownership of a substantial portion of\nthe assets of the Company as determined under Treasury Regulation Section 1.409A-3(i)(5) (without regard to any alternative definition\nthereunder). The Board may, in its sole discretion and without a Participants consent, amend the definition of Change in Control to conform to\nthe definition of Change in Control under Section 409A of the Code and the regulations thereunder.\n(h)Code means the Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.\n(i)Committee me ans a committee of one (1) or more Directors to whom authority has been delegated by the Board in accordance with\nSection 2(c).\n(j)Common Stock means the common stock of the Company.\n(k)Company me",

"result": "Based on the analysis of Nvidia's 10-K report, several potential revenue growth opportunities can be identified. Here are some innovative strategies, new markets, and product offerings that could drive revenue growth and enhance profitability for Nvidia:\n\n### 1. **Expansion in Generative AI and Microservices**\n - **Opportunity**: Nvidia has introduced generative AI models and NIM microservices for OpenUSD. This positions the company to capitalize on the growing demand for AI-driven solutions across various industries.\n - **Strategy**: Nvidia can enhance its offerings by developing tailored generative AI solutions for specific sectors such as healthcare, finance, and entertainment. Collaborating with industry leaders to create customized AI applications could open new revenue streams.\n\n### 2. **Automotive Sector Growth**\n - **Opportunity**: Automotive revenue has shown significant growth, with a 37% increase year-over-year. The success in the Autonomous Grand Challenge highlights Nvidia's capabilities in autonomous vehicle technology.\n - **Strategy**: Nvidia should continue to invest in partnerships with automotive manufacturers to integrate its AI technologies into their vehicles. Expanding its product line to include more advanced driver-assistance systems (ADAS) and fully autonomous driving solutions could capture a larger market share.\n\n### 3. **Data Center and Cloud Services**\n - **Opportunity**: The Compute & Networking segment has seen explosive growth, driven by demand for AI solutions and GPU computing.\n - **Strategy**: Nvidia can further penetrate the cloud services market by offering subscription-based models for its AI and GPU computing services. This could include partnerships with major cloud providers to enhance their AI capabilities, thereby increasing Nvidia's recurring revenue.\n\n### 4. **Gaming and Esports Innovations**\n - **Opportunity**: The graphics segment has also experienced growth, particularly with the GeForce RTX 40 Series GPUs.\n - **Strategy**: Nvidia can expand its gaming ecosystem by investing in esports and gaming content creation. This could involve partnerships with game developers to optimize games for Nvidia hardware, as well as creating exclusive content or experiences for gamers.\n\n### 5. **International Market Expansion**\n   - **Opportunity**: A significant portion of Nvidia's revenue comes from international markets (57% of total revenue).\n   - **Strategy**: Nvidia should focus on expanding its presence in emerging markets, particularly in Asia and Latin America, where demand for AI and gaming technologies is growing. Tailoring products to meet local needs and establishing local partnerships could facilitate this expansion.\n\n### 6. **Sustainability and Green Technology**\n   - **Opportunity**: As global sustainability regulations become more stringent, there is an increasing demand for energy-efficient technologies.\n   - **Strategy**: Nvidia can leverage its technology to develop energy-efficient AI solutions and promote its GPUs as environmentally friendly options for data centers and gaming. This could enhance brand reputation and attract environmentally conscious customers.\n\n### 7. **Strategic Acquisitions and Partnerships**\n   - **Opportunity**: Nvidia has a history of strategic acquisitions that enhance its technology portfolio.\n   - **Strategy**: Identifying and acquiring companies that specialize in complementary technologies, such as AI software development or advanced semiconductor manufacturing, could strengthen Nvidia's market position and drive innovation.\n\n### 8. **Focus on Research and Development**\n   - **Opportunity**: Nvidia's R&D expenses have increased significantly, indicating a commitment to innovation.\n   - **Strategy**: Continuing to invest in R&D to develop next-generation products, particularly in AI and machine learning, will be crucial. This could involve exploring new architectures or applications for GPUs beyond traditional uses.\n\n### 9. **Enhanced Customer Engagement and Support**\n   - **Opportunity**: With a significant portion of revenue coming from a limited number of customers, maintaining strong relationships is vital.\n   - **Strategy**: Nvidia can enhance customer engagement through improved support services, training programs, and community-building initiatives. This could lead to increased customer loyalty and repeat business.\n\n### Conclusion\nNvidia is well-positioned to capitalize on the growing demand for AI, gaming, and data center solutions. By focusing on innovative strategies, expanding into new markets, and enhancing product offerings, Nvidia can drive significant revenue growth and enhance profitability in the coming years.",

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"task": "Analyze Nvidia's 10-K report and provide your analysis: us quarter and up 20% from a year ago.\nWe introduc ed generativ e AI models and NIM microservices for OpenUSD; and announced majo r Taiwanese electronics makers are creating more autonomous\nfactories with a new reference workflow that combines NVIDIA Metropolis vision AI, NVIDIA Omniverse simulation and NVIDIA Isaac AI robot development.\nAutomotive revenue for the second quarter of fiscal year 2025 was $346 million, up 5% from the previous quarter and up 37% from a year ago. At the Computer\nVision and Pattern Recognition conference, NVIDIA won the Autonomous Grand Challenge in the End-to- End Driving at Scale category , highlighting the\nimportance of generative AI in building applications for physical AI deployments in autonomous vehicle development.\nFinancial Information by Business Segment and Geographic Data\nRefer to Note 14 of the Notes to the Condensed Consolidated Financial Statements for disclosure regarding segment information.\nCritical Accounting Policies and Estimates\nR efer to Part II, Item 7, \"Critical Accounting Policies and Estimates\" of our Annual Report on Form 10-K for the fiscal year ended January 28, 2024. There have\nbeen no material changes to our Critical Accounting Policies and Estimates.\n27Results of Operations\nThe following table sets forth, for the periods indicated, certain items in our Condensed Cons olidated Statements of Income expressed as a p ercentage of\nrevenue.\n Three Months Ended Six Months Ended\n Jul 28, 2024 Jul 30, 2023 Jul 28, 2024 Jul 30, 2023\nRevenue 100.0 % 100.0 % 100.0 % 100.0 %\n   Cost of revenue 24.9 29.9 23.4 31.8 \nGross profit 75.1 70.1 76.6 68.2 \nOperating expenses   \n   Research and development 10.3

15.1 10.4 18.9 \n Sales, general and administrative 2.8 4.7 2.9 6.1 \nTotal operating expenses 13.1 19.8 13.3 25 .0 \nOperating income 62.0 50.3 63.3 43.2 \n Interest income 1.5 1.4 1.4 1.6 \n Interest expense (0.2) (0.5) (0.2) (0.6)\n Other , net 0.6 0.4 0.5 0.2 \nOther income (expense), net 1.9 1.3 1.7 1.2 \nIncome before income tax 63.9 51.6 65.0 44.4 \nIncome tax expense 8.7 5.9 8.9 4.6 \nNet income 55.2 % 45.7 % 56.1 % 39.8 %\nRevenue\nRevenue by Reportable Segments\nThree Months Ended Six Months Ended \n Jul 28, 2024 Jul 30, 2023$\nChange%\nChangeJul 28, 2024 Jul 30, 2023$\nChange%\nChange\n ($ in millions)\nCompute & Networking $ 26,446 $ 10,402 $ 16,044 154 %$ 49,121 $ 14,862 $ 34,259 231 %\nGraphics 3,5 94 3,105 489 16 % 6,963 5,837 1,126 19 %\nTotal $ 30,040 $ 13,507 $ 16,533 122 %$ 56,084 $ 20,699 $ 35,385 171 %\nOperating Income by Reportable Segments\nThree Months Ended Six Months Ended\n Jul 28, 202 4 Jul 30, 2023$\nChange%\nChangeJul 28, 2024 Jul 30, 2023$\nChange%\nChange\n ($ in millions)\nCompute & Networking $ 18,848 $ 6,728 $ 12,120 180 %$ 35,896 $ 8,887 $ 27,009 304 %\nGraphics 1,369 1,211 158 13 %$ 2,609 2,258 351 16 %\nAll Other (1,575) (1,139) (436) 38 %$ (2,954) (2,204) (750) 34 %\nTotal $ 18,642 $ 6,800 $ 11,842 174 %$ 35,551 $ 8,941 $ 26,610 298 %\nCompute & Networking revenue The increa se in the second quarter and first half of fiscal year 2025 compared to the second quarter and first half of fiscal year\n2024 was due to strengt h in Data Center computing and networking for accelerat ed computing and AI solutions. Revenue from GPU computing grew 166% year-\non-year and 257% compared to the first half of fiscal year 2024, was driven by demand for our Hopper GPU architecture computin g platform for training and\ninferencing of large language models, recomm endation engines, and generative AI applications. Networking was also up 114% year-on-year and 159%\ncompared to the first half of last year driven by both InfiniBand and Ethernet for AI revenue.\n28Graphics revenue The increase in the second quarter and first half of fiscal year 2025 compared to the second quarter and first half of fiscal year 2024 was led\nby higher sales of our GeForce R TX 40 Series GPUs.\nReportable segment operating income The increase in the second quarter and first half of fiscal year 2025 compa red to the second quarter and first half of\nfiscal year 2024 in Compute & Networking and Graphics operating income was driven by higher revenue.\nAll Other operating loss The incre ase in the second quarter and first half of fiscal year 2025 compared to the second quarter and first half of fiscal year 2024\nwas due to an increase in stock-based compensation expense reflecting employee growth and c ompensation increases.\nConcentration of Revenue\nRevenue by geographic region is designated based on the billing location even if the revenue may be attributable to end customers, such as enterprises and\ngamers in a different location. Revenue from sales to customers outside of the United States accounted for 57% and 53% of total revenue for the second quarter\nand first half of fiscal year 2025, r espectively , and 55% and 59% of total revenue for the second quarter and first half of fiscal year 2024, respectively .\nWe refer to customers who purchase products directly from NVIDIA as direct cus tomers, such as add-in board manufacturers, distributors, ODMs, OEMs, and\nsystem integ rators. We have certain customers that may purchase products directly from NVIDIA and may use either internal re sources or third-party system\nintegrators to complete their build. We also have indirect customers, who purchase products through our direct customers; indirect customers include cloud\nservice provide rs, consumer internet companies, enterprises, and public sector entities.\nSales to direct customers which represented 10% or more of total revenue, all of which were primarily attributable to the Comp ute & Networking segment, are\npresented in the following table:\n Three Months Ended Six Months Ended\n Jul 28, 2024 Jul 28, 2024\nCustomer A 14 % 14 %\nCustomer B 11 % *\nCustomer C 11 % *\nCustomer D 10 % 10 %\nCustomer E * 10 %\n* Less than 10% of total revenue\nFor the second quarter of fiscal year 2025, two indirect customers which primarily purchase our products through system integrators and distrib utors, including\nthrough Customer B and Customer E, are estimated to each represent 10% or more of total revenue attributable to the Compute & Networking segment.\nFor the first half of fiscal year 202 5, an indirect customer which primarily purchases our products from system integrators and distributors, including from\nCustomer E, is estimated to represent 10% or more of total revenue, attributable to the Compute & Networking segment.\nIndirect customer revenue is an estimation based upon multiple factors including customer purchase order information, product specifications, internal sales data\n and other sources. Actual indirect customer revenue may dif fer from our estimates.\nWe have experienced periods where we receive a significant amount of our revenue from a limited number of customers, and this trend may continue.\nGross Profit and Gross Margin\nGross profit consists of total net revenue less cost of revenue.\nOur overall gross margi n increased to 75.1% and 76.6% for the second quart er and first half of fiscal year 2025, respectively , from 70.1% and 68.2% for the\nsecond quarter and first half of fiscal year 2024, respectively . The increases in the second quarter and first half of fiscal year 2025 compared to the second\nquarter and first half of fiscal year 2024 were primarily due to strong Data Center revenue growth of 154% and 234% for the second quarter and first half of\n 2025, respectively .\nProvisions for inventory and excess inventory purchase obligations totaled $908 million and $1.3 billion for the second quarter and first half of fiscal year 2025,\nrespectively , and were primarily due to low-yielding Blackwell material. Sales of previously reserved inventory and settlements of excess inventory purchase\nobligations resulted in a provision release of $85 millio n and $199 million for the second quarter and first half of fiscal year 2025, respectively . The net effect on\nour\n29gross margin was an unfavorable impact of 2.7% and 2.0% in the second quarter and first half of fiscal year 2025, respectively .\nProvisions for inventory and excess inventory purchase obligations totaled $576 million and $709 million for the second quarter and first half of fiscal year 2024,\nrespectively . Sales of previously reserved invent ory and settlements of excess inventory purchase obligations resulted in a provision release of $84 million and\n$134 million for the seco nd quarter and first half of fiscal year 2024, respectively . The net effect on our gross margin was an unfavorable impact of 3.6% and\n2.8% in the second quarter and first half of fiscal year 2024, re spectively .\nWe expect our Data Center mix to continue to shift to new products in the second half of fiscal year 2025. For fiscal year 2025, we expect gross margins to be in\nthe mid-70% range.\nOperat ing Expenses\n Three Months Ended Six Months Ended\n Jul 28, 2024 Jul 30, 2023$\nChange%\nChange Jul 28, 2024 Jul 30, 2023$\nChange%\nChange\n ($ in millions)\nResearch and development\nexpenses $

3,090 $ 2,04 0 $1,050 51 %$ 5,810 $ 3,916 $1,894 48 %\n% of net revenue 10.3 % 15.1 % 10.4 % 18.9 %\nSales, general and administrative\nexpenses 842 622 220 35 % 1,618 1,253 365 29 %\n% of net revenue 2.8 % 4.7 % 2.9 % 6.1 %\nTotal operating expenses $ 3,932 $ 2,662 $1,270 48 %$ 7,428 $ 5,169 $2,259 44 %\n% of net revenue 13.1 % 19.8 % 13.3 % 25.0 %\nThe increases in research and development expenses for the second q uarter and first half of fiscal year 2025 were driven by 35% and 34% increase in\ncompensation and benefits, including stock-bas ed compensation, reflecting employee growth and compensation increases, and 118% and 117% increase in\ncompute and infrastructure investments, respectively .\nThe increases in sales, general and administrative expenses for the second quarter and first half of fiscal year 20 25 was primarily driven by compensation and\nbenefits, including stock-based compensation, reflecting employee growth and compensation increases.\nFor fiscal year 2025, we expect operating expenses to g row in the mid to upper 40% range as we work on developing our next generation of products.\nOther Income (Expense), Net\nThree Months Ended Six Months Ended\n Jul 28, 2024 Jul 30, 2023$\nChange Jul 28, 2 024 Jul 30, 2023$\nChange\n ($ in millions)\nInterest income $ 444 $ 187 $ 257 $ 803 $ 338 $ 465 \nInterest expense (61) (65) 4 (125) (131) 6 \nOther , net 189 59 130 264 42 222 \nOther income (expense), ne t $ 572 $ 181 $ 391 $ 942 $ 249 $ 693 \nThe increas es in interest income for the second quarter and first half of fiscal year 2025 was due to higher cash, cash equivalents, and publicly-held debt\nsecu rity balances.\nInterest expense is comprised of coupon interest and debt discount amortization related to our notes.\nOther , net consists of realized or unrealized gains and losses from investments in privately-held equity securities, publicly-held equity securities, and the impact\nof changes in foreign currency rates. The change in Other , net, compared to the second quarter and first half of fis cal year 2024 was primarily driven by an\nincrease in fair value of our privately-held and publicly-held equity securities. Refer to Note 6 and 7 of the Notes to Condensed Consolidated Financial\nStatem ents in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information regarding our investments in privately-held and publicly-held equity\nsecurities.\n30Income T axes\nWe recognized i ncome tax expense of

