
**SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): October 7, 2010

CIRRUS LOGIC, INC.

(Exact name of Registrant as specified in its charter)

Delaware

(State or Other Jurisdiction of
Incorporation or Organization)

0-17795

(Commission
File Number)

77-0024818

(IRS Employer
Identification No.)

2901 Via Fortuna, Austin, TX

(Address of Principal Executive Offices)

78746

(Zip Code)

Registrant's telephone number, including area code: (512) 851-4000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02 - Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangement of Certain Officers.

Base Salary Adjustments and Discretionary Bonuses

At a meeting on October 1, 2010, as part of its annual review of executive compensation, the Compensation Committee (the “Committee”) of the Board of Directors of Cirrus Logic, Inc. (the “Company”) approved the following salary increases and discretionary bonuses for the Company’s named executive officers:

Named Executive Officer	Position	Salary effective prior to October 1, 2010	Salary effective as of October 1, 2010	Discretionary bonus in lieu of annual base salary increase
Jason Rhode	President and Chief Executive Officer	\$390,000	\$430,000	—
Thurman Case	Chief Financial Officer, Vice President of Finance and Treasurer	\$245,000	\$257,250	—
Scott Anderson	Senior Vice President and General Manager, Mixed Signal Audio	\$275,000	\$275,000	\$13,750
Gregory S. Thomas	Vice President, General Counsel, and Corporate Secretary	\$275,000	\$280,500	\$ 8,750
Timothy Turk	Vice President, Worldwide Sales	\$255,000	\$255,000	\$12,750

The Committee decided to award discretionary bonuses in lieu of annual base salary increases to certain named executive officers in an effort to maintain individual executive officers’ salaries at or near the 50th percentile compared to comparable positions at peer companies, while at the same time recognizing the individual executive officer’s responsibilities and contributions in view of the Company’s performance during the prior year.

Equity Awards

In addition, as part of a company-wide award of equity to key employees, the Committee approved the following equity grants to named executive officers pursuant to the Company’s 2006 Stock Incentive Plan, which was filed with the Securities and Exchange Commission (“SEC”) on Form S-8 on August 1, 2006:

Named Executive Officer	Position	Stock Option Awards	Restricted Stock Unit Awards
Jason Rhode	President and Chief Executive Officer	135,000	37,500
Thurman Case	Chief Financial Officer, Vice President of Finance and Treasurer	25,000	12,500
Scott Anderson	Senior Vice President and General Manager, Mixed Signal Audio	35,000	17,500
Gregory S. Thomas	Vice President, General Counsel, and Corporate Secretary	32,000	16,000
Timothy Turk	Vice President, Worldwide Sales	25,000	12,500

The price of the stock option awards were set at the closing price on the Company's stock on the Company's regularly scheduled monthly grant date of October 6, 2010. The options will have a term of ten years and 25% will vest one year from the grant date, and the remaining options will vest 1/36th monthly thereafter until fully vested after four years. The restricted stock unit awards were also granted on October 6, 2010, and 100% of the shares underlying the restricted stock unit awards will vest on the third anniversary of the grant date. All awards are subject to continued service through each vesting date.

Form of Award Agreements

The equity awards made pursuant to the 2006 Stock Incentive Plan to the Company's employees, including the named executive officers, will be granted through the use of revised forms of award agreements, which set forth the applicable terms and conditions of the award. Copies of these forms of agreements are attached hereto as Exhibits 10.1, 10.2, and 10.3 and are incorporated herein by reference.

Item 9.01 — Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1	Form of Notice of Grant of Restricted Stock Units (2006 Stock Incentive Plan)
10.2	Form of Restricted Stock Unit Agreement for U.S. Employees (2006 Stock Incentive Plan)
10.3	Form of Stock Option Agreement (2006 Stock Incentive Plan)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CIRRUS LOGIC, INC.

Date: October 7, 2010

By: /s/ Thurman K. Case
Name: Thurman K. Case
Title: Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
10.1	Form of Notice of Grant of Restricted Stock Units (2006 Stock Incentive Plan)
10.2	Form of Restricted Stock Unit Agreement for U.S. Employees (2006 Stock Incentive Plan)
10.3	Form of Stock Option Agreement (2006 Stock Incentive Plan)

**CIRRUS LOGIC, INC. 2006 STOCK INCENTIVE PLAN
NOTICE OF GRANT OF RESTRICTED STOCK UNITS**

Holder's
Name:

Holder's
Address:

You ("Holder") are hereby granted an award (this "Award") of Restricted Stock Units, whereby each Restricted Stock Unit represents the right to receive one share of Common Stock of Cirrus Logic, Inc. following the applicable vesting date, subject to the terms and conditions of the Cirrus Logic, Inc. 2006 Stock Incentive Plan (the "Plan") and the related Restricted Stock Unit Agreement (the "RSU Agreement"), as set forth below. Capitalized terms used but not defined herein shall have the meanings set forth in the Plan. The term "Restricted Stock Unit" shall have the same meaning as the term "Phantom Stock Award" set forth in the Plan, and this Award, the RSU Agreement, and the Plan shall each be interpreted accordingly (for example, this Award shall be considered to be the same as a Phantom Stock Award as defined in the Plan).

