

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM S-8**

**REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933**

**CISCO SYSTEMS, INC.**

(Exact Name of Registrant as Specified in Its Charter)

**California**  
(State or Other Jurisdiction  
of Incorporation or Organization)

**77-0059951**  
(I.R.S. Employer  
Identification No.)

**170 West Tasman Drive  
San Jose, California 95134-1706**  
(Address of Principal Executive Offices) (Zip Code)

**Options to purchase stock granted under the Acano (UK) Limited 2012 Share Option Scheme and the Acano (UK) Limited 2016 Unapproved Employee Share Option Scheme and restricted stock units granted under the Acano (UK) Limited 2015 Equity Incentive Plan, and assumed by the Registrant**  
(Full Title of the Plans)

**Evan Sloves  
Secretary  
Cisco Systems, Inc.  
300 East Tasman Drive  
San Jose, California 95134-1706**  
(Name and Address of Agent For Service)  
**(408) 526-4000**  
(Telephone Number, including area code, of agent for service)

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

**CALCULATION OF REGISTRATION FEE**

Title of Securities To Be Registered	Amount To Be Registered <sup>(1)</sup>	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
In respect of assumed stock options: Common Stock, \$0.001 par value per share <sup>(2)</sup>	698,838 <sup>(2)</sup>	\$3.13 <sup>(3)</sup>	\$2,187,362.94 <sup>(3)</sup>	\$220.27 <sup>(3)</sup>
In respect of assumed restricted stock units: Common Stock, \$0.001 par value per share <sup>(4)</sup>	572,416 <sup>(4)</sup>	\$23.40 <sup>(5)</sup>	\$13,394,534.40 <sup>(5)</sup>	\$1,348.83 <sup>(5)</sup>
TOTAL	1,271,254	N/A	\$15,581,897.34	\$1,569.10

(1) This Registration Statement shall also cover any additional shares of the Registrant's common stock that become issuable in respect of the securities identified in the above table by reason of any stock dividend, stock split, recapitalization or other similar transaction effected without the Registrant's receipt of consideration which results in an increase in the number of the outstanding shares of the Registrant's common stock.

- (2) Represents shares subject to issuance upon the exercise of stock options outstanding under the Acano (UK) Limited 2012 Share Option Scheme and the Acano (UK) Limited 2016 Unapproved Employee Share Option Scheme, and assumed by the Registrant on January 29, 2016 pursuant to a Share Purchase Agreement by and among the Registrant, Acano (UK) Limited, shareholders of Acano (UK) Limited as set forth therein and the Shareholders' Agent, dated as of November 20, 2015 (the "Purchase Agreement").
  - (3) Calculated solely for the purposes of this offering under Rule 457(h) of the Securities Act of 1933, as amended, on the basis of the weighted average exercise price of the outstanding options.
  - (4) Represents shares subject to issuance in connection with restricted stock units outstanding under the Acano (UK) Limited 2015 Equity Incentive Plan, and assumed by the Registrant on January 29, 2016 pursuant to the Purchase Agreement.
  - (5) Calculated solely for the purposes of this offering under Rule 457(c) and (h) of the Securities Act of 1933, as amended, on the basis of the average of the high and low prices of the Registrant's common stock as reported on The NASDAQ Global Select Market on February 1, 2016.
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**PART II**

**Information Required in the Registration Statement**

**Item 3. Incorporation of Documents by Reference.**

Cisco Systems, Inc. (the “Registrant”) hereby incorporates by reference into this Registration Statement the following documents previously filed with the Securities and Exchange Commission (the “Commission”):

- (a) The Registrant’s Annual Report on Form 10-K for the fiscal year ended July 25, 2015 filed with the Commission on September 8, 2015 pursuant to Section 13 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”);
- (b) All other reports filed pursuant to Section 13(a) or 15(d) of the Exchange Act since the end of the fiscal year covered by the Registrant’s Annual Report referred to in (a) above; and
- (c) The description of the Registrant’s Common Stock contained in the Registrant’s Registration Statement on Form 8-A (No. 000-18225) filed with the Commission on January 11, 1990, together with Amendment No. 1 on Form 8-A filed with the Commission on February 15, 1990, and including any other amendments or reports filed for the purpose of updating such description.