$2.6 billion and $5.0 billion for the second quarter and first half of fiscal year 2025, respectively , and $793 million and\n$958 million for the second quarter and first half of fiscal year 2024, respectively . Income tax expense as a percentage of income before income tax was 13.6%\nand 13.7% for the second quarter and first half of fiscal year 2025, respectively , and 11.4% and 10.4% for the second quarter and first half of fiscal year 2024,\nrespectively .\nThe effective tax rate increased primarily due to a lower percentage of tax benefits from the foreign-derived intang ible income deduction relative to the increase\nin income before income tax.\nGiven our current and anticipated future earnings, we believe that we may release the valuation allowance associated with c ertain state deferred tax assets in\nthe near term, which would decrease our income tax expense for the period the release is recor ded. The timing and amount of the valuation allowance release\ncould vary based on our assessment of all available evidence.\nRefer to Note 5 of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for addition al information.\nLiquidity and Capital Resources\n Jul 28, 2024 Jan 28, 2024\n (In millions)\nCash and cash equivalents $ 8,563 $ 7,280 \nMarketable securities 26,237 18,704 \nCash, cash equivalents and mar ketable securities $ 34,800 $ 25,984 \n Six Months Ended\nJul 28, 2024 Jul 30, 2023\n (In millions)\nNet cash provided by operating activities $ 29,833 $ 9,259 \nNet cash used in investing activities $ (8, 877) $ (1,287)\nNet cash used in financing activities $ (19,665) $ (5,479)\nOur investm ent policy requires the purchase of high-rated fixed income securities, the diversi fication of investment types a nd credit exposures, and certain\nmaturity limits on our portfolio.\nCash provided by operating activities increased in the first half of fiscal year 2025 compared to the first half of fiscal year 2024 due to growth in revenue, partially\noffset by higher tax paym ents. Our accounts receivable balance at the end of the first half of fiscal year 2025 reflects the strong revenue growth, partially offse t\nby $2.8 billion from customer payments received prior to the invoice due date.\nCash used in investing activities increased in the first half of fiscal year 2025 compared to the first half of fiscal year 2024, primarily driven by net purchases of\nmarketable securities, and acquisition of land and buildings.\nCash used in financing activities increased in the first half of fiscal year 2025 compared to the first half of fiscal year 2024, mainly due to higher share\nrepurchases and higher tax payments related to RSUs.\nLiquidity\nOur primary sources of liquidity include cash, cash equivalents, and m arketable securities, and the cash generated by our operations. As of July 28, 2024, we\nhad $34.8 billion in cash, cash equivalents, and marketable securities. We believe that we have sufficient liqui dity to meet our operating requirements for at least\nthe next twelve months, and for the foreseeable future, including our future supply obligations and share repurchases. We continuously evaluate our liquidity and\ncapital resources, including our access to external capital, to ensure we can finance future capital requirements.\nOur marketable securities consist of publicly-he ld equity securities, debt securities issued by the U.S. government and its agencies, highly rated corporations\nand financial institutions, and foreign government entities, as well as certificates of deposit issued by hig hly rated financial institutions. Our corporate debt\nsecurities are publicly traded. These marketable securities are primarily denominated in U.S. dollars. Refer to Note 6 of the Notes to Condensed Co nsolidated\nFinancial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information.\n31Except for approximately $1.4 billion of cash, cash equivalents, and marketable se curities held outside the U.S. for which we have not accrued any related\nforeign or state taxes if we repatriate these amounts to the U.S., substantially all of our cash, cash equivalents and marketab le securities held outside the U.S.\nas of July 28, 2024 are available for use in the U.S. without incurring additional U.S. federal income taxes.\nPayment from customers, per our standard paym ent term s, is generally due shortly after delivery of products, availability of software licenses or commencement\nof services.\nCapital Return to Shareholders\nDuring the second quarter and first half of fisca l year 2025, we paid $246 million and $344 million, respectively , in quarterly cash dividends.\nOur cash dividend program and the payment of future cash dividends under that program are subject to our Board of Directors' continuing determination that the\ndividend program and the declaration of dividends thereunder are in the best interests of our shareholders.\nOn June 7, 2024, we increased our qua rterly cash dividend to $0.01 per share on a post-Stock Split basis to all shareholders of record on June 11,

2024. Our\nquarterly cash dividend was paid on June 28, 2024.\nDuring the second quarter and first half of fiscal year 2025, we repurchased 62.8 million and 162.1 million shares of our common stock for $7.0 billion and\n$15.1 billion, respectively . As of July 28, 2024, we were authorized, subject to certain specifications, to repurchase up to $7.5 billion of our common stock. On\nAugust 26, 2024, our Board of Directors approve d an additional $50.0 billion to our share repurchase authorization, without expiration. As of August 26, 2024, a\ntotal of $53.9 billion was available for repurchase. Our share repurchase program aims to offset dilution from shares issued to employees while main taining\nadequate liquidity to meet our operating requirements. We may pursue additional share repurchases as we weigh market factors and other investment\nopportunities. W e plan to continue share repu rchases this fiscal year .\nFrom April 29, 2024 through August 26, 2024, we repurchased 31.5 million shares for $3.6 billion pursuant to a Rule 10b5-1 trading plan.\nThe U.S. Inflation Reduc tion Act of 2022 requires a 1% excise tax on certain share repurchases in excess of shares issued for employee compensation made\nafter December 31, 2022. The excise tax is included in our share repurchase cost a nd was not material for the second quarter and first half of fiscal year 2025.\nOutstanding Indebtedness and Commercial Paper Program\nOur aggregate debt maturities as of July 28, 2024, by year payable, are as follows:\n Jul 28, 2024\n (In millions)\nDue in one year $ \nDue in one to five years 2,250 \nDue in five to ten years 2,750 \nDue in greater than ten years 3,500 \nUnamortized debt discount and is suance costs (39)\nNet carrying amount 8,461 \nLess short-term portion \nTotal long-term portion $ 8,461 \nWe have a $575 million commercial paper program to support general corporate purposes. As of Ju ly 28, 2024, no commercial paper was outstanding.\nRefer to Note 1 1 of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for further discussion.\nMaterial Cash Requirements and Other Obligations\nUnrecognized tax benefits were $1.7 billion, which includes related interest and penalties of $186 million recorded in non-current income tax p ayable as of\nJuly 28, 2024. We are unable to estimate the timing of any potential tax liability , interest payme nts, or penalties in individual years due to uncertainties in the\nunderlying income tax positions and the timing of\n32the ef fective settlement of such tax positions. Refer to Note 5 of the Notes to Condensed Consolidated Financial Statements for further information.\nOther than the contractual obligations described above, there were no material changes outside the ordinary course of business in our contractual obligations\nfrom those disclosed in our Annual Report on Form 10-K for th e fiscal year ended January 28, 2024. Refer to Item 7, Management s Discussion and Analysis of\nFinancial Condition and Results of Operations - Liquidity and Capital Resources in our Annual Report o n Form 10-K for the fiscal year ended January 28, 2024\nfor a description of our contractual obligations. For a description of our operating lease obligations, long-term debt, and purchase obligations, refer to Notes 2,\n11, and 12 of the Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q, respectively .\nClimate Change\nTo date, there has been no material impact to our results of operations associated with global sustainability regulations, compliance, costs from sourcing\nrenewable energy or climate-related business trends.\nAdoption of New and Recently Issued Accounting Pronouncements\nThere has been no adoption of any new and recently issued accounting pronouncements.\nItem 3. Quantitative and Qualitative Disclosures about Market Risk\nI nvestment and Interest Rate Risk\nFinancial market risks related to investment and interest rate risk are described in Part II, Item 7A, Quantitative and Qualitative Disclosures About Market Risk\nin our Annual Report on Form 10-K for the fiscal year ended January 28, 2024. As of July 28, 2024, there have been no material changes to the financial market\nrisks described as of January 28, 2024.\nFore ign Exchange Rate Risk\nThe impact of foreign currency transactions related to foreign exchange rate risk is described in Part II, Item 7A, Quantitative and Qualitative Disclosures About\nMarket Risk in our Annual Report on Form 10-K for the fiscal year ended January 28, 2024. As of July 28, 2024, there have been no material changes to the\nforeign exchange rate risks described as of January 28, 20 24.\nItem 4. Controls and Procedures\nControls and Procedures\nDisclosure Controls and Procedures\nBased on their evaluation as of July 28, 2024, our management, including our Chief Executive Officer and Chief Financial Officer, has concluded that our\ndisclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15d-15 (e)) were effective to provide reasonable assurance that the\ni nformation we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time\nperiods specified in the SEC rules and f orms, and that such information is accumulated and communicated to our management, including our Chief Executive\nOfficer and our Chief Financial Of ficer, as appropriate, to allow timely decisions reg arding required disclosures.\nChanges in Internal Control Over Financial Reporting\nThere were no changes that occurred during the second quarter of fiscal year 2025 that have materially affected, or ar e reasonably likely to materially affect, our\ninternal control over financial reporting. In fiscal year 2022, we began an upgrade of our enterprise resource planning, or ERP, system, which will update much of\nour existing core financia l systems. The ERP system is designed to accurately maintain our financial records used to report operating results. The upgrade will\noccur in phases. W e will cont inue to evaluate each quarter whether there are changes that materially af fect our internal control over financial reporting.\nInherent Limitations on Effectiveness of Controls\nOur manage ment, includ ing our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal\ncontrols, will prevent all error and all fraud. A control sys tem, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance\nthat the objectives of the control system are met. Further , the design of a control system must re flect the fact that there are resource constraints, and the benefits\nof controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation o f controls can provide absolute\nassurance that all control issues and instances of fraud, if any , within NVIDIA have been detected.\n33Part II. Other Information\nItem 1. Legal Proceedings\nRefer to Pa rt I, Item 1, Note 12 of the Notes to Condensed Consolidated Financial Statements for a discussion of significant developments in our legal\nproceedings since January 28, 2024. Also refer to Item 3, L egal Proceedings in our Annual Report on Form 10-K for the fiscal year ended January 28, 2024 for\na prior discussion of our legal proceedings.\nItem 1A. Risk