Grant Number:

Date of Grant:

Number of Restricted
Stock Units Granted:

Vesting Schedule: Subject to your continuous service to the Company or its Affiliates from the Date of Grant through the applicable vesting date and the other terms and conditions set forth herein, the Restricted Stock Units granted pursuant to this Award will vest in accordance with the following schedule:

Shares	Vest Type	Vest Date
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Expiration Date to Accept: 2 business days prior to vest date

Failure to execute and return the documents applicable to this Award before the Expiration Date to Accept set forth above will render this Award and the grant of the Restricted Stock Units invalid.

By your signature or electronic acceptance of this Notice of Grant and the signature of the Company's representative below, you and the Company hereby acknowledge your acceptance of this Award of Restricted Stock Units granted on the Date of Grant indicated above, which has been issued under the terms and conditions of the Plan and the RSU Agreement. You further acknowledge receipt of a copy of the Plan and the RSU Agreement and agree to all of the terms and conditions of the Plan and the RSU Agreement, which are incorporated in this Award by reference.

HOLDER:

CIRRUS LOGIC, INC.

Signature

By: _____
Jason P. Rhode

Printed Name

Date

CIRRUS LOGIC, INC.
2006 STOCK INCENTIVE PLAN
RESTRICTED STOCK UNIT AGREEMENT
FOR U.S. EMPLOYEES

This Restricted Stock Unit Agreement (this "Agreement") is made and entered into as of the Date of Grant set forth in the related Notice of Grant of Restricted Stock Units ("Notice of Grant") by and between Cirrus Logic, Inc., a Delaware corporation (the "Company"), and you as the Holder named in the Notice of Grant ("Holder"):

WHEREAS, the Company, in order to induce you to enter into and/or continue in service to the Company or its Affiliates in the capacity of Employee, Consultant, or Director, as applicable ("Service") and to materially contribute to the success of the Company, agrees to grant you this Award of Restricted Stock Units;

WHEREAS, the Company adopted the Cirrus Logic, Inc. 2006 Stock Incentive Plan, as it may be amended from time to time (the "Plan"), under which the Company is authorized to grant Awards of Restricted Stock Units to certain employees and service providers of the Company and its Affiliates;

WHEREAS, a copy of the Plan has been furnished to you and shall be deemed a part of this Agreement as if fully set forth herein and terms capitalized but not defined herein shall have the meaning set forth in the Plan;

WHEREAS, the term "Restricted Stock Unit" shall have the same meaning as the term "Phantom Stock Award" set forth in the Plan, and this Agreement, the Notice of Grant, and the Plan shall each be interpreted accordingly (for example, this Agreement shall be considered to be the same as a "Phantom Stock Award Agreement" as defined in the Plan); and

WHEREAS, you desire to accept the Award of Restricted Stock Units created pursuant to this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and for other valuable consideration hereinafter set forth, the parties agree as follows:

1. **The Grant**. Subject to the conditions set forth below, the Company hereby grants to you, effective as of the Date of Grant set forth in the Notice of Grant and in accordance with the terms and conditions set forth herein and in the Plan, as a matter of separate inducement but not in lieu of any salary or other compensation for your services for the Company, an award (the "Award") consisting of an aggregate number of Restricted Stock Units, whereby each Restricted Stock Unit represents the right to receive one share of Common Stock of the Company following the applicable vesting date, in accordance with the terms and conditions set forth herein and in the Notice of Grant and the Plan.

2. **No Shareholder Rights**. The Restricted Stock Units granted pursuant to this Agreement do not and shall not entitle you to any rights of a holder of Common Stock

(including, without limitation, voting rights or rights to cash dividends) prior to the date shares of Common Stock are issued to you in settlement of the Award. Your rights with respect to the Restricted Stock Units shall remain forfeitable at all times prior to the date on which rights become vested and the restrictions with respect to the Restricted Stock Units lapse in accordance with Section 5.

3. **Forfeiture Restrictions**. The Restricted Stock Units are restricted in that they may not be sold, transferred or otherwise alienated or hypothecated until the Restricted Stock Units become vested, the restrictions are removed or expire as contemplated in this Agreement, and Common Stock is issued to you as described in Section 4 of this Agreement. The Restricted Stock Units are also restricted in the sense that, as provided in Section 6, they may be forfeited for no consideration to the Company in the event your Service with the Company or an Affiliate terminates before the Restricted Stock Units become vested. The prohibition against transfer and the obligation to forfeit the Restricted Stock Units upon termination of Service as provided in the preceding sentences are herein referred to as the “Forfeiture Restrictions.”