All reports and definitive proxy or information statements filed pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the filing of this Registration Statement and prior to the filing of a post-effective amendment which indicates that all securities offered hereby have been sold or which de-registers all securities then remaining unsold shall be deemed to be incorporated by reference into this Registration Statement and to be a part hereof from the date of filing such documents, except as to specific sections of such statements as set forth therein. Unless expressly incorporated into this Registration Statement, a report furnished on Form 8-K prior or subsequent to the date hereof shall not be incorporated by reference into this Registration Statement. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained in any subsequently filed document which also is deemed to be incorporated by reference herein modifies or supersedes such statement.

**Item 4. Description of Securities.**

Not applicable.

**Item 5. Interests of Named Experts and Counsel.**

As of the date of this Registration Statement, attorneys of Fenwick & West LLP beneficially own an aggregate of approximately 84,000 shares of the Registrant’s common stock.

**Item 6. Indemnification of Directors and Officers.**

Section 317 of the California Corporations Code authorizes a court to award or a corporation’s Board of Directors to grant indemnity to directors and officers in terms sufficiently broad to permit indemnification (including reimbursement of expenses incurred) under certain circumstances for liabilities arising under the Securities Act of 1933, as amended (the “Securities Act”). The Registrant’s Restated Articles of Incorporation, as amended, and Amended and Restated Bylaws provide for indemnification of its directors, officers, employees and other agents to the maximum extent permitted by the California Corporations Code. In addition, the Registrant has entered into Indemnification Agreements with each of its directors and officers, and maintains directors’ and officers’ liability insurance under which its directors and officers are insured against loss (as defined in the policy) as a result of certain claims brought against them in such capacities.

**Item 7. Exemption from Registration Claimed.**

Not applicable.

**Item 8. Exhibits.**

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
4.1	Restated Articles of Incorporation of Cisco Systems, Inc., as currently in effect.	S-3	333-56004	4.1	February 21, 2001	
4.2	Amended and Restated Bylaws of Cisco Systems, Inc., as currently in effect.	8-K	000-18225	3.1	October 4, 2012	
5.1	Opinion and Consent of Fenwick & West LLP.					X
23.1	Consent of Independent Registered Public Accounting Firm.					X
23.2	Consent of Fenwick & West LLP (contained in Exhibit 5.1).					X
24	Power of Attorney (incorporated by reference to Page II-4 of this Registration Statement).					X
99.1	Acano (UK) Limited 2012 Share Option Scheme.					X
99.2	Acano (UK) Limited 2016 Unapproved Employee Share Option Scheme.					X
99.3	Acano (UK) Limited 2015 Equity Incentive Plan.					X
99.4	Forms of Cisco Systems, Inc. Stock Option Assumption Agreement.					X
99.5	Forms of Cisco Systems, Inc. Restricted Stock Unit Assumption Agreement.					X

**Item 9. Undertakings.**

A. The undersigned Registrant hereby undertakes: (1) to file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement: (i) to include any prospectus required by Section 10(a)(3) of the Securities Act; (ii) to reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this Registration Statement — notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the “Calculation of Registration Fee” table in the effective Registration Statement; and (iii) to include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement; provided, however, that clauses (1)(i) and (1)(ii) shall not apply if the information required to be included in a post-effective amendment by those clauses is contained in periodic reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in this Registration Statement; (2) that, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof; and (3) to remove from registration by means of a post-effective amendment any of the securities being registered that remain unsold at the termination of the offering.

B. The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant’s annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act that is incorporated by reference into this Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

C. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the indemnification provisions summarized in Item 6, or otherwise, the Registrant has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of San Jose, State of California, on February 5, 2016 .