Factors\nOther than the risk facto rs liste d below , there have been no material changes from the risk factors previously described under Item 1A of our Annual Report on\nForm 10-K for the fiscal year ended January28, 2024 and Item 1A of our Quarterly Report on Form 10-Q for the fiscal quarter ended April 28, 2024.\nPurchasing or owning NVIDIA common stock involves investment risks including, but not limited to, the risks described in Ite m 1A of our Annual Report on Form\n10-K for the fiscal year ended January28, 2024, and Item 1A of our Quarterly Report on Form 10-Q for the fiscal quarter ended April 28, 2024, and below . Any\none of those risks could harm our business, financial condition and results of operations or reputation, which could cause our stock price to decline. Additional\nrisks, trends and uncertainties not present ly known to us or that we currently believe are immat erial may also harm our business, financial condition, results of\noperations or reputation.\nLong manu facturing lead times and uncertain supply an d component availability , combined with a failure to estimate customer demand accurately ,\nhas led and could lead to mismatches between supply and demand.\nWe use third parties to manufacture and asse mb le our products, and we have long manufacturing lead times. We are not provided guaranteed wafer , component\nor capacity supply , and our supply deliveries and production may be non-linear within a quarter or year. If our estimates of customer demand are inaccurate, as\nwe have experienced in the past, there could be a significant mismatch between supply and demand. This mismatch has resulted in both product shortages and\nexcess inventory , has varied across our market platforms, and has significantly harmed our financial results.\nWe build finished produc ts and maintain invento ry in advanc e of anticipated demand. While we have in the past entered and may in the future enter into long-\nterm supply agreements and capacity commitments, we may not be able to secure sufficient commitments f or capacity to address our business needs, or our\nlong-term demand expectations may change. Additionally , our ability to sell certain products has been and could be impeded if components necessary fo r the\nfinished products are not available from third parties. This risk may increase as a result of our platform strategy . In periods of shortages impacting the\nsemiconductor industry and/or limited supply or capacity in our supply chain, the lead times on orders for certain supply may be extended. We have previously\nexperienced and may continue to experience extended lead times of more than 12 m onths. We have paid premiums and provided deposits to secure future\nsupply and capacity , which have increased our product costs and may continue to do so. If our existing suppliers are unable to scal e their capabilities to meet\nour supply needs, we may require additional sources of capacity , which may require additional deposits. We may not have the ability to reduce our supply\ncommitments at th e same rate or at all if our revenue declines.\nMany additio nal factors have caused and/or could in the future cause us to either underestimate or overestimate our customers future demand for our pr oducts,\nor otherwise cause a mismatch between supply and demand for our products and impact the timing and volume of our revenue, including:\nchanges in product development cycles and time to market;\n competing technologies and competitor product releases, announcements or other actions;\nchanges in business and economic conditions;\nsudden or sustained government lockdowns or public health issues ;\nrapidly changing technology or customer requirements;\nthe availability of suf ficient data center capacity or energy for customers to procure;\nnew product introductions and transitions resulting in less demand for existing products;\nnew or unexpected end-use cases;\nincrease in demand for competitive products;\nbusiness decisions made by third parties;\nthe demand for accelerated computing, AI-related cloud services, or large language models;\n34changes that impact the ecosystem for the architectures underlying our products and technologies;\nthe demand for our products; or\ngovernment a ctions or changes in governmental policies, such as export controls or increased restrictions on gaming usage.\nWe continue to increase our supply and capacit y purchases with existing and new supplier s to support our demand projections. With these additions, we have\nalso entered and may continue to enter into prepaid manufacturing and capacity agreements to supply both current and future products. The increased purchase\nvolumes and integration of new suppliers and contract manufacturers into our supply chain may create more complexity in managing multiple suppliers with\nvariations in productio n planning, execution and logistics. Our expanding product portfolio and varying component compatibility and quality may lead to\nincreased inventory levels. We have incurred and may in the future incu r inventory provisions or impairments if our inventory or supply or capacity commitments\nexceed demand for our products or demand declines. Our customer orders and longer-term demand estimates may cha nge or may not be correct, as we have\nexperienced in the past.\nProduct transitions are complex and we often ship both new and prior architecture products simultaneously as our channel partners prepare to ship and support\nnew products. We may be in various stages of transitioning the architectures of our Data Center , Gaming, Professional Visualization and Automotive products.\nThe computing industr y is experiencing a broader and faster launch cadence of accelerated computing platforms to meet a growing and diverse set of AI\nopportunities. We have introduced a new caden ce of our Data Center arc hitectures where we seek to complete a new GPU computing architecture each year\nand we are providing a greater variety of Data Center offerings. The increased frequency of these transitions and the la rger number of products and product\nconfigurations may magnify the challenges associated with managing our supply and demand. Qualification time for new products, customers anticipating\nproduct transi tions and channel partners reducing channel inventory of prior architectures ahea d of new product introductions can reduce or create volatility in\nour revenue . We have experienced and may in the fut ure experience reduced demand for current generation architectures when customers anticipate\ntransitions, and we may be unable to sell multiple product architectures at the same time for current and f uture architecture transitions. If we are unable to\nexecute our architectural transitions as planned for any reason, our financial results may be negatively impacted. The increased frequency and comp lexity of\nnewly introd uced products could result in unanticipated quality or production issues that could increase the magnitude of inventory provisions, warranty , or other\ncosts or result in produc t delays. For example, we executed a change to the Blackwell GPU mask to improve production yield. Our gross margins in the second\nquarter of fiscal year 2025 were negatively impacted by inventory pro visions for low-yielding Blackwell material and they may continue to be impacted in the\nfuture.\nWe incur significant engineering development resources for new products, and changes to our product road map may impact our ability to develop other products\nor adequate ly manage our supply chain cost. Customers may delay purchasing existing product s as we increase the frequency of new products or may not be\nable to adop t our new products as fast as forecasted, both impacting the timing of our revenue and supply chain cost. While we have managed prior product\ntransitions and have sold multiple pro duct archit ectures at the same time, these transitions are difficult, may impair our ability to predict demand and impact our\nsupply mix, and may cause us to incur additional costs. Many end customer s often do not purchase directly from us but instead purchase indirectly through\nmultiple OEMs, ODMs, system integrators, distributors, and other channel partners. As a result, the decisions made by o ur multiple OEMs, ODMs, system\nintegrators, distributors, and other channel partners, and in response to changing market conditions and changes in end-user demand for our products, have\nimpacted and c ould in the future continue to impact our ability to accurately forecast demand, particularly as they are based on estimates provided by various\ndownstream parties.\nIf we underestimate our customers' future demand for our products, our foundry partners may not have adequate lead-time or capacity to increase production\nand we may not be able to obtain sufficient inventory to fill orders on a timely basis. If our contra ct manufacturers experience supply constraints, we may not be\nable to increase supply to meet customer dema nd in a timely manner , or at all. If we cannot procure sufficient sup ply to meet demand or otherwise fail to fulfill\nour custome rs orders on a timely basis, or at all, our customer relationships could be damage d, we could lose revenue and market share and our reputa tion\ncould be harmed. Additionally , since some of our products are part of a complex data center buildout, supply constraints or availability issues with respect to any\none component have had and may have a broader revenue impact.\nIf we overestimate our customers future demand for our products, or if customers cancel or defer orders or choose to purchase from our competitors, we may\nnot be able to reduce our inventory or other contractual purchase commitments. In the past, we have experienced a reduction in average selling prices, including\ndue to channel pricing programs that we have imple mented and may continue to implement, as a result of our overestimation of future demand, and we may\nneed to continue these reductions. We have had to increase prices for certain of our products as a result of our suppliers increase in prices, and we may need to\ncontinue to do so for other products in the future . We have also written down our inventory , incurred cancellation penalties, and rec orded impairments and may\nhave to do so in the future. These impacts would be amplified by our placement of any non-cancellable and non-returnable purchase orders placed in advance of\nour historical lead times and could be exacerbated if we need to make changes to the design of future products. The risk of\n35these impac ts has increased and may continue to increase as our purchase obligations an d prepaids have grown and are expected to continue to grow and\nbecome a greater portion of our total supply . All of these factors may negatively impact our gross margins and financial results.\nDemand estimates for our new products, applications, and services can be incorrect and create volatility in our revenue or supply levels. We may not be able to\ngenerate significant revenue from them. Recent technologies, such as generative AI models, have emerged, and while they have driven increased demand for\nData Center , the long-term trajectory is unknown. Because our products may be used in multi ple use cases and applications, it is difficult for us to estimate with\nany reasonable degree of precision the impact of generative AI models on our reported revenue or forecasted demand.\nChallenges in estimating demand could become more pronounced or volatile in the future on both a global and regional basis. Extended lead times may occur if\nwe experience other supply constraints caused by natur al disasters, pandemics or other events. In addition, geopolitical tensions, such as those involving Taiwan\nand China, which comprise a significant portion of our revenue and where we have suppliers, contract manufacturers, and assembly partners who are critical to\nour supply continuity , could have a material adverse impact on us.\nThe use of our GPUs other than that for which they were designed a nd marketed, including new and unexpected use cases, has impacted and can in the future\nimpact demand for our products, including by leading to inconsistent spikes and drops in demand. For example, se veral years ago, our Gaming GPUs began to\nbe used for mining digital currencies, such as Ethereum. It is difficult for us to estimate with any reasonable degree of precision the past or current impact of\ncryptocurrency mining, or forecast the future impact of cryptocurrency mining, on demand for our products. Volatility in the cryptocurrency market, including new\ncompute technologies, price change s in cryptocurrencies, government cryptocurrency policies and regulations, new cryptocurrency standards and changes in\nthe method of verifying blockchain transactions, has impacted and can in the futu re impact cryptocurrency mining and demand for our products and can further\nimpact our ability to estimate demand for our products. Changes to cryptocurrency standards and processes including, but not limited to, the Ethereum 2.0\nmerge in 2022, have reduced and may in the future decrease the usage of GPUs for Ethereum mining. This has created and may in the future create increased\naftermarket sale s of our GPUs, which could negatively impact retail prices for our GPUs and reduce demand for our new GPUs. In general, our new products or\npreviously sold products may be resold online or on the unau thorized gray market, which also makes demand forecasting difficult. Gray market products and\nreseller marketplaces compete with our new products and distribution channels.\nAdditionally , we depend on developers, customers and other third parties to build, enhance, and maintain accelerated computing applications that leverage our\nplatforms. We also rely on third-party content providers and publi shers to make their content available on our platforms, such as GeForce NOW . Failure by\ndevelopers, customers, and other third parties to build, enhance, and maintain applications that leverage our p latforms, or failure by third-party content providers\nor publisher s to make their content available on reasonable terms or at all for use by our customers or end users on our platforms, could adverse ly affect\ncustomer demand.\nWe receive a significa nt amount of our revenue from a limited number of partners and distributors and we have a concentration of sales to\ncustomers who purchase directly or indirectl y from us, and our revenue could be adversely affected if we lose or are prevented from selling to any of\nthese customers.\nWe receive a significant amount of our revenue from a limited numb er of customers within our distribution and partner network. Sales to direct Customers, A, B,\nC and D represented 14%,11%, 11% and 10% of total revenue, respectively , for the second quarter of fiscal year 2025, all of which were primarily attributable to\nthe Compute & Networ king segment. With several of these channel partners, we are selling multiple products and systems in our portfolio throug h their\nchannels. Our operating results depend on sales within our partner network, as well as the ability of these partners to sell products that incorporate our\nprocessors. We have a small number of partner s that are involved in system integration with our key customers. As our system design becomes increasingly\ncomplex, system integrators may be unable to meet specifications of our key custome rs. Changes in our partners' or customers' business models or their\nownership can reduce the number of partners available to us and harm our ability to sell our advanced data center systems to custome rs. In the future, these\npartners may decide to purchase fewer products , not to incorporate our products into their ecosystem, or to alter their purchasing patterns in some other way.\nBecause most of our sales are made on a purch ase order basis, our customers can generally cancel, change or delay product purchase commitments with little\nnotice to us and without penalty . Our partners or custome rs may develop their own solutions; our customers may purchase products from our competitors; and\nour partners may discontinue sales or lose market share in the markets for which they purchase our pr oducts, all of which may alter partners or customers\npurchasing patterns. Many of our customers often do not purchase directly from us but purchase through multiple OEMs, ODMs, system integrators, distributors\nand other channel partne rs. For the second quarter of fiscal year 2025, two indirect customers which primarily purchase our products through system integrators\nand distributors, includin g through Customer B and Customer E, are estimated to each represe nt 10% or more of total revenue, attributable to the Compute &\nNetworking segment. If end demand increases or our finished goods supp ly availability is concentrated near a quarter end, the system integrators, distributors\nand channel partners may have limited ability to increase their credit, which could impact the timing and amoun t of our revenue. The loss of any of our large\ncustomers, a significant reduction in purchases by them,\n36our inability to sell to a customer due to U.S. or other countries trade restrictions or any difficulties in collecting accounts receivable would likely harm our\nfinancial condition and results of operations.\nOur operations could be affected by the complex laws, rules and regulations to whic h our business is subject, and political and other actions may\nadversely impact our business.\nWe are subject to laws and regulations domestically and worldwide, affecting our operations in areas inclu ding, but not limited to, IP ownership and infringement;\ntaxes; impor t and export requirements and tariffs; anti-corruption, including the Foreign Corrupt Practices Act; business acquisitions; foreig n exchange controls\nand cash repatriation restrictions; data priva cy requirements; competition and antitrust; advertising; employment; product regulations; cybersecurity;\nenvironmental, health, and s afety requirements; the responsible use of AI; sustainability; cryptocurrency; and consumer laws. Compliance with such\nrequirements can be onerous and expensive, could impact our competitive position, and may negatively impact our business operations and ability to\nmanufacture and ship our products. There can be no assurance that our employees, contractors , suppliers, customers or agents will not violate applicable laws\nor the policies, controls, and procedures that we have designed to help ensure compliance with such laws, and violations could result in fines, criminal sanctions\nagainst us, our officers, or our employees, prohib itions on the conduct of our business, and damage to our reputation. Changes to the laws, rules and regulations\nto which we are subject, or changes to their inte rpretation and enforcement, could lead to materially greater compliance and other costs and/or further\nrestrictions on our ability to manufacture and supply our products and operate our business. For example, we may face increased compliance costs as a result\nof changes or increases in antitrust legislation, regulation, administrative rule making, increased focus from regulators on cybersecurity v ulnerabilities and risks.\nOur position in markets relating to AI has led to increased interest in our business from regulators worldwide, including the European Union, the United States,\nthe United Ki ngdom, South Korea and China. For example, the French Competition Author ity collected information from us regarding our business and\ncompetition in the graph ics card and cloud service provider marke t as part of an ongoing inquiry into competition in those markets. We have also received\nrequests for information from regulators in the European Union, the United States, the United Kingdom, China, a nd South Korea regarding our sales of GPUs,\nour efforts to allocate supply, foundation models and our investments, partnerships and other agreements with companies developing foundation models, and we \nexpect to receive additional requests for information in the future. Governments and regulators are considering, and in certain cases, have imposed restrictions\non the hardw are, software, and system s used to develop frontier foundation models and generative AI. For example, the EU AI Act was formally adopted in June\n2024 and will be implemented in phases betwee n now and 2030. The State of Calif ornia, among other jurisdictions, is considering similar legislation. Restrictions\nunder this and any other regulations, if implemented, could increase the costs and burdens to us and our customers, d elay or halt deployment of new systems\nusing our products, and reduce the number of new entrants and customers, negatively impacting our business and financial results. Revisions to laws or\nregulation s or their interpretation and enforceme nt could also result in increased taxation, trade sanctions, the imposition of or increase to import duties or tariffs,\nrestrictions and controls on imports or exports, or other retaliatory actions, which could have an adverse effect on our business plans or impact the timing of our\nshipments. Additionally , changes in the public perception of governments in the regions where we operate or plan to operate could negatively impact our\nbusiness and results of operations.\nGovernment actions, including trade protection and national and economic security polic ies of U.S. and foreign government bodies, such as tariffs, import or\nexport regulations, including deemed export restrictions and restrictions on the activities of U.S. persons, trade and economic sa nctions, decrees, quotas or\nother trade barriers and restrictions could affect our ability to ship products, provide services to our customers and employees, do business without an export\nlicense with entities on the U.S. Department of Commerce s U.S. Entity List or other USG restricted parties lists (which is expected to change from time to time),\nand generally fulfill our contractual obligation s and have a material adverse effect on our business. If we were ever found to have violated export control laws or\nsanctions of the U.S. or similar applicable non-U .S. laws, even if the violation oc curred without our knowledge, we may be subject to various penalties available\nunder the laws, any of which could have a material and adverse impact on our business, operating results and financial co ndition.\nFor example , in response to the war in Ukrain e, the United States and other jurisdictions imposed economic sanctions and export control measures which\nblocked the passage of our products, s ervices and support into Russia, Belarus, and certain regions of Ukraine. In fiscal year 2023, we stopped direct sales to\nRussia and closed business operations in Russia. Concurrently , the war in Ukr aine has impacted sales in EMEA and may continue to do so in the future.\nThe increasi ng focus on the risks and strategic importance of AI technologies has resulted in regulatory restrictions that ta rget products and services capable of\nenabling or facilitating AI and may in the future result in additional restrictions impacting some or all of our product and service of ferings.\nConcerns regardin g third-party use of AI for purposes contrary to local governmental interests , including concerns relating to the misuse of AI applications,\nmodels, and solutions, has resulted in and could in the f uture result in unilateral or multilateral restrictions on products that can be used for training, modifying,\ntuning, and deploying LLMs and other AI applications. Such restrictions have limited and c ould in the future limit the ability of downstream customers and users\nworldwide to acquire, deploy and use systems that include our products, software, and services, and negatively impact our busines s and financial results.\n37Such restrictions could include additional unilateral or multilateral export controls on certain products or technology , including but not limited to AI technologies.\nAs ge opolitic al tensions have increased, semic onductors associated with AI, including GPUs and associated products, are increasingly the focus of export\ncontrol restrictions proposed by stakeholders in t he U.S. and its allies. The United States has imposed unilateral controls restricting GPUs and associated\nproducts, and it is likely that additional unilateral or multilateral controls will be adopted . Such controls have been and may again be very broad in scope and\napplication, prohibit us from exporting our products to any or all customers in one or more markets, including but not limited to Chi na, and could negatively\nimpact our manufacturin g, testing and warehousing locations and options, or could impose other conditions that limit our ability to serve demand abroad and\ncould negatively a nd materially impact our business, revenue and financial results. Export controls targeting GPUs and semiconductors associated with AI,\nwhich have been imposed and are increasingly likely to be furthe r tightened, would further restric t our ability to export our technology , products, or services even\nthough comp etitors may not be subject to similar restrictions, creating a competitive disadvanta ge for us and negatively impacting our business and financial\nresults. Expo rt controls targeting GPUs and semiconductors associated with AI have subjected and may in the future subject downstream use rs of our products\nto additional restrictions on the use, resale, repair , or transfer of our products, negatively impacti ng our business and financial results. Controls could negatively\nimpact our cost and/or ability to provide services such as NVIDIA AI cloud services and could impact the cost and/or ability for our cloud service providers and\ncustomers to provide services to their end custom ers, even outside China.\nExport contr ols could disrupt our supply chain and distribution channels, negatively impacting our ability to serve demand, including in markets outside China\nand for our gam ing products. The possibility of additional export controls has negatively impacted and may in the future negatively impact demand for our\nproducts, benefiting competitors that offer alternatives less likely to be restricted by further controls. Repeated changes in the export control rules are likely to\nimpose compliance burdens on our business and our customers, negatively and materially impactin g our business.\nIncreasing use of economic sanctions and export controls has impacted and may in the future impact demand for our products or services, negatively impacting\nour business and financ ial results. Reduced demand due to export controls could also lead to excess inventory or cause us to incur related supply charges.\nAdditional unilateral or multilateral controls are also likely to inclu de deemed export control limitations that negatively impact the ability of our research and\ndevelopment teams to execute our roadmap or other objectives in a timely manner . Addition al export restric tions may not only impact our ability to serve\noverseas markets, but also provoke responses from foreign governments, including China, that negatively impact our supply chain or our ability to provide our\nproducts and services to customers in all markets worldwide, which could also substantially reduce our revenue. Regulators in China have inquired about our\nsales and efforts to supply the China m arket and our fulfillment of the commitments we entered at the close of our Mellanox acquisition. If the regulators\nconclude that we have failed to fulfill such commitments or we have violated any app licable law in China, we could be subject to various penalties or restrictions\non our ability to conduct our business, any of which could have a material and adverse impact on our business, operating results and financial condition.\nDuring the third quarter of fiscal year 2023, the USG announced export restrictions and expo rt licensing requirements targeting China s semiconductor and\nsupercompu ting industries. These restrictions impact exports of certain chips, as well as software, hardware, equipment and technology used to develop,\nproduce and manufacture certain chips to China (including Hong Kong and Macau) and Russia, and specifically impact our A100 and H100 integrated circuits,\nDGX or any other system s or boards which incorporate A100 or H100 integrated circuits. The licensing r equirements also apply to any future NVIDIA integrated\ncircuit achieving certain peak performance and chip-to-chip I/O performance thresholds, as well as any system or board that includes those circu its. There are\nalso now licensing requirements to export a wide array of products, including networking products, destined for certain end users and for certain end uses in\nChina. During the second qu arter of fiscal year 2024, the USG also informed us of an additional licensing requirement for a subset of A100 and H100 products\ndestined to certain customers and other regions, including some countr ies in the Middle East.\nIn October 2023, the USG announced new and updated licensing requirements that became effective in our fourth quarter of fiscal year 2024 for exports to\nChina and Country Group s D1, D4, and D5 (including but not limited to, Saudi Arabia, the United Arab Emirates, and Vietnam, but excluding Israel) of our\nproducts exceeding certain performance thresholds, including A100, A80 0, H100, H800, L4, L40, L40S and RTX 4090. The licensing requirements also apply to\nthe export of products exceeding certain performance thresholds to a party headquartered in, or with an ultimate par ent headquartered in, Country Group D5,\nincluding China. On Octo ber 23, 2023, the