4. **Issuance of Common Stock**. No shares of Common Stock shall be issued to you prior to the date on which the Restricted Stock Units vest and the Forfeiture Restrictions with respect to the Restricted Stock Units lapse, in accordance with Section 5. As soon as reasonably practicable after the Restricted Stock Units vest pursuant to Section 5, the Company shall cause to be issued to you (including to a brokerage account in your name) Common Stock in settlement of such vested Restricted Stock Units upon receipt by the Company of any required tax withholding, provided that such issuance of Common Stock shall in any event be made no later than March 15 of the year following the calendar year that the Restricted Stock Units vest. The Company shall evidence the Common Stock to be issued in settlement of such vested Restricted Stock Units in the manner it deems appropriate. The value of any fractional share Restricted Stock Units shall be rounded down at the time Common Stock is issued to you in connection with the Restricted Stock Units. No fractional shares of Common Stock, nor the cash value of any fractional shares of Common Stock, will be issuable or payable to you pursuant to this Agreement. The value of such shares of Common Stock shall not bear any interest owing to the passage of time. Neither this Section 4 nor any action taken pursuant to or in accordance with this Section 4 shall be construed to create a trust or a funded or secured obligation of any kind.

5. **Vesting; Expiration of Forfeiture Restrictions**. The Forfeiture Restrictions on the Restricted Stock Units granted pursuant to the Award will expire as set forth in the Notice of Grant and shares of Common Stock that are nonforfeitable and transferable, except to the extent provided in Section 9 of this Agreement, will be issued to you in settlement of your vested Restricted Stock Units as set forth in Section 4, provided that you remain in the continuous Service of the Company or its Affiliates until the applicable dates or events set forth in the Notice of Grant. Restricted Stock Units which remain subject to the Forfeiture Restrictions will be considered “Nonvested Restricted Stock Units.”

6. **Effect of Termination of Service**. If your Service with the Company or any Affiliate terminates for any reason, then those Restricted Stock Units for which the Forfeiture Restrictions have not lapsed as of the date of or in connection with such termination shall become null and void and those Nonvested Restricted Stock Units shall be forfeited for no consideration to the Company.

7. **Leave of Absence**. With respect to the Award, the Company may, in its sole discretion, determine that if you are on leave of absence for any reason, you will be considered to still be in the Service of the Company or an Affiliate, provided that rights to the Restricted Stock Units during a leave of absence will be limited to the extent to which those rights were earned or vested when the leave of absence began.

8. **Withholding Taxes**. The Company may require you to pay to the Company (or the Company's Affiliate if you are an employee of an Affiliate of the Company), an amount the Company deems necessary to satisfy its or its Affiliate's current or future obligation to withhold federal, state or local income or other taxes that you incur as a result of the Award. To the extent that the receipt of the Restricted Stock Units or the lapse of any Forfeiture Restrictions results in compensation income or wages to you for federal, state, local, or other tax purposes, the Company is authorized to withhold any tax required to be withheld by reason of such resulting compensation income or wages from any cash or stock remuneration (including withholding any Common Stock distributable to you under this Agreement, based on the Fair Market Value on the date the withholding is to be determined, but not in excess of the applicable minimum statutory withholding requirements) then or thereafter payable to you and/or you otherwise agree to deliver such amount of money as the Company may require to meet its or its Affiliate's tax withholding obligations under applicable laws or regulations. Unless the applicable tax withholding obligations of the Company and its Affiliates are satisfied, the Company shall have no obligation to issue Common Stock pursuant to this Agreement. You acknowledge and agree that the Company is making no representation or warranty as to the tax consequences to you as a result of the receipt of the Restricted Stock Units, the lapse of any Forfeiture Restrictions, or the forfeiture of any Restricted Stock Units pursuant to the Forfeiture Restrictions.

9. **Compliance with Securities Law**. Notwithstanding any provision of this Agreement to the contrary, any issuance of Common Stock hereunder will be subject to compliance with all applicable requirements of federal, state, and foreign law with respect to such securities and with the requirements of any stock exchange or market system upon which the Common Stock may then be listed. No Common Stock will be issued hereunder if such issuance would constitute a violation of any applicable federal, state, or foreign securities laws or other law or regulations or the requirements of any stock exchange or market system upon which the Common Stock may then be listed. In addition, Common Stock will not be issued hereunder unless (a) a registration statement under the Securities Act of 1933, as amended (the "Act"), is at the time of issuance in effect with respect to the shares issued or (b) in the opinion of legal counsel to the Company, the shares issued may be issued in accordance with the terms of an applicable exemption from the registration requirements of the Act. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance and sale of any shares subject to the Award will relieve the Company of any liability in respect of the failure to issue such shares as to which such requisite authority has not been obtained. As a condition to any issuance hereunder, the Company may require you to satisfy any qualifications that may be necessary or appropriate to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect to such compliance as may be requested by the Company.

You agree that the shares of Common Stock that you may acquire in settlement of any vested Restricted Stock Units will not be sold or otherwise disposed of in any manner that would constitute a violation of any applicable securities laws, whether federal, state, or foreign.

10. **Legends**. You agree that the certificates representing shares of Common Stock issued with respect to the Award may bear such legend or legends as the Committee deems appropriate to assure compliance with the terms and provisions of this Agreement and applicable securities laws.

11. **Right to Terminate Services**. Nothing contained in this Agreement shall confer upon you the right to continue in the employ of or performing services for the Company or any Affiliate, or interfere in any way with the rights of the Company or any Affiliate to terminate your employment or service relationship at any time.

12. **Furnish Information**. You agree to furnish to the Company all information requested by the Company to enable it to comply with any reporting or other requirement imposed upon the Company by or under any applicable statute or regulation. You further agree to notify the Company upon any change in the residence address indicated on the Notice of Grant.