**Cisco Systems, Inc.**

By: /s/ Charles H. Robbins

\_\_\_\_\_  
Charles H. Robbins,  
Chief Executive Officer

**POWER OF ATTORNEY**

**KNOW ALL PERSONS BY THESE PRESENTS** , that each person whose signature appears below does hereby constitute and appoint Charles H. Robbins, Kelly A. Kramer, Mark Chandler and Evan Sloves, and each of them, with full power of substitution, such person's true and lawful attorneys-in-fact and agents for such person, with full power and authority to do any and all acts and things and to execute any and all instruments which said attorneys and agents, and any one of them, determine may be necessary or advisable or required to enable said corporation to comply with the Securities Act of 1933, as amended, and any rules or regulations or requirements of the Securities and Exchange Commission in connection with this Registration Statement. Without limiting the generality of the foregoing power and authority, the powers granted include the power and authority to sign the names of the undersigned officers and directors in the capacities indicated below to this Registration Statement, to any and all amendments, both pre-effective and post-effective, and supplements to this Registration Statement, and to any and all instruments or documents filed as part of or in conjunction with this Registration Statement or amendments or supplements thereof, and each of the undersigned hereby ratifies and confirms that all said attorneys and agents, or any one of them, shall do or cause to be done by virtue hereof. This Power of Attorney may be signed in several counterparts.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed by the following persons on behalf of the Registrant in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
/s/ Charles H. Robbins _____ Charles H. Robbins	Chief Executive Officer and Director (Principal Executive Officer)	February 5, 2016
/s/ Kelly A. Kramer _____ Kelly A. Kramer	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	February 5, 2016
/s/ Prat S. Bhatt _____ Prat S. Bhatt	Senior Vice President, Corporate Controller and Chief Accounting Officer (Principal Accounting Officer)	February 5, 2016



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<b>Exhibit Number</b>	<b>Exhibit Description</b>	<b>Incorporated by Reference</b>				<b>Filed Herewith</b>
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5.1	Opinion and Consent of Fenwick & West LLP.					<b>X</b>
23.1	Consent of Independent Registered Public Accounting Firm.					<b>X</b>
23.2	Consent of Fenwick & West LLP (contained in Exhibit 5.1).					<b>X</b>
24	Power of Attorney (incorporated by reference to Page II-4 of this Registration Statement).					<b>X</b>
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99.2	Acano (UK) Limited 2016 Unapproved Employee Share Option Scheme.					<b>X</b>
99.3	Acano (UK) Limited 2015 Equity Incentive Plan.					<b>X</b>
99.4	Forms of Cisco Systems, Inc. Stock Option Assumption Agreement.					<b>X</b>
99.5	Forms of Cisco Systems, Inc. Restricted Stock Unit Assumption Agreement.					<b>X</b>

Fenwick & West LLP  
801 California Street  
Mountain View, CA 94041

February 5, 2016

Cisco Systems, Inc.  
170 West Tasman Drive  
San Jose, CA 95134-1706

Dear Gentlemen/Ladies:

At your request, we have examined the Registration Statement on Form S-8 (the “**Registration Statement**”) to be filed by Cisco Systems, Inc., a California corporation (“**Cisco**” or the “**Company**”), with the Securities and Exchange Commission (the “**Commission**”) on or about February 5, 2016 in connection with the registration under the Securities Act of 1933, as amended, of an aggregate of 1,271,254 shares of Cisco’s Common Stock (the “**Shares**”) subject to issuance by Cisco upon the exercise of stock options (the “**Options**”) granted under the Acano (UK) Limited 2012 Share Option Scheme (the “**2012 Plan**”), the Acano (UK) Limited 2016 Unapproved Employee Share Option Scheme (the “**2016 Plan**”) and the settlement of Restricted Stock Units (the “**RSUs**”) granted under the Acano (UK) Limited 2015 Equity Incentive Plan (the “**2015 Plan**”) and, collectively with the 2012 Plan and the 2016 Plan, the “**Plans**”) and assumed by Cisco in accordance with the terms of the Share Purchase Agreement, dated as of November 20, 2015 (the “**Purchase Agreement**”) by and among Cisco, Acano (UK) Limited, shareholders of Acano (UK) Limited as set forth therein and the Shareholders’ Agent (as that term is defined in the Purchase Agreement).