USG informed us that the licensing requirements were effective immediately for shipments of our A100, A800, H100,\nH80 0, and L40S products. W e have not received licenses to ship these restricted products to China.\nFollowing these export controls, we transitioned some operations, including certain testing, validatio n, and supply and distribution operations out of China and\nHong Kong. Any future transitions could be costly and time consuming, and adversely affect our research and development and supply and distri bution\noperations, as well as our revenue, during any such transition period. We expanded our Data Center product portfolio to offer new solutions, including those for\nwhich the USG does not require a license or advance notice before each shipment. To the extent that a customer requires products covered by the licensing\nrequirements, we may seek a license for the customer . However , the licensing process is time-consuming. We have no assurance that the USG will grant such a\nlicense or that the USG will act on the license application in a timely manner or at all. Even if a license is approved, it may impose burdensome conditions that\nwe or our customer or end users cannot or decide not to accept. The USG is evaluating license requests in a closed process that\n38does not have clear standard s or an opportunity for review . For example, the Notified Advanced Computing, or NAC, process has not resulted in approvals for\nexports of products to customers in China. The license process for e xports to D1 and D4 countries has been time-consuming and resulted in license conditions\nthat are onerous, even for small-sized systems that are not able to train frontier AI models. The requirements have a disproportionate impact on NVIDIA and\nalready have disadvantaged and may in the future disadvantage NVIDIA against certain of our competitors who sell products that are not subject to the new \nrestrictions or may be able to acquire licenses for their products.\nManagement of these new licenses and other requirements is complicated and time consuming. Our competitive position has been harmed , and our competitive\nposition and future results may be further harmed, over the long-term, if there are further changes in the USG s export controls, including further expansion of the\ngeographic, customer , or product scope of the controls, if customers purchase product from competitors, if customers develop their own internal solution, if we\nare unable to provide contractual warranty or othe r extended service obligations, if the USG does not grant licenses in a timely manner or denies licenses to\nsignificant customers or if we incur significant transition costs. Even if the USG grants an y requested licenses, the licenses may be temporary or impose\nburdensome conditions that we or our customers or end users cannot or choose not to fulfill. The licensing requirements may benefit certa in of our competitors,\nas the licensing process will make our pre-sale and post-sale technical support efforts more cumbersome and less certain and encourage customers in China to\npursue alternatives to our products, including semiconductor suppliers based in China, Europe, and Israel.\nGiven the increasing strategic importance of AI and rising geopolitical tensions, the USG has changed and may aga in change the export control rules at any time\nand further subject a wider range of our products to export restrictions and licensing requirements, negatively impacting our business and financial resu lts. In the\nevent of such change, we may be unable to sell our inventory of such products and may be unable to develop replacement products not subject to the licensing\nrequirements, effectively exclu ding us from all or part of the China market, as well as other impa cted markets, including the Middle East. For example, the USG\nhas already imposed conditions to limit the ability of foreign firms t o create and offer as a service large-scale GPU clusters, for example by imposing license\nconditions on the use of products to be exported to certain countries, and may impose additional conditions su ch as requiring chip tracking and throttling\nmechanisms that could disable or impair GPUs if certain events, including unauthorized system configuration, use, or location, are detected. The USG has\na lready impo sed export controls restricting certain gaming GPUs, and if the USG expands such controls to restrict additional gaming products, it may disrupt a\nsignificant portion of our supply and dis tribution chain and negatively impact sales of such products to markets outside China, including the U.S. and Europe. In\naddition, as the performa nce of the gaming GPUs increases over time, export co ntrols may have a greater impact on our ability to compete in markets subject to\nthose controls. Export controls may disrupt our supply and distribution chain for a substantial portion of our product s, which are warehoused in and distributed\nfrom Hong Kong.

Export controls restricting our ability to sell data center GPUs may also negatively impact demand for our networking products used in serve rs\ncontaining our GPUs. The USG may also impose export controls on our networking products, such as high-speed network interconnects, to limit the ability of\ndownstream parties to create large cluster s for frontier model training. Any new control that impacts a wider range of our products would likely have a\ndisproportionate impact on NVIDIA and may disadvantage us against certain of our competit ors that sell chips that are outside the scope of such control.\nExcessive or shifting export controls have alread y and may in the future encourage customers outside China and other impacted regions t o design-out certain\nU.S. semiconductors from their products to reduce the compliance burden and risk, and to ensure that they are able to serve markets worldwide. Excessive or\nshifting export contr ols have already encourage d and may in the future encourage overseas governments to request that our customers purchase from our\ncompetitors rather than NVIDIA or other U.S. firms, harming our busin ess, market position, and financial results. As a result, excessive or shifting export controls\nmay negatively impact demand for our products and services not only in China, but also in other markets , such as Europe, Latin America, and Southeast Asia.\nExcessive or shifting export controls increase the risk of investing in U.S. advanced semiconductor products, because by the time a new product is ready for\nmarket, it may be subject to new unilateral export controls restricting its sale. At the same time, such controls may increase investment in foreign competitors,\nwhich would be less likely t o be restricted by U.S. controls.\nAdditionally , restrictions imposed by the Chines e government on the duration of gaming activities and access to games may adversely affect our Gaming\nrevenue, and i ncreased oversight of digital platform companies may adversely affect our Data Center revenue. The Chinese government may also impose\nrestrictions on the sale to certain customers of our products, or any products containing components made by our partners and suppliers. For example, the\nChinese government announced restrictions relating to certain sales of products containing certain products mad e by Micron, a supplier of ours. As another\nexample, an agency of the Chinese government announced an Action Plan that endorses new standards regarding the compute performance per watt and per\nmemory bandwidth of accelerators used in new and renovated data centers in China. If the Chine se government modifies or implements the Action Plan in a way\nthat effectively prevents us from being able to de sign products to meet the new standard, this may restrict the ability of customers to use some of our data center\nproducts and may have a material and adverse impact on our business, operating result s and financial condition. Further restrictions on our products or the\nproducts of our suppliers could negatively impact our business and financial results.\n39Finally , our business depends on our abi lity to receive consistent and reliable supply from our overseas partners, especially in Taiwan. Any new restrictions that\nnegatively impact our ability to receive supply of components, parts, or serv ices from Taiwan, would negatively impact our business and financial results.\nItem 2. Unregistered Sales of Equity Securities and Use of Proceeds\nIssuer Purchases of Equity Securities\nDuring the secon d quarter and first half of fiscal year 2025, we repurchased 62.8 million and 162.1 million shares of our common stock for $7.0 billion and $15.1\nbillion, respectively . As of July 28, 2024, we were a uthorized, subject to certain specifications, to repurchase up to $7.5 billion of our common stock.\nThe repurchases can be made in the open market, in privately negotiated transactions, pursuant to a Rule 10b5-1 trading plan or in structured share repurchase\nprograms, and can be made in one or more larger repurchases, in compliance with Rule 10b-18 of the Exchange Act, subject to market conditions , applicable\nlegal requirements, and other factors. The program does not obligate NVIDIA to acquire any particular amount of common stock and the program may be\nsuspended at any time at our discretio n.\nIn the secon d quarter and first half of fiscal year 2025, we paid $246 million and $344 million, respectively , in cash dividends. Our cash dividend program and the\npayment of future cash dividend s under that program are subject to our Board of Directors ' continuing determination that the dividend program and the\ndeclaration of dividends thereunder are in the best interests of our shareholder s.\nThe following table presents details of our share repurchase transactions during the second quarter of fiscal year 2025:\nPeriodTotal Number\nof Shares\nPurchased\n(In millions)Average Price Paid\nper S hareTotal Number of