13. **Dispute Resolution**. The provisions of this Section shall be the exclusive means of resolving disputes arising out of or relating to the Award, the Notice of Grant, the Plan, and this Agreement. The Company, you, and your assignees (the "parties") shall attempt in good faith to resolve any disputes arising out of or relating to the Award, the Notice of Grant, the Plan, and this Agreement by negotiation between individuals who have authority to settle the controversy. Negotiations shall be commenced by either party by notice of a written statement of the party's position and the name and title of the individual who will represent the party. Within thirty (30) days of the written notification, the parties shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, to resolve the dispute.

Any controversy, dispute or claim that has not been settled by negotiation within thirty (30) days of the written notification as set forth above shall be finally settled by arbitration under the Commercial Arbitration Rules of the American Arbitration Association ("AAA") by three arbitrators. In such event, the claimant will deliver a written notice to the respondent(s) and the AAA initiating arbitration and naming an arbitrator. Within twenty (20) days after receipt of such arbitration notice, the respondent(s) shall name an arbitrator. Within twenty (20) days from the naming of the two arbitrators, the two arbitrators shall name a third arbitrator. If there are multiple claimants and/or multiple respondents, all claimants and/or all respondents shall attempt to agree upon naming their respective arbitrator. If the claimants or respondents, as the case may be, fail to name their respective arbitrator, or if the two arbitrators fail to name a third arbitrator, or if within twenty (20) days after any arbitrator shall resign or otherwise cease to serve as such a replacement arbitrator is not named by the party that originally named such arbitrator, such arbitrator as to which agreement cannot be reached or as to which a timely appointment is not made shall be named by the AAA. The place of arbitration shall be Austin, Texas. The award of the arbitrators may be entered in any court of competent jurisdiction. The costs of the arbitration shall be shared by the disputing parties equally. Notwithstanding anything to the contrary herein,

the arbitrators shall not award nor shall the Company have any liability for any consequential, punitive, special, incidental, indirect or similar damages.

14. **No Advice Regarding Award**. The Company is not providing any tax, legal, or financial advice with respect to the Award of Restricted Stock Units, your participation in the Plan, or the acquisition or sale of any Common Stock attributable to the Award. You are hereby advised to consult with your own personal tax, legal, and financial advisors regarding participation in the Plan before taking any action related to the Plan.

15. **No Liability for Good Faith Determinations**. The Company and the members of the Committee and the Board shall not be liable for any act, omission or determination taken or made in good faith with respect to this Agreement or the Restricted Stock Units granted hereunder.

16. **Execution of Receipts and Releases**. Any payment of cash or any issuance or transfer of shares of Common Stock or other property to you, or to your legal representative, heir, legatee or distributee, in accordance with the provisions hereof, shall, to the extent thereof, be in full satisfaction of all claims of such persons hereunder. The Company may require you or your legal representative, heir, legatee or distributee, as a condition precedent to such payment or issuance, to execute a release and receipt therefor in such form as it shall determine.

17. **No Guarantee of Interests**. The Board and the Company do not guarantee the Common Stock of the Company from loss or depreciation.

18. **Company Records**. Records of the Company or its Affiliates regarding your Service and other matters shall be conclusive for all purposes hereunder, unless determined by the Company to be incorrect.

19. **Notices**. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery or upon deposit in the United States mail by certified mail (if the parties are in the United States) or upon deposit for delivery by an internationally recognized express mail courier service (for international delivery of notice), with postage and fees prepaid, addressed to the other party at its address as such party may designate in writing from time to time to the other party.

20. **Successors**. This Agreement shall be binding upon you, your legal representatives, heirs, assigns, legatees and distributees, and upon the Company, its successors and assigns.

21. **Severability**. If any provision of this Agreement is held to be illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions hereof, but such provision shall be fully severable and this Agreement shall be construed and enforced as if the illegal or invalid provision had never been included herein.

22. **Headings**. The titles and headings of Sections are included for convenience of reference only and are not to be considered in construction of the provisions hereof.

23. **Governing Law**. All questions arising with respect to the provisions of this Agreement shall be determined by application of the laws of the State of Delaware without giving any effect to any conflict of law provisions thereof, except to the extent Delaware law is preempted by federal law. The obligation of the Company to issue and deliver Common Stock hereunder is subject to applicable laws and to the approval of any governmental authority required in connection with the authorization, issuance, sale, or delivery of such Common Stock.

24. **Electronic Delivery**. The Company may, in its sole discretion, decide to deliver any documents related to the Award granted under the Plan or future awards that may be granted under the Plan by electronic means or to request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

25. **Word Usage**. Words used in the masculine shall apply to the feminine where applicable, and wherever the context of this Agreement dictates, the plural shall be read as the singular and the singular as the plural.

26. **Amendment**. This Agreement may be amended by the Board or by the Committee at any time (a) if the Board or the Committee determines, in its sole discretion, that amendment is necessary or advisable in light of any addition to or change in any federal or state, tax or securities law or other law or regulation (including any change in the interpretation or application of any law or regulation by an appropriate governmental authority), which change occurs after the Date of Grant and by its terms applies to the Award; or (b) other than in the circumstances described in clause (a) or provided in the Plan, with your consent.