In rendering this opinion, we have examined such matters of law and fact as we have deemed necessary in order to render the opinions set forth herein, which included examination of the following:

- (1) the Company’s Restated Articles of Incorporation, filed with the California Secretary of State on January 18, 2001 and certified by the California Secretary of State on May 26, 2015, as filed as an exhibit to the Form S-3 registration statement filed by the Company with the Commission on February 21, 2001 (the “**Restated Articles**”);
  - (2) the Company’s Amended and Restated Bylaws, as filed as an exhibit to the Form 8-K filed by the Company with the Commission on October 4, 2012 (the “**Restated Bylaws**”);
  - (3) the Registration Statement, together with the Exhibits filed as a part thereof or incorporated therein by reference;
  - (4) the Prospectus prepared in connection with the Registration Statement;
  - (5) (a) the minutes of meetings and actions by written consent of the Company’s Board of Directors at which, or pursuant to which, the Restated Articles and Restated Bylaws were approved and (b) resolutions that a representative of the Company has represented to us were adopted (i) at a meeting of the Acquisition Committee of the Company’s Board of Directors approving the transactions contemplated by the Purchase Agreement and (ii) at a meeting of the Compensation and Management Development Committee of the Company’s Board of Directors approving the Company’s assumption of the Options and the RSUs and authorizing filing of the Registration Statement;
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- (6) the stock records that the Company has provided to us (consisting of (i) a report from the Company's transfer agent as to the outstanding shares of the Company's capital stock as of February 4, 2016 and a verbal confirmation from the Company's transfer agent as to the outstanding shares of the Company's capital stock on February 5, 2016; and (ii) a summary report from the Company as of February 5, 2016 of outstanding restricted stock units, options and warrants to purchase the Company's capital stock and stock reserved for issuance thereunder upon the exercise or settlement of restricted stock units, options and warrants to be granted in the future);
- (7) the Purchase Agreement and all exhibits thereto;
- (8) the Plans, and the forms of agreements used thereunder furnished to us by the Company (such forms of agreements, the "*Plan Agreements*");
- (9) the forms of Cisco's Stock Option Assumption Agreement (the "*Option Assumption Agreement*") and Restricted Stock Unit Assumption Agreement (the "*RSU Assumption Agreement*") to be used by the Company to assume the Options and RSUs originally issued under the Plans and assumed by the Company under the Purchase Agreement, as filed by the Company with the Commission as exhibits to the Registration Statement;
- (10) a Certificate of Status issued by the office of the California Secretary of State on February 4, 2016, stating that the Company is a California corporation, in good standing (together with the certificate of good standing described in item 11 below, the "*Certificates of Good Standing*"); and
- (11) a Certificate of Good Standing from the California Franchise Tax Board, dated February 4, 2016, stating that the Company is in good standing with that agency.

In our examination of documents for purposes of this opinion, we have assumed, and express no opinion as to, the genuineness of all signatures on original documents, the authenticity and completeness of all documents submitted to us as originals, the conformity to originals and completeness of all documents submitted to us as copies, the legal capacity of all persons or entities executing the same, the lack of any undisclosed termination, modification, waiver or amendment to any such document and the due authorization, execution and delivery of all such documents where due authorization, execution and delivery are prerequisites to the effectiveness thereof. We have also assumed that the certificates representing the Shares have been, or will be, when issued, properly signed by authorized officers of the Company or their agents.

As to matters of fact relevant to this opinion, we have relied upon our examination of the documents referred to above and representations made to us by representatives of the Company and have assumed the current accuracy and completeness of the information obtained from such documents and representations. We have made no independent investigation or other attempt to verify the accuracy of any of such information or to determine the existence or non-existence of any other factual matters.

With respect to our opinion expressed in paragraph (1) below as to the valid existence and good standing of the Company with the State of California, we have relied solely upon the Certificates of Good Standing and representations made to us by the Company.

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We are admitted to practice law in the State of California, and we render this opinion only with respect to, and express no opinion herein concerning the application or effect of the laws of any jurisdiction other than, the existing laws of the United States of America and of the State of California.

This opinion is based upon the customary practice of lawyers who regularly give, and lawyers who regularly advise opinion recipients regarding, opinions of the kind set forth in this opinion letter, including customary practice as described in bar association reports.