Shares\nPurchased as Part of\nPublicly Announced\nProgram\n(In millions)Approximate Dollar V alue\nof Shares that May Yet Be\nPurchased Under the\nProgram\n(In billions)\nApril 29, 2024 - M ay 26, 2024 23.0 $ 91.50 23.0 $ 12.4 \nMay 27, 2024 - June 23, 2024 14.7 $ 121.36 14.7 $ 10.6 \nJune 24, 2024 - July 28, 2024 25.1 $ 123.63 25.1 $ 7.5 \nTotal 62.8 62.8 \nOn August 26, 2024, our Board of Directors approved an additional $50.0 billion to our share repurchase authorization, without expiration. From July 29, 2024\nthrough August 26, 2024, we repurchased 31.5 million shares for $3.6 billio n pursuant to a Rule 10b5-1 trading plan. As of August 26, 2024, a total of\n$53.9 billion was available for repurchase.\nRestricted Stock Unit Share W ithholding\nWe withhold common stock shares associ ated with net share settlements to cover tax withho lding obligations upon the vesting of RSU awards under our\nemployee equity incentive program. During the second quarter and first half of fiscal yea r 2025, we withheld approximately 11 million and 32 million, respectively ,\nfor a total value of $1.6 billion and $3.4 billion, respectively , through net share settlements.\nRecent Sales of Unregister ed Securities and Use of Proceeds\nOn May 28, 2024, we issued a total of 215,120 shares of our common stock, valued at approxim ately $25 million based on our closing stock price on the date of\nissuanc e, to key employees of a company we acquired.\nOn July 2, 2024, we issued a total of 212,353 shares of our common stock, valued at approxima tely $26 million based on our closing stock price on the dat e of\nissuance, to key employees of a company we acquired.\nThe above securities were issued in transactions not involving a public offering pursuant to an exemption from registration set forth in Secti on4(a)(2) of\ntheSecurities Act (and Regulation D or Regulation S promulgated thereunder).\nItem 5. Other Information\nOn July 22, 2024, Ajay K. Puri, Executive Vice President, Worldwide Field Operatio ns, terminated a Rule 10b5-1 trading arrangement adopted on April 12, 2024\nfor the sale of up to 1,008,320 shares of our common stock on a post-split basis through July 11, 2025. 100,1 10 shares were sold under the plan prior to\ntermination.\n40Item 6. Exhibits\nIncorporated by Reference\nExhibit No. Exhibit Description Schedule/Form Exhibit Filing Date\n3.1 Amendment to Restated Certificate of Incor poration of NVIDIA Corporation 8-K 3.1 6/7/2024\n10.1+* Amended and Restated 2007 Equity Incentive Plan\n10.2+* Amended and Restated 2012 Employee Stock Purchase Plan\n31.1* Certification of Chief Execu tive Of ficer as required by Rule 13a-14(a) of the Securities\nExchange Act of 1934\n31.2* Certification of Chief Financial Of ficer as required by Rule 13a-14(a) of the Securities\nExchange Act of 1934\n 32.1#* Certification of Chief Executive Of ficer as required by Rule 13a-14(b) of the Securities\nExchange Act of 1934\n32.2#* Certification of Chief Financial Of ficer as required by Rule 13a-14(b) of the Securities\nExchange Act of 1934\n101.INS*Inline XBRL Instance Document - the instance document does not appear in the Interactive\nData File because its XBRL tags are embedded within the Inline XB RL document.\n101.SCH* Inline XBRL Taxonomy Extension Schema Document\n101.CAL* Inline XBRL Taxonomy Extension Calculation Linkbase Document\n101.DEF* Inline XBRL Taxonomy Extension Definition Linkba se Document\n101.LAB* Inline XBRL Taxonomy Extension Labels Linkbase Document\n101.PRE* Inline XBRL Taxonomy Extension Presentation Linkbase Document\n104Cover Page Interactive Data File - the cover pa ge interactive data file does not appear in\nthe Interactive Data File because its XBRL tags are embedded within the Inline XBRL\ndocument.\n+ Management contract or compensatory plan or arrangement.\n* Filed herewith.\n# In accorda nce with Item 601(b)(32)(ii) of Regul ation S-K and SEC Release Nos. 33-8238 and 34-47986, Final Rule: Management's Reports on Internal Control\nOver Financial Reporting an d Certification of Disclosure in Exchange Act Periodic Reports, the certifications furnished in Exhibits 32.1 and 32.2 hereto are\ndeemed to accompany this Quarterly Report on Form 10-Q and will not be deemed filed for purpose of Section 18 of the Exchange Act. Such certifications will\nnot be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, exce pt to the extent that the registrant specifically\nincorporates it by reference.\nCopies of above exhibits not contained herein are available to any shareholder upon written request to:\nInvestor Relatio ns: NVIDIA Corporation, 2788 San Tomas Expressway , Santa Clara, CA 95051.\n41Signature\nPursuant to the requirem ents of the Securities Exchange Act of 1934, the registrant has duly caused this repor t to be signed on its behalf by the undersigned\nthereunto duly authorized.\nDate: August 28, 2024\n NVIDIA Corporation \nBy: /s/ Colette M. Kress\n Colette M. Kress\n Executive V ice President and Chief Financial Of ficer (Duly Authorized Of ficer and Principal\nFinancial Of ficer)\n42NVIDIA Corporation Amended and Restated 2007 Equity Incentive Plan\nApproved by the Compensation Committee: April 24, 2 007\nApproved by the Stockholders: June 21, 2007\nAmended by the Compensation Committee: November 11, 2010\nAmended and Restated by the Compensation Committee: March 22, 2012\nApproved by the Stockholders : May 17, 2012\nAmended and Restated by the Compensation Committee: April 9, 2014\nApproved by the Stockholders: May 23, 2014\nAmended and Restated by the Compensation Committee: April 5, 2016\nApproved b y the Stockholders: May 18, 2016\nAmended and Restated by the Compensation Committee: April 3, 2018\nApproved by the Stockholders: May 16, 2018\nAmended and Restated by the Compensation Committee: April 27, 2020\nApproved by the Stockholders: June 9, 2020\nAmended and Restated by the Board of Directors: July 19, 2021\nAmended and Restated by the Compensation Committee: April 8, 2022\nApproved by the Stoc kholders: June 2, 2022\nAmended and Restated by the Compensation Committee: December 1, 2022\nAmended and Restated by the Board of Directors: June 7, 2024\nTermination Date: April 26, 2030\n1. General.\n(a)Successor and Continuation of Prior Plans. The Plan is intended as the successor to and continuation of the NVIDIA Corporation\n1998 Equity Incentive Plan (the 1998 Plan), the NVIDIA Corporation 199 8 Non-Employee Directors Stock Option Plan, the NVIDIA Corporation\n2000 Nonstatutory Equity Incentive Plan, and the PortalPlayer, Inc. 2004 Stock Incentive Plan (together, the Prior Plans). Followi ng the\nEffective Date, no additional stock awards will be granted under any of the Prior Plans and all newly granted Stock Awards will be subject to the\nterms of this Plan except as follows: from the Effective Date until September 30, 2007 (the Transition Date) (during which time the Company\nanticipates taking such steps as are necessary or appropriate to permit participation in the Plan by Empl oyees, Directors or Consultants who are\nforeign nationals or are employed outside the United States), the Company may grant stock awards subject to the terms of the 1998 Plan\ncovering up to an aggrega te of 100,000 shares of Common Stock to newly hired employees of the Company and its Affiliates who are foreign\nnationals or are employed outside the United States (such 100,000 share reserve, the Fo reign Transition Reserve). On the Effective Date, all\nof the shares remaining available for issuance under the Prior Plans will become available for issuance under the Plan; provided, however, that\nt he issuance of shares upon the exercise of options or the settlement of stock awards granted under the Prior Plans (including the issuance of\nshares upon the exercise or settlement of any awards grant ed following the Effective Date subject to the terms of the 1998 Plan from the Foreign\nTransition Reserve) will occur from this Plan and will reduce the number of shares of Common Stock available for issuance under this Plan as\nprovided in Section 3 below. Any shares of Common Stock subject to outstanding options and stock awards granted under the Prior Plans that\nexpire or terminate for any reaso n prior to exercise or settlement (collectively, the Prior Plans Returning Shares) will become available for\nissuance pursuant to Stock Awards granted hereunder. Except as expressly set forth in th is Section 1(a), all options and stock awards granted\nunder the Prior Plans will remain subject to the terms of the Prior Plans with respect to which they were originally granted.\n(b)Eligible Award Re cipients. The persons eligible to receive Awards are Employees, Directors and Consultants.\n(c)Available Awards. The Plan provides for the grant of the following Awards: (i) Incentive Stock Options, (i i) Nonstatutory Stock Options,\n(iii) Restricted Stock Awards, (iv) Restricted Stock Unit Awards, (v) Stock Appreciation Rights, (vi) Performance Stock Awards, (vii) Performance\nCash Awards, and (viii) Other Stock Awards.(d)Purpose. The Company, by means of the Plan, seeks to secure and retain the services of the group of persons eligible to receive\nAwards as set forth in Section 1(b), to provide i ncentives for such persons to exert maximum efforts for the success of the Company and any\nAffiliate, and to provide a means by which such eligible recipients may be given an opportunity to benefit fr om increases in value of the Common\nStock through the granting of Stock Awards.\n(e)Section 162(m) Transition Relief. Notwithstanding anything in the Plan to the contrary, any reference in the Plan to performance-\nbased compensation under Section 162(m) of the Code will only apply to any Award that is intended, and is eligible, to qualify as such pursuant\nto the transition relief provided by the Tax Cuts and Jobs Act (the TCJA) for remuneration provided by a written binding contract which was in\neffect on November 2, 2017 and which was not subsequently materially modified, as determined by the Board, in its sole discretion, in\naccordance with the TCJA and any applicable guidance, rulings or regulations issued by any governmental authority.\n2. Administration.\n(a)Administration by Board. The Board will administer the Plan unless and until the Board delegates administration of the Plan to a\nCommittee or Committees, as provided in Section 2(c).\n(b)Powers of Board. The Board will have th e power, subject to, and within the limitations of, the express provisions of the Plan:\n(i) To determine from time to time (A) which of the persons eligible under the Plan will be granted Awards; (B) when and how each\nAward will be granted; (C) what type or combination of types of Award will be granted; (D) the provisions of each Award granted (which need not\nbe identical), including the time or t imes when a person will be permitted to receive cash or Common Stock pursuant to a Stock Award; (E) the\nnumber of shares of Common Stock subject to, or the cash value of, an Award; and (F) the Fair Ma rket Value applicable to a Stock Award.\n(ii) To construe and interpret the Plan and Awards granted under it, and to establish, amend and revoke rules and regulations for its\nadministration. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan or in any Stock Award\nAgreement or in the written terms of a Performance Cash Award, in a manner and to th e extent it will deem necessary or expedient to make the\nPlan or Award fully effective.\n(iii) To settle all controversies regarding the Plan and Awards granted under it.\n(iv) To accelerate the time at which an Award may be exercised or the time during which an Award or any part thereof will vest in\naccordance with the Plan, notwithstanding the provisions in the Award stating the time at which it m ay be exercised or the time during which it\nwill vest (or at which cash or shares of Common Stock may be issued); provided, however, that notwithstanding the foregoing or anything in the\nPlan to the c ontrary, the time at which a Participants Award may be exercised or the time during which a Participants Award or any part thereof\nwill vest may only be accelerated in the event of the Participants death or Disability or in the event of a Corporate Transaction or Change in\nControl.\n(v) To suspend or terminate the Plan at any time. Except as otherwise provided in the Plan or an Award Agreement, suspension or\ntermination of the Plan will not materially impair a Participants rights under his or her then-outstanding Award without his or her written consent.\n(vi) To amend the Plan in any respec t the Board deems necessary or advisable, including, without limitation, relating to Incentive\nStock Options and certain nonqualified deferred compensation under Section 409A of the Code and/or to bri ng the Plan or Awards granted under\nthe Plan into compliance therewith, subject to the limitations, if any, of applicable law. However, except as provided in Section 9(a) relating to\nCapitalization Ad justments, stockholder approval will be required for any amendment of the Plan that either (i) materially increases the number of\nshares of Common Stock available for issuance under the Plan, (ii) mat erially expands the class of individuals eligible to receive Awards under\nthe Plan, (iii) materially increases the benefits accruing to Participants under the Plan or materially reduces the price at w hich shares of Common\nStock may be issued or purchased under the Plan, (iv) materially extends the term of the Plan, or (v) materially expands the types of Awards\navailable for issuance under the Plan , but only to the extent required by applicable law or listing requirements. Except as otherwise provided in\nthe Plan or an AwardAgreement, rights under any Award granted before amendment of the Plan will not be materially impaired by any amendment of the Plan unless\n(i) the Company requests the consent of the affected Participant, and (ii) such Participant consents in writing.\n(vii) To submit any amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended\nto satisfy the requirements of (i) Section 162(m) of the Code and the regulations thereu nder regarding the exclusion of performance-based\ncompensation from the limit on corporate deductibility of compensation paid to Covered Employees, (ii) Section 422 of the Code regarding\nIncentive Sto ck Options, or (iii) Rule 16b-3.\n(viii) To approve forms of Award Agreements for use under the Plan and to amend the terms of any one or more Awards, including,\nbut not limited to, amendments to provi de terms more favorable than previously provided in the Award Agreement, subject to any specified limits\nin the Plan that are not subject to Board discretion; provided however, that, except with respe ct to amendments that disqualify or impair the\nstatus of an Incentive Stock Option or as otherwise provided in the Plan or an Award Agreement, the rights under any Award will not be\nmaterially impaire d by any such amendment unless (i) the Company requests the consent of the affected Participant, and (ii) such Participant\nconsents in writing. Notwithstanding the foregoing, subject to the limitation s of applicable law, if any, and without the affected Participants\nconsent, the Board may amend the terms of any one or more Awards if necessary (A) to maintain the qualified status of the Award as a n\nIncentive Stock Option, (B) to clarify the manner of exemption from, or to bring the Award into compliance with, Section 409A of the Code and\nthe related guidance thereunder, or (C) to comply with o ther applicable laws.\n(ix) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best\ninterests of the Company and that are not in confli ct with the provisions of the Plan or Awards.\n(x) To adopt such procedures or terms and sub-plans (none of which will be inconsistent with the provisions of the Plan) as are\nnecessary or desirable to permit or facilitate participation in the Plan by Employees, Directors or Consultants who are foreign nationals or\nemployed or located outside the United States.\n(c)Delegation to Committee.\n(i) Genera l. The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration\nof the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore\npossessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of\n the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee\nor subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by\nthe Board or Committee (as applicable). The Board may retain the authority to concurrently administer the Plan with the Committee and may, at\nany time, revest in the Board some or all of the powers previously delegated.\n(ii) Section 162(m) and Rule 16b-3 Compliance. The Committee may consist solely of two or more Outside Directors, in\naccordance with Section 162(m) of the Code, or solely of two or more Non-Employee Directors, in accordance with Rule 16b-3. In addition, the\nBoard or the Committee, in its s ole discretion, may (A) delegate to a Committee who need not be Outside Directors the authority to grant Awards\nto eligible persons who are either (I) not then Covered Employees and are not expected t o be Covered Employees at the time of recognition of\nincome resulting from such Stock Award, or (II) not persons with respect to whom the Company wishes to comply with Section 162(m) of the\nCode, and/ or (B) delegate to a Committee who need not be Non-Employee Directors the authority to grant Stock Awards to eligible persons who\nare not then subject to Section 16 of the Exchange Act.\n(d)Delegation to Other Person or Body. The Board or any Committee may delegate to one or more persons or bodies the authority to do\none or more of the following to the extent permitted by applicable law: (i) design ate recipients, other than Officers, of Stock Awards, provided that\nno person or body may be delegated authority to grant a Stock Award to themself; (ii) determine the number of shares of Common Stock subject\nto such Stock Awards; and(iii) determine the terms of such Stock Awards; provided, however, that the Board or Committee action regarding such delegation will fix the\nterms of such delegation in accordance with applicable law, including without limitation Sections 152 and 157 of the Delaware General\nCorporation Law. Unless provided otherwise in the Board or Committee action regarding such delegation, each Stock Award granted pursuant to\nthis section will be granted on the applicable form of Stock Award Agreement most recently approved for use by the Board or the Committee,\nwith any mod ifications necessary to incorporate or reflect the terms of such Stock Award. Notwithstanding anything to the contrary in this Section\n2(d), neither the Board nor any Committee may delegate to any per son or body (who is not a Director or that is not comprised solely of Directors,\nrespectively) the authority to determine the Fair Market Value pursuant to Section 13(x)(iii) below.\n(e)Effect of Board s Decision. All determinations, interpretations and constructions made by the Board in good faith will not be subject to\nreview by any person and will be final, binding and conclusive on all persons. \n(f)Cancellation and Re-Grant of Stock Awards. Neither the Board nor any Committee will have the authority to: (i) reduce the exercise\nor strike price of any outstanding Options or Stock Appreciation Rights under the Plan, or (ii) cancel any outstanding Options or Stock\nAppreciation Rights that have an exercise price or strike price greater than the current Fair Market Value in exchange for cash o r other Stock\nAwards under the Plan, unless the stockholders of the Company have approved such an action within twelve (12) months prior to such an event.\n(g)Dividends and Dividend Equivalents. Divide nds or dividend equivalents may be paid or credited, as applicable, with respect to any\nshares of Common Stock subject to an Award, as determined by the Board and contained in the applicable Award Agr eement; provided,\nhowever, that (i) no dividends or dividend equivalents may be paid with respect to any such shares before the date such shares have vested\nunder the terms of such Award Agreement, (i i) any dividends or dividend equivalents that are credited with respect to any such shares will be\nsubject to all of the terms and conditions applicable to such shares under the terms of such Award Ag reement (including, but not limited to, any\nvesting conditions), and (iii) any dividends or dividend equivalents that are credited with respect to any such shares will be forfeited to the\nCompany on t he date, if any, such shares are forfeited to or repurchased by the Company due to a failure to meet any vesting conditions under\nthe terms of such Award Agreement.\n3.Shares Subject to the Plan.\n(a)Sh are Reserve. Subject to the provisions of Section 9(a) relating to Capitalization Adjustments, the aggregate number of shares of\nCommon Stock of the Company that may be issued pursuant to Stock Awards after the Effective Date will not exceed 10,289,710,640 shares\n(the 2007 Plan Reserve). Such maximum number of shares reserved for issuance consists of (i) 152,767,766 shares, which is the total\nre serve that the Companys stockholders approved at the Companys 2007 Annual Meeting of Stockholders, including but not limited to the\nshares remaining available for issuance under the Prior Plans on t he Effective Date and the Prior Plans Returning Shares, (ii) 25,000,000\nshares that were approved at the Companys 2012 Annual Meeting of Stockholders (and reapproved at the Companys 2013 Annual Mee ting of\nStockholders), (iii) 10,000,000 shares that were approved at the Companys 2014 Annual Meeting of Stockholders, (iv) 18,800,000 shares that\nwere approved at the Companys 2016 Annual Meeting o f Stockholders, (v) 23,000,000 shares that were approved at the Companys 2018\nAnnual Meeting of Stockholders, (vi) 14,800,000 shares that were approved at the Companys 2020 Annual Meeting of Stockho lders, (vii)\n733,103,298 shares that were added to reflect a 4-for-1 stock split effective July 19, 2021, (viii) 51,500,000 shares that were approved at the\nCompanys 2022 Annual Meeting of Stockholde rs, and (ix) 9,260,739,576 shares that were added to reflect a 10-for-1 stock split effective June\n7, 2024. For clarity, the 2007 Plan Reserve in this Section 3(a) is a limitation on the number of sha res of Common Stock that may be issued\npursuant to the Plan. Accordingly, this Section 3(a) does not limit the granting of Stock Awards except as provided in Section 7(a). Shares may\nbe issued in conn ection with a merger or acquisition as permitted by Nasdaq Listing Rule 5635(c) or, if applicable, NYSE Listed Company\nManual Section 303A.08, AMEX Company Guide Section 711 or other applicable rule, and such issuance will not reduce the number of shares\navailable for issuance under the Plan.\n The initial 101,845,177 shares approved in June 2007 were adjusted to 152,767,766 pursuant to a 3-for-2 s tock split effective September 10, 2007.1\n1(b)Reversion of Shares to the Share Reserve.\n(i) Shares Available For Subsequent Issuance. If any (x) Stock Award shall for any reason expire or otherwise te rminate, in\nwhole or in part, without having been exercised in full, (y) shares of Common Stock issued to a Participant pursuant to a Stock Award are\nforfeited to or repurchased by the Company at thei r original exercise or purchase price pursuant to the Companys reacquisition or repurchase\nrights under the Plan, including any forfeiture or repurchase caused by the failure to meet a contingency or condition required for the vesting of\nsuch shares, or (z) Stock Award is settled in cash, then the shares of Common Stock not issued under such Stock Award, or forfeited to or\nrepurchased by the Comp any, shall revert to and again become available for issuance under the Plan.\n(ii) Shares Not Available for Subsequent Issuance. If any shares subject to a Stock Award are not delivered to a Participan t\nbecause such shares are withheld by the Company to satisfy the exercise or purchase price of a Stock Award (including any shares subject to a\nStock Award that are not delivered to a Participant beca use the Stock Award is exercised through a reduction of shares subject to the Stock\nAward (i.e., net exercised)) or an appreciation distribution in respect of a Stock Appreciation Right is paid in s hares of Common Stock, the\nnumber of shares subject to the Stock Award that are not delivered to the Participant shall not remain available for subsequent issuance under\nthe Plan. If any shares subjec t to a Stock Award are not delivered to a Participant because such shares are withheld by the Company in\nsatisfaction of the withholding of taxes incurred in connection with a Stock Award, the number of shares that are not delivered to the Participant\nshall not remain available for subsequent issuance under the Plan. If the exercise or purchase price of any Stock Award, or the withholding of\ntaxes incurred in connection with a Stock Award, is satisfied by tendering shares of Common Stock held by the Participant (either by actual\ndelivery or attestation), then the number of shares so tendered s hall not remain available for subsequent issuance under the Plan. If any shares\nof Common Stock are repurchased by the Company on the open market with the proceeds of the exercise or purchase price of a Stock Award,\nthen the number of shares so repurchased shall not remain available for subsequent issuance under the Plan.\n(c)Incentive Stock Option Limit. Subject to the 2007 Plan Reserve and the pr ovisions of Section 9(a) relating to Capitalization\nAdjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock\nOptions under the Plan (including Incentive Stock Options granted under the Prior Plans) will be 10,000,000,000 shares of Common Stock.\n(d)Individual Award Limitations. Subject to the provisions of Section 9(a) relati ng to Capitalization Adjustments, no Participant will be\neligible to be granted during any fiscal year:\n(i) Options, Stock Appreciation Rights and Other Stock Awards whose value is determined by refer ence to an increase over an\nexercise or strike price of at least one hundred percent (100%) of the Fair Market Value on the date the Stock Award is granted covering more\nthan 80,000,000 shares of Comm on Stock;\n(ii) Performance Stock Awards covering more than 80,000,000 shares of Common Stock; and\n(iii) Performance Cash Awards with a value of more than $6,000,000.\nIf a

Performance Stock Award is in the form of an Option, it will count only against the Performance Stock Award limit. If a Performance\nStock Award could be paid out in cash, it will count only against the Performance Stock Award lim it.\n(e)Source of Shares. The stock issuable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including\nshares repurchased by the Company on the open market or other wise.\n4.Eligibility.\n(a)Eligibility for Specific Stock Awards. Incentive Stock Options may be granted only to employees of the Company or a parent\ncorporation or subsidiary corporation thereof (as such terms are defined in Sections 424(e) and 424(f) of the Code). Stock Awards other than\nIncentive Stock Options may be granted to Employees, Directors and Consultants; provided, however, that Stoc k Awards may not be granted to\nEmployees, Directors and Consultants who are providing Continuous Service only to any parent of the Company, as such term is defined in\nRule 405 of the SecuritiesAct, unless (i) the stock underlying such Stock Awards is treated as service recipient stock under Section 409A of the Code (for example,\nbecause the Stock Awards are granted pursuant to a corporate tran saction such as a spin off transaction), (ii) the Company, in connection with\nits legal counsel, has determined that such Stock Awards are otherwise exempt from Section 409A of the Code, or (iii) the Company, in\nconnection with its legal counsel, has determined that such Stock Awards comply with the distribution requirements of Section 409A of the Code.\n(b)Ten Percent Stockholders. A Ten Percent S tockholder will not be granted an Incentive Stock Option unless the exercise price of such\nOption is at least one hundred ten percent (110%) of the Fair Market Value on the date of grant and the Optio n is not exercisable after the\nexpiration of five (5) years from the date of grant.\n(c)Consultants. A Consultant will be eligible for the grant of an Award only if, at the time of grant, a Form S-8 Re gistration Statement\nunder the Securities Act or a successor or similar form under the Securities Act (Form S-8) is available to register either the offer or the sale of\nthe Companys securities to such Consultant because of the nature of the services that the Consultant is providing to the Company, because the\nConsultant is a natural person, or because of any other rule governing the use of For m S-8.\n5.Provisions Relating to Options and Stock Appreciation