27. **Section 409A**. The Restricted Stock Units granted pursuant to the Award are intended to qualify for the “short-term deferral” exemption from Section 409A of the Internal Revenue Code and shall be construed accordingly. Notwithstanding the preceding sentence, neither the Committee nor the Company or its Affiliates shall be liable for any failure of the Award or any portion thereof to satisfy the requirements for exemption from, or compliance with, Section 409A of the Internal Revenue Code.

28. **Unfunded Arrangement**. Neither the Notice of Grant, this Agreement, nor the Plan shall give you any security or other interest in any assets of the Company or an Affiliate; rather, your right to the Award is that of a general, unsecured creditor of the Company.

29. **The Plan**. This Agreement is subject to all the terms, conditions, limitations and restrictions contained in the Plan. In the event of any conflict or inconsistency between the terms hereof and the terms of the Plan, the terms of the Plan shall be controlling.

[Signature Page Follows]

By your signature below, or by your electronic acceptance of this Agreement, you agree to all the terms and conditions of the Award, the Notice of Grant, the Plan, and this Agreement. You acknowledge that you have had the opportunity to review the Plan and this Agreement in their entirety and to obtain the advice of counsel prior to executing this Agreement. You agree to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Award, the Notice of Grant, the Plan, or this Agreement.

AGREED AND ACCEPTED:

Signature of Holder

Printed Name of Holder

Date: _____

CIRRUS LOGIC, INC.
2006 STOCK INCENTIVE PLAN
STOCK OPTION AGREEMENT

This Stock Option Agreement (this "Agreement") is made and entered into as of the Date of Grant set forth in the related Notice of Grant of Stock Option ("Notice of Grant") by and between Cirrus Logic, Inc., a Delaware corporation (the "Company"), and you as the Holder named in the Notice of Grant ("Holder"):

WHEREAS, the Company, in order to induce you to enter into and/or continue in service to the Company or its Affiliates in the capacity of Employee, Consultant, or Director, as applicable ("Service") and to materially contribute to the success of the Company, agrees to grant you an option to acquire an interest in the Company through the purchase of shares of common stock of the Company;

WHEREAS, the Company adopted the Cirrus Logic, Inc. 2006 Stock Incentive Plan, as it may be amended from time to time (the "Plan"), under which the Company is authorized to grant stock options to certain employees and service providers of the Company and its Affiliates;

WHEREAS, a copy of the Plan has been furnished to you and shall be deemed a part of this Agreement as if fully set forth herein and terms capitalized but not defined herein shall have the meaning set forth in the Plan; and

WHEREAS, you desire to accept the option created pursuant to this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and for other valuable consideration hereinafter set forth, the parties agree as follows:

1. **The Grant**. Subject to the conditions set forth below, the Company hereby grants to you, effective as of the Date of Grant set forth in the Notice of Grant, as a matter of separate inducement and not in lieu of any salary or other compensation for your services to the Company, the right and option to purchase (the "Option"), in accordance with the terms and conditions set forth herein and in the Plan, an aggregate of the number of shares of Common Stock set forth in the Notice of Grant (the "Option Shares"), at the Exercise Price set forth in the Notice of Grant (the "Exercise Price").

2. **Exercise**.

(a) Subject to the relevant provisions and limitations contained herein and in the Plan, you may exercise the Option to purchase all or a portion of the applicable number of Vested Shares at any time prior to the termination of the Option pursuant to this Agreement. Option Shares shall be deemed "Nonvested Shares" unless and until they have become "Vested Shares" in accordance with the vesting schedule set forth in the Notice of Grant, provided that you remain in the Service of the Company or its Affiliates until the applicable dates set forth therein. In no event shall you be entitled to exercise the Option for any Nonvested Shares or for a fraction of a Vested Share. For administrative or other reasons, the Company may from time to time suspend the ability to exercise options for limited periods of time, and the Committee may

provide for reasonable limitations on the number of requested exercises during any monthly or weekly period.

(b) Any exercise of the Option by you shall be made by delivery to the Company's stock plan administrator of (i) a completed notice of exercise in such form as may be prescribed by the Committee, which shall specify the number of Option Shares in respect of which the Option is being exercised and such other information and/or representations as may be required by the Committee, and (ii) payment of the aggregate Exercise Price for the Option Shares purchased pursuant to the exercise.

(c) Payment of the Exercise Price may be made, at your election, with the approval of the Company, (i) in cash, by certified or official bank check or by wire transfer of immediately available funds, (ii) by delivery to the Company of a number of shares of Common Stock having a Fair Market Value as of the date of exercise equal to the Exercise Price (provided that such Common Stock used for this purpose must have been held by you for such minimum period of time as may be established from time to time by the Committee), (iii) through a "cashless exercise" in accordance with a Company established policy or program for the same, or (iv) any combination of the foregoing.

(d) If you are on leave of absence for any reason, the Company may, in its sole discretion, determine that you will be considered to still be in the Service of the Company, provided that, except as otherwise determined by the Committee, rights to the Option will be limited to the extent to which those rights were earned or vested when the leave of absence began.