Based upon the foregoing, it is our opinion that:

- (1) The Company is a corporation validly existing, in good standing, under the laws of the State of California; and
  - (2) The 1,271,254 Shares that may be issued and sold by the Company upon the exercise of the Options and the settlement of the RSUs, when issued, sold and delivered in accordance with the Plans, the applicable Plan Agreements, Option Assumption Agreements and RSU Assumption Agreements entered into thereunder, and in the manner and for the consideration stated in the Registration Statement and the Prospectus, will be validly issued, fully paid and non-assessable.
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We consent to the use of this opinion as an exhibit to the Registration Statement and further consent to all references to us, if any, in the Registration Statement, the Prospectus constituting a part thereof and any amendments thereto. This opinion is intended solely for use in connection with issuance and sale of the Shares subject to the Registration Statement and is not to be relied upon for any other purpose. This opinion is rendered on, and speaks only as of, the date first written above and is based solely on our understanding of facts in existence as of such date after the aforementioned examination. We assume no obligation to advise you of any fact, circumstance, event or change in the law or the facts that may hereafter be brought to our attention whether or not such occurrence would affect or modify any of the opinions expressed herein.

Yours truly,

**FENWICK & WEST LLP**

By: /s/ William L. Hughes  
William L. Hughes, a Partner

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We hereby consent to the incorporation by reference in this Registration Statement on Form S-8 of our report dated September 8, 2015 relating to the consolidated financial statements, financial statement schedule and the effectiveness of internal control over financial reporting, which appears in Cisco Systems, Inc.'s Annual Report on Form 10-K for the year ended July 25, 2015.

/s/ PricewaterhouseCoopers LLP  
San Jose, California  
February 5, 2016

**Acano (UK) Limited Share Option Scheme**

**Adopted on 1 March 2012**

**Osborne Clarke**  
2 Temple Back East Temple Quay Bristol  
BS1 6EG  
Telephone +44 (0) 117 917 3000  
Fax +44 (0) 117 917 3005

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## Rules of the Acano (UK) Limited Share Option Scheme

### Introduction

The Acano (UK) Limited Share Option Scheme provides for the grant of Enterprise Management Incentive options and unapproved options.

#### 1. Definitions and interpretation

1.1 In this Scheme, unless the context otherwise requires, the following definitions shall apply:

**"2006 Act"** means the Companies Act 2006.

**"Articles of Association"** means the articles of association of the Company as amended or varied from time to time.

**"Asset Sale"** means the completion of an agreement for the sale of the majority of the business and assets of the Company.

**"Associated Company"** has the meaning set out in section 449 CTA 2010.

**"Board"** means the board of directors of the Company from time to time or a duly authorised committee of the board.

**"C Ordinary Shares"** means the C ordinary shares of £0.0001 each in the capital of the Company, with the rights and restrictions as set out in the Articles of Association.

**"CSOP Option"** means a right to acquire shares under a scheme approved under Schedule 4 to ITEPA.

**"Chapter 9"** means Chapter 9 of ITEPA.

**"Company"** means Acano (UK) Limited.

**"Company Reorganisation"** as defined in paragraph 39, Schedule 5.

**"Compulsory Acquisition Event"** means any event as a result of which any person or group of persons acting in concert becomes bound or entitled to acquire shares in the Company under sections 979 - 982 of the 2006 Act.

**"Control"** has the meaning set out in section 995 Income Tax Act.

**"Controlling Interest"** means an interest in shares (as defined in Schedule 1 of the 2006 Act) in a company conferring in the aggregate 50% or more of the total voting rights conferred by all the issued shares in that company.

**"CTA 2010"** means the Corporation Tax Act 2010

**"Date of Grant"** means the date on which the Board grants an Option pursuant to rule 5.

**"Eligible Employee"** means:

- (a) In the case of an Unapproved Option, any employee or any executive director of any Group Company; and
- (b) In the case of an EMI Option, an employee of the Company or any Qualifying Subsidiary whose committed time amounts to:
  - (i) at least 25 hours a week, or
  - (ii) if less, 75% of his working time; and

does not have a material interest in the Company or any Qualifying Subsidiary, provided that **"committed time"**, **"working time"** and **"material interest"** shall be as defined in paragraphs 26, 27 and 29, Schedule 5.