Rights.\nEach Option or SAR will be in such form and will contain such terms and conditions as the Board will deem appropriate. All Option s will be\nseparately designated Incentive Stock Options or Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate\ncertificate or certificates will be issued for s hares of Common Stock purchased on exercise of each type of Option. If an Option is not specifically\ndesignated as an Incentive Stock Option, or if an Option is designated as an Incentive Stock Option but some portion or all of the Option fails to\nqualify as an Incentive Stock Option under the applicable rules, then the Option (or portion thereof) will be a Nonstatutory Stock Option. The\nprovision s of separate Options or SARs need not be identical; provided, however, that each Award Agreement will include (through incorporation\nof provisions hereof by reference in the Award Agreement or otherw ise) the substance of each of the following provisions:\n(a) Term. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, no Option or SAR will be exercisable after the\nexpiratio n of ten (10) years from the date of its grant or such shorter period specified in the Award Agreement (the Expiration Date).\n(b)Exercise Price. Subject to the provisions of Section 4(b) regarding T en Percent Stockholders, and notwithstanding anything in the\nAward Agreement to the contrary, the exercise or strike price of each Option or SAR will not be less than the Fair Market Value subject to the\nOption or SAR on the date the Award is granted. Notwithstanding the foregoing, an Option or SAR may be granted with an exercise or strike\nprice lower than the Fair Market Value subject to the Awar d if such Award is granted pursuant to an assumption or substitution for another option\nor stock appreciation right in a manner consistent with the provisions of Section 409A and, if applicable, Secti on 424(a) of the Code. Each SAR\nwill be denominated in shares of Common Stock equivalents.\n(c)Consideration. The purchase price of Common Stock acquired pursuant to the exercise of an Option will be p aid, to the extent\npermitted by applicable law and as determined by the Board in its sole discretion, by any combination of the methods of payment set forth below.\nThe Board will have the authority to grant Options that do not permit all of the following methods of payment (or otherwise restrict the ability to\nuse certain methods) and to grant Options that require the consent of the Company to uti lize a particular method of payment. The methods of\npayment permitted by this Section 5(c) are:\n(i) by cash, check, bank draft, money order or electronic funds transfer payable to the Company;\n(ii) pu rsuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance\nof the stock subject to the Option, results in either the receipt of cash (or c heck) by the Company or the receipt of irrevocable instructions to pay\nthe aggregate exercise price to the Company from the sales proceeds;(iii) if an option is a Nonstatutory Stock Option, by a net exercise arrangement pursuant to which the Company will reduce the\nnumber of shares of Common Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not \nexceed the aggregate exercise price; provided, however, that the Company will accept a cash or other payment from the Participant to the extent\nof any remaining balance of the aggregate exercise pric e not satisfied by such reduction in the number of whole shares to be issued; provided,\nfurther, that shares of Common Stock will no longer be outstanding under an Option and will not be exercisable t hereafter to the extent that (A)\nshares issuable upon exercise are reduced to pay the exercise price pursuant to the net exercise, (B) shares are delivered to the Participant as\na result of such exe rcise, and (C) shares are withheld to satisfy tax withholding obligations; or\n(iv) in any other form of legal consideration that may be acceptable to the Board and specified in the applicable Award Ag reement.\n(d)Exercise and Payment of a SAR. To exercise any outstanding SAR, the Participant must provide written notice of exercise to the\nCompany in compliance with the provisions of the Stock Apprec iation Right Agreement evidencing such SAR. The appreciation distribution\npayable on the exercise of a SAR will be not greater than an amount equal to the excess of (A) the aggregate Fair Market Value (on the date of\nthe exercise of the SAR) of a number of shares of Common Stock equal to the number of Common Stock equivalents in which the Participant is\nvested under such SAR, and with respect to w hich the Participant is exercising the SAR on such date, over (B) the strike price. The appreciation\ndistribution may be paid in Common Stock, in cash, in any combination of the two or in any other fo rm of consideration, as determined by the\nBoard and contained in the Award Agreement evidencing such SAR.\n(e)Transferability of Options and SARs. The Board may, in its sole discretion, impose such lim itations on the transferability of Options\nand SARs as the Board will determine. If the Board determines that an Option or SAR will be transferable, the Option or SAR will contain such\nadditional term s and conditions as the Board deems appropriate. In the absence of such a determination by the Board to the contrary, the\nfollowing restrictions on the transferability of Options and SARs will apply:\n (i) Restrictions on Transfer. An Option or SAR will not be transferable except by will or by the laws of descent and distribution (or\npursuant to subsections (ii) and (iii) below) and will be exercisa ble during the lifetime of the Participant only by the Participant; provided,\nhowever, that the Board may, in its sole discretion, permit transfer of the Option or SAR in a manner consistent with appl icable tax and securities\nlaws upon the Participants request. Except as explicitly provided herein, neither an Option nor a SAR may be transferred for consideration.\n(ii) Domestic Relations Orders. N otwithstanding the foregoing, subject to the approval of the Board or a duly authorized Officer,\nan Option or SAR may be transferred pursuant to a domestic relations order or official marital settleme nt agreement; provided, however, that an\nIncentive Stock Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.\n(iii) Beneficiary Designation. Notwithstanding the foregoi ng, subject to the approval of the Board or a duly authorized Officer, a\nParticipant may, by delivering written notice to the Company, in a form provided by or otherwise satisfactory to the Company (o r the designated\nbroker), designate a third party who, in the event of the death of the Participant, will thereafter be entitled to exercise the Option or SAR and\nreceive the Common Stock or other con sideration resulting from such exercise. In the absence of such a designation, the executor or\nadministrator of the Participants estate (or other party legally entitled to the Option or SAR proceeds) will be entitled to exercise the Option or\nSAR and receive the Common Stock or other consideration resulting from such exercise. However, the Company may prohibit designation of a\nbeneficiary at any time, including due to any conclusion by the Company that such designation would be inconsistent with the provisions of\napplicable laws or difficult to administer.\n(f)Vesting Generally. The total numb er of shares of Common Stock subject to an Option or SAR may vest and therefore become\nexercisable in periodic installments that may or may not be equal. The Option or SAR may be subject to such other terms and conditions on the\ntime or times when it may or may not be exercised (which may be based on the satisfaction of Performance Goals or other criteria) as the Board\nmay deem appropriate. The ve sting provisions ofindividual Options or SARs may vary; provided, however, that in all cases, in the event that a Participants Continuous Service terminates as a\nresult of his or her death, then the Option or SAR will become fully vested and exercisable as of the date of termination of Continuous Service.\nThe provisions of this Section 5(f) are subject to any Option or SAR provisions governing th e minimum number of shares of Common Stock as to\nwhich an Option or SAR may be exercised.\n(g)Termination of Continuous Service. Except as otherwise provided in the applicable Award Agreement or other agreement between\nthe Participant and the Company, in the event that a Participants Continuous Service terminates (other than for Cause or upon the Participants\ndeath or Disability), the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Award\nas of the date of termination of Continuous Service) but only within such period of time ending on the earlier of (i) the date 90 days following the\ntermination of the Participants Continuous Service, or (ii) the expiration of the term of the Option or SAR as set forth in the Award Agree ment. If,\nafter termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the time specified herein or in the\nAward Agreement (as applicable), the Option or SAR will terminate.\n(h)Extension of Termination Date. If the exercise of an Option or SAR following the termination of the Participants Continuous Service\n(other than for Cause or upon the Participan ts death or Disability) would either (i) be prohibited solely because the issuance of shares of\nCommon Stock would violate the registration requirements under the Securities Act, or (ii) subject the Participant to short-swing liability under\nSection 16(b) of the Exchange Act due to a transaction engaged in by the Participant prior to his or her termination of Continuous Service, then\nthe Option o r SAR will terminate on the earlier of (A) the expiration of a period of 90 days after the termination of the Participants Continuous\nService during which the exercise of the Option or SAR would not be in violation of such registration requirements and would not subject the\nParticipant to short-swing liability under Section 16(b) of the Exchange Act, or (B) the expiration of the term of the Optio n or SAR as set forth in\nthe Award Agreement. All determinations under this Section 5(h) will be made in the sole discretion of the Board.\n(i)Disability of Participant. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant\nand the Company, in the event that a Participants Continuous Service terminates as a result of the Participants Disability, the Participant may\nexercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of termination of\nContinuous Service), but only wi thin such period of time ending on the earlier of (i) the date 12 months following such termination of Continuous\nService, or (ii) the expiration of the term of the Option or SAR as set forth in the A ward Agreement. If, after termination of Continuous Service,\nthe Participant does not exercise his or her Option or SAR within the time specified herein or in the Award Agreement (as applicable), the Option\nor SAR will terminate.\n(j)Death of Participant. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant and\nthe Company, in the event that (i) a Participants Continuous Service terminates as a result of the Participants death (which termination event\nwill give rise to acceleration of vesting as described in Section 5(f) above), or (ii) the Participant dies within the period (if any) specified in the\nAward Agreement after the termination of the Participants Continuous Service for a reason other than death (which event will not give ris e to\nacceleration of vesting as described in Section 5(f) above), then the Option or SAR may be exercised (to the extent the Participant was entitled\nto exercise such Option or SAR as of the date of d eath) by the Participants estate, by a person who acquired the right to exercise the Option or\nSAR by bequest or inheritance or by a person designated to exercise the Option or SAR upon the Participa nts death, but only within the period\nending on the earlier of (A) the date 18 months following the date of death, or (B) the expiration of the term of such Option or SAR as set forth in\nthe Award Ag reement. If, after the Participants death, the Option or SAR is not exercised within the time specified herein or in the Award\nAgreement (as applicable), the Option or SAR will terminate.\n(k)Terminat ion for Cause. Except as explicitly provided otherwise in a Participants Award Agreement, or other individual written\nagreement between the Company or any Affiliate and the Participant, if a Particip ants Continuous Service is terminated for Cause, the Option or\nSAR will terminate immediately upon such Participants termination of Continuous Service, and the Participant will be prohibited from ex ercising\nhis or her Option or SAR from and after the time of such termination of Continuous Service.(l)Non-Exempt Employees. No Option or SAR granted to an Employee that is a non-exempt employee for p urposes of the Fair Labor\nStandards Act of 1938, as amended, will be first exercisable for any shares of Common Stock until at least six (6) months following the date of\ngrant of the Option or SAR (al though the Award may vest prior to such date). Consistent with the provisions of the Worker Economic Opportunity\nAct, (i) if such non-exempt Employee dies or suffers a Disability, (ii) upon a Corporat e Transaction in which such Option or SAR is not assumed,\ncontinued, or substituted, (iii) upon a Change in Control, or (iv) upon the Participants retirement (as such term may be defined in the\nParti cipants Award Agreement or in another agreement between the Participant and the Company, or, if no such definition, in accordance with\nthe Companys then current employment policies and guidelines), the vested portion of any Options and SARs may be exercised earlier than six\n(6) months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non- exempt employee in\nconnection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay. To the extent permitted and/or\nrequired for compliance with the Worke r Economic Opportunity Act to ensure that any income derived by a non-exempt employee in connection\nwith the exercise, vesting or issuance of any shares under any other Stock Award will be exempt from the employees regular rate of pay, the\nprovisions of this Section 5(k) will apply to all Stock Awards and are hereby incorporated by reference into such Stock Award Agreements.\n6.Provisions of Stock Awards other than Options and SARs.\n(a)Restricted Stock

Awards. Each Restricted Stock Award Agreement will be in such form and will contain such terms and conditions as\nthe Board will deem appropriat e. To the extent consistent with the Companys Bylaws, at the Boards election, shares of Common Stock may be\n(x) held in book entry form subject to the Companys instructions until any restrictions r elating to the Restricted Stock Award lapse; or\n(y) evidenced by a certificate, which certificate will be held in such form and manner as determined by the Board. The terms and conditions of\nRestricte d Stock Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Award\nAgreements need not be identical, provided, however, that each Restricted Stock A ward Agreement will include (through incorporation of the\nprovisions hereof by reference in the Award Agreement or otherwise) the substance of each of the following provisions:\n(i) Consideration. A Re stricted Stock Award may be awarded in consideration for (A) cash, check, bank draft, money order or\nelectronic funds transfer payable to the Company, (B) past services rendered to the Company or an A ffiliate, or (C) any other form of legal\nconsideration (including future services) that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.\n(ii) Vesting. Shar es of Common Stock awarded under a Restricted Stock Award Agreement may be subject to forfeiture to the\nCompany in accordance with a vesting schedule to be determined by the Board; provided, however, that in all cases, in the event a Participants\nContinuous Service terminates as a result of his or her death, then the Restricted Stock Award will become fully vested as of the date of\ntermination of Continuous Service.\n(iii) Termination of Participants Continuous Service. In the event a Participants Continuous Service terminates, the Company\nmay receive via a forfeiture condition or a repurcha se right any or all of the shares of Common Stock held by the Participant which have not\nvested as of the date of termination of Continuous Service under the terms of the Restricted Stock Award Agreem ent.\n(iv) Transferability. Rights to acquire shares of Common Stock under the Restricted Stock Award Agreement will be transferable by\nthe Participant only upon such terms and conditions as are set fo rth in the Restricted Stock Award Agreement, as the Board will determine in its\nsole discretion, so long as Common Stock awarded under the Restricted

Stock Award Agreement remains subject to the terms of the Restricted\nStock Award Agreement.\n(b)Restricted Stock Unit Awards. Each Restricted Stock Unit Award Agreement will be in such form and will contain such terms and\nconditions as the Board will deem appropriate. The terms and conditions of Restricted Stock Unit Award Agreements may change from time to\ntime, and the terms and conditions of separate Restricted Stock Unit Award Agreements need not be identical, provided, however, that each\nRestricted Stock Unit Award Agreement willinclude (through incorporation of the provisions hereof by reference in the Award Agreement or otherwise) the s ubstance of each of the following\nprovisions:\n(i) Consideration. At the time of grant of a Restricted Stock Unit Award, the Board will determine the consideration, if any, to be\npaid by the Participan t upon delivery of each share of Common Stock subject to the Restricted Stock Unit Award. The consideration to be paid (if\nany) by the Participant for each share of Common Stock subject to a Restricte d Stock Unit Award may be paid in any form of legal consideration\nthat may be acceptable to the Board in its sole discretion and permissible under applicable law.\n(ii) Vesting. At the time of the gran t of a Restricted Stock Unit Award, the Board may impose such restrictions or conditions to the\nvesting of the Restricted Stock Unit Award as it, in its sole discretion, deems appropriate; provided, h owever, that in all cases, in the event a\nParticipants Continuous Service terminates as a result of his or her death, then the Restricted Stock Unit Award will become fully vested as of\nthe date of t ermination of Continuous Service.\n(iii) Payment. A Restricted Stock Unit Award may be settled by the delivery of shares of Common Stock, their cash equivalent, any\ncombination thereof or in any other form of consideration, as determined by the Board and contained in the Restricted Stock Unit Award\nAgreement.\n(iv) Additional Restrictions. At the time of the grant of a Restricted Stock Unit Award, t he Board, as it deems appropriate, may\nimpose such restrictions or conditions that delay the delivery of the shares of Common Stock (or their cash equivalent) subject to a Restricted\nStock Unit Award to a time after the vesting of such Restricted Stock Unit Award.\n(v) Termination of Participants Continuous Service. Except as otherwise provided in the applicable Restricted Stock Unit Award\nAgreeme nt, such portion of the Restricted