(e) The Option shall in all events terminate at the close of business on the Expiration Date set forth in the Notice of Grant (the "Expiration Date").

3. **Effect of Termination of Service on Exercisability**. Except as provided in Sections 6 and 7, this Option may be exercised only while you remain in the Service of the Company or any Affiliate and will terminate and cease to be exercisable upon termination of your Service, *except* as follows:

(a) **Termination on Account of Disability**. If your Service with the Company or any Affiliate terminates by reason of disability (within the meaning of section 22(e)(3) of the Code), this Option may be exercised by you (or your estate or the person who acquires this Option by will or the laws of descent and distribution or otherwise by reason of your death) at any time during the period ending on the earlier to occur of (i) the date that is twelve (12) months following such termination, or (ii) the Expiration Date, but only to the extent this Option was exercisable for Vested Shares as of the date your Service so terminates. You will not be considered to have terminated your Service by reason of disability unless you furnish proof of such impairment sufficient to satisfy the Committee in its discretion.

(b) **Termination on Account of Death**. If your Service with the Company or any Affiliate terminates by reason of your death, your estate, or the person who acquires this Option by will or the laws of descent and distribution or otherwise by reason of your death, may exercise this Option at any time during the period ending on the earlier to occur of (i) the date

that is twelve (12) months following your death, or (ii) the Expiration Date, but only to the extent this Option was exercisable for Vested Shares as of the date of your death.

(c) **Termination not for Cause**. If your Service with the Company or any Affiliate terminates for any reason other than as described in Sections 3(a) or (b), unless such Service is terminated for Cause (as defined below), this Option may be exercised by you at any time during the period ending on the earlier to occur of (i) the date that is three (3) months following your termination, or (ii) the Expiration Date, or by your estate (or the person who acquires this Option by will or the laws of descent and distribution or otherwise by reason of your death) during a period of twelve (12) months following your death if you die during such three-month period, but in each such case only to the extent this Option was exercisable for Vested Shares as of the date of your termination. "Cause" means "cause" as defined in your employment agreement, if any, with the Company or an Affiliate, or in the absence of such an agreement or such a definition, "Cause" will mean a determination by the Committee that you (A) have engaged in personal dishonesty, willful violation of any law, rule, or regulation (other than minor traffic violations or similar offenses), or breach of fiduciary duty involving personal profit, (B) have been convicted of, or plead *nolo contendere* to, any felony or a crime involving moral turpitude, (C) have engaged in negligence or willful misconduct in the performance of your duties, including but not limited to willfully refusing without proper legal reason to perform your duties and responsibilities, (D) have materially breached any corporate policy or code of conduct established by the Company or any Affiliate as such policies or codes may be adopted from time to time, (E) have violated the terms of any confidentiality, nondisclosure, intellectual property, nonsolicitation, noncompetition, proprietary information or inventions agreement, or any other agreement between you and the Company or any Affiliate related to your Service with the Company or any Affiliate, or (F) have engaged in conduct that is likely to have a deleterious affect on the Company or any Affiliate or their legitimate business interests, including but not limited to their goodwill and public image. Your Service with the Company shall be deemed to have been terminated for Cause effective as of your date of termination if facts and circumstances are discovered after your Service has terminated that would have justified a termination for Cause as of your date of termination.

4. **Non-Transferability**. The Option, and any rights or interests therein, may not be transferred in any manner except by will or the laws of descent and distribution or to the extent approved by the Committee in accordance with the terms of the Plan.

5. **Compliance with Securities Law**. Notwithstanding any provision of this Agreement to the contrary, the grant of the Option and the issuance of Common Stock will be subject to compliance with all applicable requirements of federal, state, and foreign securities laws and with the requirements of any stock exchange or market system upon which the Common Stock may then be listed. The Option may not be exercised if the issuance of shares of Common Stock upon exercise would constitute a violation of any applicable federal, state, or foreign securities laws or other law or regulations or the requirements of any stock exchange or market system upon which the Common Stock may then be listed. In addition, the Option may not be exercised unless (1) a registration statement under the Securities Act of 1933, as amended (the "Act"), is at the time of exercise of the Option in effect with respect to the shares issuable upon exercise of the Option or (2) in the opinion of legal counsel to the Company, the shares issuable upon exercise of the Option may be issued in accordance with the terms of an applicable exemption from the registration requirements of the Act. YOU ARE CAUTIONED THAT THE

OPTION MAY NOT BE EXERCISED UNLESS THE FOREGOING CONDITIONS ARE SATISFIED. ACCORDINGLY, YOU MAY NOT BE ABLE TO EXERCISE THE OPTION WHEN DESIRED EVEN THOUGH THE OPTION IS VESTED. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance and sale of any shares subject to the Option will relieve the Company of any liability in respect of the failure to issue or sell such shares as to which such requisite authority has not been obtained. As a condition to the exercise of the Option, the Company may require you to satisfy any qualifications that may be necessary or appropriate to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect to such compliance as may be requested by the Company.

6. **Extension if Exercise Prevented by Law**. Notwithstanding Section 3, if the exercise of the Option within the applicable time periods set forth in Section 3 is prevented by the provisions of Section 5, the Option will remain exercisable until 30 days after the date you are notified by the Company that the Option is exercisable, but in any event no later than the Expiration Date. The Company makes no representation as to the tax consequences of any such delayed exercise. You should consult with your own tax advisor as to the tax consequences of any such delayed exercise.