**"EMI Option"** means an enterprise management incentive option which is a qualifying option for the purposes of Schedule 5.

**"Employees' Share Scheme"** has the meaning set out in section 1166 of the 2006 Act.

**"Exercise Date"** has the meaning shown in rule 7.

**"Exercise Price"** means the price payable per Share on the exercise of an Option, which amount shall be determined by the Board at the Date of Grant but which shall not be less than the higher of:

- (a) the nominal value of a Share; and
- (b) the Market Value of the Share on the Date of Grant.

**"Good Reason"** means (a) the death of the Option Holder; (b) disability, injury or ill-health of the Option Holder (evidenced to the satisfaction of the Board); (c) redundancy (as defined for the purposes of the Employment Rights Act 1996); (d) retirement at or after the date on which the Option Holder is normally expected to retire in accordance with the Option Holder's contract of employment; (e) voluntary resignation; (f) dismissal (whether or not on notice) otherwise than for cause, and for the purposes of sub-clause (e) above the question of whether or not termination of the Option Holder's employment is 'for cause' shall be determined by the Directors, whose decision shall be binding on the Option Holder.

**"Group Company"** means any company within the group of companies comprising the Company and its Qualifying Subsidiaries.

**"ITEPA"** means the Income Tax (Earnings and Pensions) Act 2003.

**"Income Tax Act"** means the Income Tax Act 2007.

**"Initial Public Offering" ("IPO")** means admission to trading of the shares on (i) the London Stock Exchange plc's market for listed securities; (ii) the AIM market of the London Stock Exchange plc; (iii) the PLUS market; and (iv) the NASDAQ, and **"Listed"** and **"Listing"** shall be construed accordingly.

**"Market Value"** means in relation to a Share on any day:

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- (a) in the case of an EMI Option, its market value as agreed with Shares Valuation, HM Revenue & Customs;
- (b) in the case of an Unapproved Option, the value specified for this purpose by the Board, provided that on any day that the Shares are Listed, the market value shall be the closing price of a Share derived from the relevant exchange for the immediately preceding Business Day.

**"Option"** means a right granted under this Scheme to acquire Shares or according to the context, a replacement option as defined in paragraph 41, Schedule 5.

**"Option Holder"** means a person to whom an Option has been granted under the Scheme or, where the context permits, the legal personal representatives of such a person.

**"Qualifying Subsidiary"** means any company which is a qualifying 51% subsidiary in relation to the Company according to the requirements of paragraph 11, Schedule 5.

**"Quarter Dates"** mean 1 March, 1 June, 1 September and 1 December.

**"Rules"** means the rules comprising the rules of this Scheme.

**"Sale"** means the transfer (whether through a single transaction or a series of transactions) of shares to any person (or connected persons) who, as a consequence of such transfer would obtain a Controlling Interest in the Company.

**"Schedule 5"** means Schedule 5 to ITEPA.

**"Scheme"** means this scheme being the Acano (UK) Limited Share Option Scheme approved by a resolution of the Board dated 1 March 2012 or as subsequently amended in accordance with rule 11.

**"Shares"** means C ordinary shares of £0.0001 each in the capital of the Company with the rights and restrictions as set out in the Articles of Association and which satisfy the requirements of paragraph 35, Schedule 5 and which, according to the context, includes replacement shares as defined in Part 4, Schedule 7D of TCGA.

**"Tax Liabilities"** has the meaning set out in rule 10.

**"TCGA"** means the Taxation of Chargeable Gains Act 1992.

**"Unapproved Option"** means an Option which is unapproved for the purposes of UK taxation laws.

**"Vesting"** means the Shares comprising any Option becoming exercisable in accordance with the vesting schedule set out in the option certificate and "Vest" and "Vested" shall be construed accordingly.

**"Vesting Commencement Date"** means the date specified in the vesting schedule set out in the option certificate on which Vesting of any Option granted pursuant to the Scheme commences.