Stock Unit Award that has not vested will be forfeited upon the Participants termination of Continuous\nService.\n(c)Performance Awards.\n(i) Performance Stock Awards. A Performance Stock Award is a Stock Award that is payable (including that may be granted, vest\nor exercised) contingent upon the attainment during a Performance Period of certain Performance Goals. A Performance Stock Award may\nrequire the completion of a specified period of Continuous Service. In the event a Participants Continuous Service terminates as a result of his\nor her death, then the P erformance Stock Award will be deemed to have been earned at 100% of the target level of performance, will be fully\nvested, as of the date of death, and shares thereunder will be issued promptly follo wing the date of death. The length of any Performance\nPeriod, the Performance Goals to be achieved during the Performance Period, and the measure of whether and to what degree such\nPerformance Goals h ave been attained will be conclusively determined by the Committee (or, to the extent that an Award is not intended to\nqualify as performance-based compensation under Section 162(m) of the Code, the Board), in its sole discretion. In addition, to the extent\npermitted by applicable law and the applicable Award Agreement, the Board or the Committee, as applicable, may determine that cash may be\nus ed in payment of Performance Stock Awards.\n(ii) Performance Cash Awards. A Performance Cash Award is a cash award that is payable contingent upon the attainment during\na Performance Period of certain Performance Goals. A Performance Cash Award may also require the completion of a specified period of\nContinuous Service. The length of any Performance Period, the Performance Goals to be achieved duri ng the Performance Period, and the\nmeasure of whether and to what degree such Performance Goals have been attained will be conclusively determined by the Committee (or, to\nthe extent that an Award is not intended to qualify as performance-based compensation under Section 162(m) of the Code, the Board), in its\nsole discretion. The Board or the Committee, as applicable, may provide for or, subject to such terms and conditions as the Board or the\nCommittee, as applicable, may specify, may permit a Participant to elect for, the payment of any Performance Cash Award to be deferred to a\nspecified date or event. The Board or the

Committee, as applicable, may specify the form of payment of Performance Cash Awards, which may\nbe cash or other property, or may provide for a Participant to have the option for his or her Performance Cash Award, or such portion thereof as\nthe Board or theCommittee, as applicable, may specify, to be paid in whole or in part in cash or other property. In addition, t o the extent permitted by applicable\nlaw and the applicable Award Agreement, the Board or the Committee, as applicable, may determine that Common Stock authorized under this\nPlan may be used in paymen t of Performance Cash Awards, including additional shares in excess of the Performance Cash Award as an\ninducement to hold shares of Common Stock.\n(iii) Section 162(m) Compliance. Unless otherwise per mitted in compliance with the requirements of Section 162(m) of the Code\nwith respect to any Award intended to qualify as performance-based compensation thereunder, the Committee will establish the Performance\nGoals applicable to, and the formula for calculating the amount payable under, the Award no later than the earlier of (a) the date 90 days after\nthe commencement of the applicable Performa nce Period, and (b) the date on which 25% of the Performance Period has elapsed, and in any\nevent at a time when the achievement of the applicable Performance Goals remains substantially uncertain. Pr ior to the payment of any\ncompensation under an Award intended to qualify as performance-based compensation under Section 162(m) of the Code, the Committee will\ncertify the extent to which any Perfo rmance Goals and any other material terms under such Award have been satisfied (other than in cases\nwhere such relate solely to the increase in the value of the Common Stock). With respect to any Awar d intended to qualify as performance-\nbased compensation under Section 162(m) of the Code, the Committee may reduce or eliminate the compensation or economic benefit due\nupon the attainment of the a pplicable Performance Goals on the basis of any such further considerations as the Committee, in its sole discretion,\nmay determine.\n(d)Other Stock Awards. Other forms of Stock Awards valued in whole or in part by reference to, or otherwise based on, Common Stock,\nincluding the appreciation in value thereof may be granted either alone or in addition to Stock Awards provided for under Section 5 and the\npreceding provisions of this Section 6. Subject to the provisions of the Plan (including, but not limited to, Section 2(g)), the Board will have sole\nand complete authority to determine the perso ns to whom and the time or times at which such Other Stock Awards will be granted, the number\nof shares of Common Stock (or the cash equivalent thereof) to be granted pursuant to such Other Stock Awar ds and all other terms and\nconditions of such Other Stock Awards; provided, however, that in all cases, in the event a Participants Continuous Service terminates as a\nresult of his or her death, then any Other Stock Awards held by such Participant will become fully vested as of the date of termination of\nContinuous Service.\n7.Covenants of the Company.\n(a)Availability of Shares. During the terms o f the Stock Awards, the Company will keep available at all times the number of shares of\nCommon Stock reasonably required to satisfy such Stock Awards.\n(b)Securities Law Compliance. The Company will s eek to obtain from each regulatory commission or agency having jurisdiction over the\nPlan, or any offerings made under the Plan, such authority as may be required to grant Stock Awards and to issue an d sell shares of Common\nStock upon exercise of the Stock Awards; provided, however, that this undertaking will not require the Company to register under the Securities\nAct the Plan, any Stock Award or any Common Stock issued or issuable pursuant to any such Stock Award nor seek to obtain such approval if\nthe cost or efforts to obtain the approval is unreasonable in relation to the value of the ben efits to be provided under the Plan, as determined by\nthe Company in its sole discretion. If, after reasonable efforts and at a reasonable cost, the Company is unable to obtain from any such\nregulator y commission or agency the authority that counsel for the Company deems necessary for the lawful issuance and sale of Common\nStock under the Plan, the Company will be relieved from any liability for f ailure to issue and sell Common Stock upon exercise of such Stock\nAwards unless and until such authority is obtained. A Participant will not be eligible for the grant of an Award or the subsequent iss uance of cash\nor Common Stock pursuant to the Award if such grant or issuance would be in violation of any applicable securities laws.\n(c)No Obligation to Notify or Minimize Taxes. The Company will ha ve no duty or obligation to any Participant to advise such Participant\nas to the time or manner of exercising such Stock Award. Furthermore, the Company will have no duty or obligation to warn or othe rwise advise\nsuch holder of a pending termination or expiration of an Award or a possible period in which the Award may not be exercised. Neither the\nCompany nor any of its Affiliates has any duty or obligation to minimize the tax consequences of an Award to the holder of such Award.8.Miscellaneous.\n(a)Use of Proceeds. Proceeds from the sale of shares of Common Stock pursuant to Awards will consti tute general funds of the Company.\n(b)Corporate Action Constituting Grant of Stock Awards. Corporate action constituting a grant by the Company of an Award to any\nParticipant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the\ninstrument, certificate, or letter evidencing the Award is communicated to, or actually receiv ed or accepted by, the Participant. In the event that\nthe corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action constituting the grant contain terms (e.g.,\n exercise price, vesting schedule or number of shares) that are inconsistent with those in the Award Agreement as a result of a clerical error in the\npapering of the Award Agreement, the corporate reco rds will control and the Participant will have no legally binding right to the incorrect term in\nthe Award Agreement.\n(c)Stockholder Rights. No Participant will be deemed to be the holder of, or to ha ve any of the rights of a holder with respect to, any\nshares of Common Stock subject to an Award unless and until (i) such Participant has satisfied all requirements for exercise of, or the issuance\no f shares under, the Award pursuant to its terms and (ii) the issuance of the Common Stock subject to such Award has been entered into the\nbooks and records of the Company.\n(d)No Employment or Other Se rvice Rights. Nothing in the Plan, any Award Agreement or any other instrument executed thereunder or\nin connection with any Award granted pursuant to the Plan will confer upon any Participant any rig ht to continue to serve the Company or an\nAffiliate in the capacity in effect at the time the Award was granted or will affect the right of the Company or an Affiliate to terminate (i) the\nemployment of an Employee with or without notice and with or without cause (provided in compliance with applicable local laws and the\nEmployees employment contract, if any), (ii) the service of a Consultant pur suant to the terms of such Consultants agreement with the\nCompany or an Affiliate, or (iii) the service of a Director pursuant to the Bylaws of the Company or an Affiliate, and any applicable provisi ons of\nthe corporate law of the state in which the Company or the Affiliate is incorporated, as the case may be.\n(e)Change in Time Commitment. In the event a Participants regular level of time commit ment in the performance of his or her services\nfor the Company or any Affiliates is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the\nEmployee has a change in status from a full-time Employee to a part-time Employee) after the date of grant of any Award to the Participant, the\nBoard has the right in its sole discretion (provided in compliance wi th applicable local laws) to (i) make a corresponding reduction in the number\nof shares or cash amount subject to any portion of such Award that is scheduled to vest or become payable after the date o f such change in time\ncommitment, and (ii) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the\nevent of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced.\n(f)Incentive Stock Option Limitation. To the extent that the aggregate Fair Market Value (determined at the time of grant) with respect to\nwhich Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company\nand any Affiliates) exceeds $100,000 (or such other limit established in the Code) or otherwise does not comply with the rules governing\nIncentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise\ndo not comply with the rules will be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option\nAgree ment(s) or any Board or Committee resolutions related thereto.\n(g)Investment Assurances. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any\nAward, (i) to give written assurances satisfactory to the Company as to the Participants knowledge and experience in financial and business\nmatters and/or to employ a purchaser representative reasonably sat isfactory to the Company who is knowledgeable and experienced in financial\nand business matters and that he or she is capable of evaluating, alone or together with the purchaser representative, the me rits and risks of\nexercising the Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Common Stock\nsubject to the Award for the Participant s own account and not with any present intention of selling or otherwisedistributing the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, will be inope rative if (A)\nthe issuance of the shares upon the exercise or acquisition of Common Stock under the Award has been registered under a then currently\neffective registration statement under the Securiti es Act, or (B) as to any particular requirement, a determination is made by counsel for the\nCompany that such requirement need not be met in the circumstances under the then applicable securities laws . The Company may, upon\nadvice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in\norder to comply with applicable se curities laws, including, but not limited to, legends restricting the transfer of the Common Stock.\n(h)Withholding Obligations. Unless prohibited by the terms of an Award Agreement, the Company may, i n its sole discretion, satisfy any\nfederal, state, foreign or local tax withholding obligation relating to an Award (including but not limited to income tax, social insurance\ncontributions, payment on account or any other taxes) by any of the following means (in addition to the Companys right to withhold from any\ncompensation paid to the Participant by the Company or an Affiliate) or by a combina tion of such means: (i) causing the Participant to tender a\ncash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in\nco nnection with the Award; provided, however, that no shares of Common Stock are withheld with a value exceeding the maximum amount of\ntax required to be withheld by law (or such other amount as may be necessary to avoid classification of the Stock Award as a liability for financial\naccounting purposes); (iii) withholding cash from an Award settled in cash; (iv) withholding payment from any amounts otherwise payable to the\nParticipant; or (v) by such other method as may be set forth in the Award