7. **Extension if You are Subject to Section 16(b)**. Notwithstanding Section 3, if a sale within the applicable time periods set forth in Section 3 of shares acquired upon the exercise of the Option would subject you to suit under Section 16(b) of the Securities Exchange Act of 1934, as amended, the Option will remain exercisable until the earliest to occur of (1) the 10th day following the date on which a sale of such shares by you would no longer be subject to such suit, (2) the 190th day after your termination of Service with the Company and any Affiliate, or (3) the Expiration Date. The Company makes no representation as to the tax consequences of any such delayed exercise. You should consult with your own tax advisor as to the tax consequences of any such delayed exercise.

8. **Withholding Taxes**. The Committee may, in its discretion, require you to pay to the Company at the time of the exercise of an Option or thereafter, the amount that the Committee deems necessary to satisfy the Company's current or future obligation to withhold federal, state or local income or other taxes that you incur by exercising an Option. In connection with such an event requiring tax withholding, you may (a) direct the Company to withhold from the shares of Common Stock to be issued to you the number of shares necessary to satisfy the Company's obligation to withhold taxes, that determination to be based on the shares' Fair Market Value as of the date of exercise; (b) deliver to the Company sufficient shares of Common Stock (based upon the Fair Market Value as of the date of such delivery) to satisfy the Company's tax withholding obligation; or (c) deliver sufficient cash to the Company to satisfy its tax withholding obligations. If you elect to use a Common Stock withholding feature you must make the election at the time and in the manner that the Committee prescribes. The Committee may, at its sole option, deny your request to satisfy withholding obligations through shares of Common Stock instead of cash. In the event the Committee subsequently determines that the aggregate Fair Market Value (as determined above) of any shares of Common Stock withheld or delivered as payment of any tax withholding obligation is insufficient to discharge that tax withholding obligation, then you shall pay to the Company, immediately upon the

Committee's request, the amount of that deficiency in the form of payment requested by the Committee.

9. **Status of Common Stock**. With respect to the status of the Common Stock, at the time of execution of this Agreement you understand and agree to all of the following:

(a) You agree that the shares of Common Stock that you may acquire by exercising this Option will not be sold or otherwise disposed of in any manner that would constitute a violation of any applicable securities laws, whether federal or state. You also agree that the certificates representing the shares of Common Stock purchased under this Option may bear such legend or legends as the Committee deems appropriate to assure compliance with applicable securities laws.

(b) You agree that (1) the Company may refuse to register the transfer of the shares of Common Stock purchased under this Option on the stock transfer records of the Company if such proposed transfer would in the opinion of counsel satisfactory to the Company constitute a violation of any applicable securities law and (2) the Company may give related instructions to its transfer agent, if any, to stop registration of the transfer of the shares of Common Stock purchased under this Option.

10. **Notice of Sales Upon Disqualifying Disposition of ISO**. If the Option is designated as an Incentive Stock Option in the Notice of Grant, you must comply with the provisions of this Section. You must promptly notify the Company in writing if you dispose of any of the shares acquired pursuant to the Option within one year after the date you exercise all or part of the Option or within two years after the Date of Grant. Until such time as you dispose of such shares in a manner consistent with the provisions of this Agreement, unless otherwise expressly authorized by the Company, you must hold all shares acquired pursuant to the Option in your name (and not in the name of any nominee) for the one-year period immediately after the exercise of the Option and the two-year period immediately after the Date of Grant. At any time during the one-year or two-year periods set forth above, the Company may place a legend on any certificate representing shares acquired pursuant to the Option requesting the transfer agent for the Company's stock to notify the Company of any such transfers. Your obligation to notify the Company of any such transfer will continue notwithstanding that a legend has been placed on the certificate pursuant to the preceding sentence.

11. **Right to Terminate Services**. Nothing contained in this Agreement shall confer upon you the right to continue in the employ of or performing services for the Company or any Affiliate, or interfere in any way with the rights of the Company or any Affiliate to terminate your employment or service relationship at any time.

12. **Furnish Information**. You agree to furnish to the Company all information requested by the Company to enable it to comply with any reporting or other requirement imposed upon the Company by or under any applicable statute or regulation. You further agree to notify the Company upon any change in the residence address indicated on the Notice of Grant.

13. **Dispute Resolution**. The provisions of this Section shall be the exclusive means of resolving disputes arising out of or relating to the Notice of Grant, the Plan, the Option and

this Agreement. The Company, you, and your assignees pursuant to Sections 3 and 4 (the “parties”) shall attempt in good faith to resolve any disputes arising out of or relating to the Notice of Grant, the Plan, the Option and this Agreement by negotiation between individuals who have authority to settle the controversy. Negotiations shall be commenced by either party by notice of a written statement of the party’s position and the name and title of the individual who will represent the party. Within thirty (30) days of the written notification, the parties shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, to resolve the dispute.

Any controversy, dispute or claim that has not been settled by negotiation within thirty (30) days of the written notification as set forth above shall be finally settled by arbitration under the Commercial Arbitration Rules of the American Arbitration Association (“AAA”) by three arbitrators. In such event, the claimant will deliver a written notice to the respondent(s) and the AAA initiating arbitration and naming an arbitrator. Within twenty (20) days after receipt of such arbitration notice, the respondent(s) shall name an arbitrator. Within twenty (20) days from the naming of the two arbitrators, the two arbitrators shall name a third arbitrator. If there are multiple claimants and/or multiple respondents, all claimants and/or all respondents shall attempt to agree upon naming their respective arbitrator. If the claimants or respondents, as the case may be, fail to name their respective arbitrator, or if the two arbitrators fail to name a third arbitrator, or if within twenty (20) days after any arbitrator shall resign or otherwise cease to serve as such a replacement arbitrator is not named by the party that originally named such arbitrator, such arbitrator as to which agreement cannot be reached or as to which a timely appointment is not made shall be named by the AAA. The place of arbitration shall be Austin, Texas. The award of the arbitrators may be entered in any court of competent jurisdiction. The costs of the arbitration shall be shared by the disputing parties equally. Notwithstanding anything to the contrary herein, the arbitrators shall not award nor shall the Company have any liability for any consequential, punitive, special, incidental, indirect or similar damages.

14. **Notices**. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery or upon deposit in the United States mail by certified mail (if the parties are in the United States) or upon deposit for delivery by an internationally recognized express mail courier service (for international delivery of notice), with postage and fees prepaid, addressed to the other party at its address as such party may designate in writing from time to time to the other party.

15. **No Liability for Good Faith Determinations**. The Company and the members of the Committee and the Board shall not be liable for any act, omission or determination taken or made in good faith with respect to this Agreement or the Option granted hereunder.

16. **Execution of Receipts and Releases**. Any payment of cash or any issuance or transfer of shares of Common Stock or other property to you, or to your legal representative, heir, legatee or distributee, in accordance with the provisions hereof, shall, to the extent thereof, be in full satisfaction of all claims of such persons hereunder. The Company may require you or your legal representative, heir, legatee or distributee, as a condition precedent to such payment or issuance, to execute a release and receipt therefore in such form as it shall determine.

17. **No Guarantee of Interests**. The Board and the Company do not guarantee the Common Stock of the Company from loss or depreciation.

18. **Company Records** . Records of the Company regarding your Service and other matters shall be conclusive for all purposes hereunder, unless determined by the Company to be incorrect.

19. **Successors** . This Agreement shall be binding upon you, your legal representatives, heirs, legatees and distributees, and upon the Company, its successors and assigns.

20. **Severability** . If any provision of this Agreement is held to be illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions hereof, but such provision shall be fully severable and this Agreement shall be construed and enforced as if the illegal or invalid provision had never been included herein.

21. **Headings** . The titles and headings of paragraphs are included for convenience of reference only and are not to be considered in construction of the provisions hereof.

22. **Governing Law** . All questions arising with respect to the provisions of this Agreement shall be determined by application of the laws of the State of Delaware, without giving any effect to any conflict of law provisions thereof, except to the extent Delaware law is preempted by federal law. The obligation of the Company to sell and deliver Common Stock hereunder is subject to applicable laws and to the approval of any governmental authority required in connection with the authorization, issuance, sale, or delivery of such Common Stock.

23. **Electronic Delivery** . The Company may, in its sole discretion, decide to deliver any documents related to the Option granted under the Plan or future options that may be granted under the Plan by electronic means or to request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

24. **Word Usage** . Words used in the masculine shall apply to the feminine where applicable, and wherever the context of this Agreement dictates, the plural shall be read as the singular and the singular as the plural.

25. **Miscellaneous** .

(a) This Agreement is subject to all the terms, conditions, limitations and restrictions contained in the Plan. In the event of any conflict or inconsistency between the terms hereof and the terms of the Plan, the terms of the Plan shall be controlling.

(b) The Option may be amended by the Board or by the Committee at any time (i) if the Board or the Committee determines, in its sole discretion, that amendment is necessary or advisable in light of any addition to or change in any federal or state, tax or securities law or other law or regulation, which change occurs after the Date of Grant and by its terms applies to the Option; or (ii) other than in the circumstances described in clause (i) or provided in the Plan, with your consent.

(c) If this Option is designated as an Incentive Stock Option in the Notice of Grant, then in the event the Option Shares (and all other options granted to you by the Company

or any parent of the Company or subsidiary that are designated as incentive stock options within the meaning of section 422 of the Code) that first become exercisable in any calendar year have an aggregate fair market value (determined for each Option Share as of the Date of Grant) that exceeds \$100,000, the Option Shares in excess of \$100,000 shall be treated as subject to a Nonstatutory Stock Option.

By your signature below, or by your electronic acceptance of this Agreement, you agree to all the terms and conditions of the Option, the Plan, and this Agreement. You acknowledge that you have had the opportunity to review the Plan and this Agreement in their entirety and to obtain the advice of counsel prior to executing this Agreement. You agree to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Option, the Plan, or this Agreement.

AGREED AND ACCEPTED:

Signature of Holder

Printed Name of Holder

Date: _____