Agreement.\n(i)Electronic Delivery. Any reference herein to a written agreement or document will inc lude any agreement or document delivered\nelectronically, filed publicly at www.sec.gov (or any successor website thereto) or posted on the Companys intranet.\n(j)Deferrals. To the extent permitted by applicable law, the Board, in its sole discretion, may determine that the delivery of Common Stock\nor the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Award may be deferred and may establish programs\nand procedures for deferral elections to be made by Participants. Deferrals by Participants will be made in accordance with Section 409A of the\nCode. Consistent with Section 409A of the Code, the Board may provide for distributions while a Participant is still an employee or otherwise\nproviding services to the Company or an Affiliate. The Board is authorized to make deferrals of Awards and determine when, and in what annual\npercentages, Participants may receive payments, including lump sum payments, following the Participants termination of Continuous S ervice,\nand implement such other terms and conditions consistent with the provisions of the Plan and in accordance with applicable law.\n(k)Compliance with Section 409A. Unless otherwise expressly prov ided for in an Award Agreement, the Plan and Award Agreements will\nbe interpreted to the greatest extent possible in a manner that makes the Plan and the Awards granted hereunder exempt from Section 4 09A of\nthe Code, and, to the extent not so exempt, in compliance with Section 409A of the Code. If the Board determines that any Award granted\nhereunder is not exempt from and is therefore subject to Section 409A of the Code, the Award Agreement evidencing such Award will\nincorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code, and to th e extent an\nAward Agreement is silent on terms necessary for compliance, such terms are hereby incorporated by reference into the Award Agreement.\nNotwithstanding anything to the contrary in this Plan (and unless the Award Agreement specifically provides otherwise), if the shares of Common\nStock are publicly traded, and if a Participant holding an Award that constitutes deferred compensation und er Section 409A of the Code is a\nspecified employee for purposes of Section 409A of the Code, no distribution or payment of any amount that is due because of a separation\nfrom service (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date\nthat is six (6) months following the date of such Participants separation fro m service or, if earlier, the date of the Participants death, unless\nsuch distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred wil l be paid in\na lump sum on the day after such six (6) month period elapses, with the balance paid thereafter on the original schedule.(l)Clawback/Recovery. All Awards granted under the Plan will be su bject to recoupment in accordance with any clawback policy that the\nCompany is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Compa nys\nsecurities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable law. In\naddition, the Board may impose such other clawback, recovery or recoupment provisions in an Award Agreement as the Board determines\nnecessary or appropriate, including but not limited to a reacquisition right in respect of previously acquired shares of Common Stock or other\ncash or property upon the occurrence of Cause.\n9.Adjustments upon Changes in Common Stock; Other Corporate Events.\n(a)Capitalization Adjustments. In the event of a Capitalizatio n Adjustment, the Board will appropriately and proportionately adjust: (i) the\nclass(es) and maximum number of securities subject to the Plan pursuant to Section 3(a); (ii) the class(es) and maximum n umber of securities\nthat may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 3(c); (iii) the class(es) and maximum number of\nsecurities that may be awarded to any per son pursuant to Section 3(d); and (iv) the class(es) and number of securities and price per share of\nstock subject to outstanding Stock Awards. The Board will make such adjustments, and its determinat ion will be final, binding and conclusive.\n(b)Dissolution or Liquidation. Except as otherwise provided in the Stock Award Agreement, in the event of a dissolution or liquidation of\nthe Company, and up on ten (10) days prior written notice, all outstanding Stock Awards (other than Stock Awards consisting of vested and\noutstanding shares of Common Stock not subject to the Companys right of repurchas e or a forfeiture condition) will terminate immediately prior\nto the completion of such dissolution or liquidation, and the shares of Common Stock subject to the Companys repurchase rights or a forfe iture\ncondition may be repurchased or reacquired by the Company notwithstanding the fact that the holder of such Stock Award is providing\nContinuous Service, provided, however, that the Board may, in its sole discretion, cause some or all Stock Awards to become fully vested,\nexercisable and/or no longer subject to repurchase or forfeiture (to the extent such Stock Awards have not previously expire d or terminated)\nbefore the dissolution or liquidation is completed but contingent on its completion.\n(c)Corporate Transaction.\n(i) Stock Awards May Be Assumed. Except as otherwise stated in the Stock Award Agreement, in the event of a Corporate\nTransaction, any surviving corporation or acquiring corporation (or the surviving or acquiring corporations parent company) may assume or\ncontinue any or all Stock Awards outstanding under the Plan or may substitute similar stock awards for Stock Awards outstanding under the Plan\n(including but not limited to, awards to acquire the same consideration paid to the stockholders of the Company pursuant to the Corporate\nTransaction), and any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to Stock Award s\nmay be assigned by the Company to the successor of the Company (or the successors parent company, if any), in connection with such\nCorporate Transaction. A surviving corporation or acquiring corpor ation (or its parent) may choose to assume or continue only a portion of a\nStock Award or substitute a similar stock award for only a portion of a Stock Award.\n(ii) Stock Awards Not Assumed Held by Cu rrent Participants. Except as otherwise stated in the Stock Award Agreement\n(including an option and stock award agreement subject to the terms of the Prior Plans, which terms remain applicable as to outstanding options\nand stock awards thereunder), in the event of a Corporate Transaction in which the surviving corporation or acquiring corporation (or its parent\ncompany) does not assume or continu e any or all outstanding Stock Awards or substitute similar stock awards for such outstanding Stock\nAwards, then with respect to Stock Awards that have not been assumed, continued or substituted and t hat are held by Participants whose\nContinuous Service has not terminated prior to the effective time of the Corporate Transaction (referred to as the Current Participants), the\nvesting of such Stock Awards (and, if applicable, the time at which such Stock Awards may be exercised) will (contingent upon the effectiveness\nof the Corporate Transaction) be accelerated in full to a date prior to the e ffective time of such Corporate Transaction as the Board will determine\n(or, if the Board will not determine such a date, to the date that is five business (5) days prior to the effective time of the Corporate Transaction),\nand such StockAwards will terminate if not exercised (if applicable) at or prior to the effective time of the Corporate Transaction, and any reacquisition or\nrepurchase rights held by the Company with respect to such Stock Awards will lapse (contingent upon the effectiveness of the Corporate\nTransaction).\n(iii) Stock Awards Not Assumed Held by Persons other than Current Par ticipants. Except as otherwise stated in the Stock\nAward Agreement (including an option and stock award agreement subject to the terms of the Prior Plans, which terms remain applicable as to\noutstandi ng options and stock awards thereunder), in the event of a Corporate Transaction in which the surviving corporation or acquiring\ncorporation (or its parent company) does not assume or continue any or all outstanding Stock Awards or substitute similar stock awards for such\noutstanding Stock Awards, then with respect to Stock Awards that have not been assumed, continued or substituted and that are h eld by\npersons other than Current Participants, the vesting of such Stock Awards (and, if applicable, the time at which such Stock Award may be\nexercised) will not be accelerated and such Stock Awards (other than a Stock Award consisting of vested and outstanding shares of Common\nStock not subject to the Companys right of repurchase), upon advance written notice by the Company of at least five (5) business days to the\nholders of such Stock Awards, will terminate if not exercised (if applicable) prior to the effective time of the Corporate Transaction; provided,\nhowever, that any reacquisition or repurchase rights held by the Company with respect to such Stock Awards will not terminate and may\ncontinue to be exercised notwithstanding the Corporate Transaction.\n(d)Change in Control.\n(i) Sto ck Awards May Be Assumed. Except as otherwise stated in the Stock Award Agreement, in the event of a Change in\nControl, any surviving corporation or acquiring corporation (or the surviving or acquirin g corporations parent company) may assume or continue\nany or all Stock Awards outstanding under the Plan or may substitute similar stock awards for Stock Awards outstanding under the Plan\n(including but not limited to, awards to acquire the same consideration paid to the stockholders of the Company pursuant to the Change in\nControl), and any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to Stock Awards may be\nassigned by the Company to the successor of the Company (or the successors parent company, if any), in connection with such Change in \nControl. A surviving corporation or acquiring corporation (or its parent) may choose to assume or continue only a portion of a Stock Award or\nsubstitute a similar stock award for only a portion of a Stock Award.\n(ii) Stock Awards Not Assumed Held by Current Participants. Except as otherwise stated in the Stock Award Agreement\n(including an option and stock award agreement subject to the terms of the Prior Plans, which terms remain applicable as to outstanding options\nand stock awards thereunder), in the event of a Change in Control in which the surviving corporation or acquiring corporation (or its parent\ncompany) does not assume or continue any or all outstanding Stock Awards or substitute similar stock awards for such outstanding Stock\nAwards, then with respect to Stock Awards that have not been assumed, continued or substituted and that are held by Current Participants, the\nvesting of such Stock Awards (and, if applicable, the time at which such Stock Awards may be exercised) will (contingent upon the effectiveness\nof the Change in Control) be accelerated in full to a date prior to the effective time of such Change in Control as the Board will determine (or, if\nthe Board will n ot determine such a date, to the date that is five business (5) days prior to the effective time of the Change in Control), and such\nStock Awards will terminate if not exercised (if applicable) at or prior to the effective time of the Change in Control, and any reacquisition or\nrepurchase rights held by the Company with respect to such Stock Awards will lapse (contingent upon the effectiveness of the Change in\nControl).\n(iii) Stock Awards Not Assumed Held by Persons other than Current Participants. Except as otherwise stated in the Stock\nAward Agreement (including an option and stock award agr eement subject to the terms of the Prior Plans, which terms remain applicable as to\noutstanding options and stock awards thereunder), in the event of a Change in Control in which the surviving corpora tion or acquiring\ncorporation (or its parent company) does not assume or continue any or all outstanding Stock Awards or substitute similar stock awards for such\noutstanding Stock Awards, then with re spect to Stock Awards that have not been assumed, continued or substituted and that are held by\npersons other than Current Participants, the vesting of such Stock Awards (and, if applicable, the time at which such Stock Award may be\nexercised) will not be accelerated and such Stock Awards (other than a Stock Award consisting of vestedand outstanding shares of Common Stock not subject to the Compan ys right of repurchase), upon advance written notice by the Company of at\nleast five (5) business days to the holders of such Stock Awards, will terminate if not exercised (if applicable) prior to th e effective time of the\nChange in Control; provided, however, that any reacquisition or repurchase rights held by the Company with respect to such Stock Awards will\nnot terminate and may continue to b e exercised notwithstanding the Change in Control.\n(iv) Additional Provisions. A Stock Award may be subject to additional acceleration of vesting and exercisability upon or after a\nChange in Control a s may be provided in the Stock Award Agreement for such Stock Award or as may be provided in any other written\nagreement between the Company or any Affiliate and the Participant. A Stock Award may ves t as to all or any portion of the shares subject to the\nStock Award (i) immediately upon the occurrence of a Change in Control, whether or not such Stock Award is assumed, continued, or substituted\nby a surviving or acquiring entity in the Change in Control, and/or (ii) in the event a Participants Continuous Service is terminated, actually or\nconstructively, within a designated period following t he occurrence of a Change in Control, but in the absence of such provision, no such\nacceleration will occur.\n10.Termination or Suspension of the Plan.\n(a)Plan Term. Unless sooner terminated by the Boa rd pursuant to Section 2, the Plan will automatically terminate on the day before the\ntenth (10th) anniversary of the earlier of (i) the date the Plan is adopted by the Board or a duly authorized Comm ittee, or (ii) the date the Plan is\napproved by the stockholders of the Company. The Board may suspend the Plan at anytime. No

Awards may be granted under the Plan while\nthe Plan is suspended or after it is terminated.\n11.Effective Date of Plan.\nThis Plan will become effective on the Effective Date.\n12.Choice of Law.\nThe law of the State of Delaware will govern all questions concerning the constru ction, validity and interpretation of this Plan, without regard\nto that states conflict of laws rules.\n13.Definitions.\nAs used in the Plan, the following definitions will apply to the capitalized ter ms indicated below:\n(a)Affiliate means, at the time of determination, any parent or subsidiary of the Company as such terms are defined in Rule 405 of the\nSecurities Act. The Board will have the authority to determine the time or times at which parent or subsidiary status is determined within the\nforegoing definition.\n(b)Award means a Stock Award or a Performance Cash Award.\n(c)Award Agreement means a written agreement between the Company and a Participant evidencing the terms and conditions of an\nAward.\n(d)Board means the Board of Directors of the Company.\n(e)Capitalization A djustment means any change that is made in, or other events that occur with respect to, the Common Stock subject\nto the Plan or subject to any Stock Award after the Effective Date without the receipt of consideration by the Company through merger,\nconsolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, stock split, liquidating\ndivide nd, combination of shares, exchange of shares, change in corporate structure or any similar equity restructuring transaction, as that term is\nused in Financial Accounting Standards Board Accounting St andards Codification Topic 718 (or any successor thereto). Notwithstanding the\nforegoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment .\n(f)Cause means (i) if a Participant is party to an agreement with the Company or an Affiliate that relates to equity awards and contains a\ndefinition of Cause, the definition of Cause in the a pplicable agreement, or (ii) if a Participant is not party to any such agreement, such\nParticipants termination because of (A) any willful, material violation by theParticipant of any law or regulati on applicable to the business of the Company or an Affiliate, the Participants conviction for, or guilty plea to, a\nfelony or a crime involving moral turpitude, or any willful perpetration by the Par ticipant of a common law fraud, (B) the Participants commission\nof an act of personal dishonesty that involves personal profit in connection with the Company or any other entity having a business rel ationship\nwith the Company, (C) any material breach by the Participant of any provision of any agreement or understanding between the Company or an\nAffiliate and the Participant regarding the terms of the Participants service as an Employee, Officer, Director or Consultant to the Company or an\nAffiliate, including without limitation, the willful and continued failure or refusal of the Participant to perform the material duties required of such\nParticipant as an Employee, Officer, Director or Consultant of the Company or an Affiliate, other than as a result of having a Disability, or a\nbreach of any applicable invention assignment and confidentiality agreement or similar agreement between the Company or an Affiliate and the\nParticipant, (D) the Participants disregard of the policies of th e Company or an Affiliate so as to cause loss, damage or injury to the property,\nreputation or employees of the Company or an Affiliate, or (E) any other misconduct by the Participant that is material ly injurious to the financial\ncondition or business reputation of, or is otherwise materially injurious to, the Company or an Affiliate.\n(g) Change in Control means the occurrence, in a single trans action or in a series of related transactions, of any one or more of the\nfollowing events:\n(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company represent ing more than 50%\nof the combined voting power of the Companys then outstanding securities other than by virtue of a merger, consolidation or similar transaction.\nNotwithstanding the foregoing, a Cha nge in Control will not be deemed to occur (A) on account of the acquisition of securities of the Company by\nan investor, any affiliate thereof or any other Exchange Act Person that acquires the Compa nys securities in a transaction or series of related\ntransactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities, or (B) solely because\n the level of Ownership held by any Exchange Act Person (the Subject Person) exceeds the designated percentage threshold of the\noutstanding voting securities as a result of a repurchase or other acqu isition of voting securities by the Company reducing the number of shares\noutstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acqu isition of voting\nsecurities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that,\nassuming the repurchase or other acquisiti on had not occurred, increases the percentage of the then outstanding voting securities Owned by the\nSubject Person over the designated percentage threshold, then a Change in Control will be deemed to occur;\n(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and,\nimmediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior\nthereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting\npower of the surviving Entity in such merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power\nof the parent of the surviving Entit y in such merger, consolidation or similar transaction, in each case in substantially the same proportions as\ntheir Ownership of the outstanding voting securities of the Company immediately prior to s uch transaction;\n(iii) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of\nthe Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the\nCompany and its Subsidiaries to an Entity, more than 50% of the combined voting power of the voting securities of which are Owned by\nstockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company\nimmediately prior to su ch sale, lease, license or other disposition; or\n(iv) individuals who, on the date this Plan is adopted by the Board, are members of the Board (the Incumbent Board) cease for\nany reason to constitut e at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for\nelection) of any new Board member was approved orrecommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of this Plan, be\nconsidered as a member of the Incumbent Board.\nFor purposes of determining voting p ower under the term Change in

Control, voting power will be calculated by assuming the conversion of\nall equity securities convertible (immediately or at some future time) into shares entitled to vote , but not assuming the exercise of any warrant or\nright to subscribe to or purchase those shares. In addition, (A) the term Change in Control will not include a sale of assets, merger or other\ntransac tion effected exclusively for the purpose of changing the domicile of the Company, and (B) the definition of Change in Control (or any\nanalogous term) in an individual written agreement between the Co mpany or any Affiliate and the Participant will supersede the foregoing\ndefinition with respect to Awards subject to such agreement; provided, however, that if no definition of Change in Control or an y analogous term\nis set forth in such an individual written agreement, the foregoing definition will apply; provided, further, that no Change in Control will be deemed\nto occur upon announcement or co mmencement of a tender offer or upon a potential takeover or upon stockholder approval of a merger or other\ntransaction, in each case without a requirement that the Change in Control actually occur.\nI f required for compliance with Section 409A of the Code, in no event will a Change in Control be deemed to have occurred if such\ntransaction is not also a change in the ownership or effective control of the Company or a change in the ownership of a substantial portion of\nthe assets of the Company as determined under Treasury Regulation Section 1.409A-3(i)(5) (without regard to any alternative definition\nthereunder). The Board may, in its sole discretion and without a Participants consent, amend the definition of Change in Control to conform to\nthe definition of Change in Control under Section 409A of the Code and the regulations thereunder.\n(h)Code means the Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.\n(i)Committee me ans a committee of one (1) or more Directors to whom authority has been delegated by the Board in accordance with\nSection 2(c).\n(j)Common Stock means the common stock of the Company.\n(k)Company me",

"result": "Based on the analysis of Nvidia's 10-K report, several areas can be identified for potential cost savings, operational efficiencies, and expense minimization to enhance profitability. Here are the key findings and recommendations:\n\n### 1. **Cost of Revenue Management**\n-

Current Situation: The cost of revenue has decreased from 29.9% to 24.9% year-over-year, indicating improved efficiency in production and sales.\n- **Recommendation**: Continue to optimize supply chain management and negotiate better terms with suppliers to further reduce costs. Implementing just-in-time inventory systems could minimize excess inventory costs.\n\n### 2. **Research and Development (R&D) Expenses**\n- **Current Situation**: R&D expenses have increased significantly, accounting for 10.3% of revenue, up from 15.1% a year ago. This reflects a strategic investment in innovation, particularly in AI and GPU technologies.\n- **Recommendation**: While maintaining a strong focus on innovation, consider prioritizing projects with the highest potential return on investment. Implementing a more rigorous project evaluation process could help in reallocating resources to the most promising initiatives.\n\n### 3. **Sales, General, and Administrative (SG&A) Expenses**\n- **Current Situation**: SG&A expenses have decreased from 4.7% to 2.8% of revenue, indicating improved efficiency in administrative functions.\n- **Recommendation**: Continue to streamline administrative processes through automation and digital transformation. Regularly review vendor contracts and service agreements to ensure competitive pricing and service levels.\n\n### 4. **Stock-Based Compensation**\n- **Current Situation**: The increase in stock-based compensation is a significant factor in the rise of operating expenses.\n- **Recommendation**: Consider revising the stock compensation structure to align more closely with performance metrics. This could help control costs while still incentivizing employees effectively.\n\n### 5. **Inventory Management**\n- **Current Situation**: Provisions for inventory and excess inventory purchase obligations have been substantial, indicating challenges in inventory management.\n- **Recommendation**: Implement advanced inventory management systems that utilize predictive analytics to better align inventory levels with demand forecasts. This could reduce excess inventory and associated costs.\n\n### 6. **Geographic Revenue Concentration**\n- **Current Situation**: A significant portion of revenue (57%) comes from international markets, which may expose Nvidia to geopolitical risks and currency fluctuations.\n- **Recommendation**: Diversify the customer base geographically to mitigate risks. Explore

opportunities in emerging markets where demand for AI and GPU technologies is growing.\n\n### 7. **Tax Efficiency**\n- **Current Situation**: The effective tax rate has increased, impacting net income.\n- **Recommendation**: Engage in tax planning strategies to optimize the tax burden. This could include utilizing available tax credits, deductions, and incentives related to R&D and international operations.\n\n### 8. **Debt Management**\n- **Current Situation**: Nvidia has a manageable level of debt, but interest expenses could be optimized.\n- **Recommendation**: Consider refinancing existing debt at lower interest rates if market conditions allow. This could reduce interest expenses and improve cash flow.\n\n### 9. **Operational Efficiency through Technology**\n- **Current Situation**: Nvidia is investing heavily in AI and automation technologies.\n- **Recommendation**: Continue to leverage AI and machine learning to enhance operational efficiencies across all departments, from manufacturing to customer service. This could lead to significant cost savings and improved service delivery.\n\n### Conclusion\nBy focusing on these areas, Nvidia can further enhance its profitability while maintaining its competitive edge in the rapidly evolving technology landscape. Continuous monitoring and adjustment of strategies will be essential to adapt to market changes and internal performance metrics.",
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