1.2 In this Scheme, unless the context otherwise requires:

- (a) words in the singular include the plural and vice versa and words in one gender include any other gender;
- (b) a reference to a statute or statutory provision includes:
  - (i) any subordinate legislation (as defined in section 21(1), of the Interpretation Act 1978) made under it;

- (ii) any repealed statute or statutory provision which it re-enacts (with or without modification); and
- (iii) any statute or statutory provision which modifies, consolidates, re-enacts or supersedes it;
- (c) a reference to rules is to rules in these Rules and references to sub-rules are to sub-rules in which they appear; and
- (d) the table of contents and headings are inserted for convenience only and shall not affect the interpretation of these Rules.
- (e) Persons shall be taken to be connected with one another if they are so connected as mentioned in section 1122 CTA 2010.

## 2. Purpose

- 2.1 These Rules set out the terms by which the Board may grant Options which are intended to take effect as EMI Options (to the extent possible within the limits set out in rule 4) or Unapproved Options.
- 2.2 At the Date of Grant of an Option to him an Option Holder shall be an Eligible Employee.

## 3. EMI Options

- 3.1 EMI Options are Options that shall be granted:
  - (a) to selected Option Holders for the purpose of retaining their services;
  - (b) for genuine commercial reasons; and
  - (c) not as part of a scheme or arrangement the main purpose, or one of the main purposes of which, is the avoidance of tax.
- 3.2 While an Option is intended to take effect as an EMI Option, no warranty is given by the Company that it will in fact qualify as an EMI Option.

## 4. EMI qualification requirements

- 4.1 At the Date of Grant of an EMI Option the Company shall be a qualifying company for the purposes of the requirements of Part 3, Schedule 5 and therefore in order to comply with such requirements, it shall:
  - (a) meet the independence requirement;
  - (b) only have subsidiaries which are Qualifying Subsidiaries;
  - (c) meet the £30 million gross assets requirement; and
  - (d) meet the trading activities requirement.
- 4.2 The £120,000 maximum entitlement requirement set out in paragraph 5, Schedule 5 (as amended or varied from time to time) shall apply to the grant of an EMI Option. If and to the extent that the

aggregate Market Value of the number of Shares granted to an Option Holder pursuant to an Option (together with the sum of the Market Values referred to in rule 4.3 where applicable) exceeds such maximum entitlement such Option shall take effect so that:

- (a) it is a qualifying option for the purposes of Schedule 5 in respect of such number of Shares as does not cause the maximum entitlement requirement to be exceeded; and
- (b) it is an Unapproved Option for the purposes of section 476, ITEPA in respect of the balance of the Shares

provided that where the grant of two or more EMI Options at the same time causes the above limit to be exceeded, then for the purposes of determining which part of each Option relates to that excess, the amount of the excess shall be divided pro rata amongst the Options according to the value of the Shares in respect of which each Option is granted.

4.3 The amounts referred to in rule 4.2 are:

- (a) the Market Value, measured at the time the option was granted, of all shares under option held by the Option Holder pursuant to any unexercised EMI Option; and
- (b) the market value calculated in accordance with paragraph 5, Schedule 5 and measured at the time the CSOP Option was granted, of all shares under option held by the Option Holder pursuant to any unexercised CSOP Option,

provided that no account shall be taken of any options that have been released, lapsed or have become incapable of exercise.

4.4 The 3 year maximum entitlement requirement set out in paragraph 6, Schedule 5 shall apply to the grant of an EMI Option. If an Option Holder has been granted EMI Options over Shares with a total Market Value of £120,000 (or such other amount as may be specified by paragraph 6, Schedule 5), whether or not those EMI Options have been exercised or released, any further Option granted to the Option Holder shall not be an EMI Option (but shall be an unapproved option subject to section 476 ITEPA) if the Date of Grant of that Option is less than three years after the date of grant of the last EMI Option that falls within this rule 4.4.

4.5 Paragraph 7, Schedule 5 (maximum value of shares over which unexercised options exist must not exceed £3 million) shall apply to the grant of an EMI Option. If the grant of an EMI Option under this Scheme causes that limit to be exceeded, that Option shall take effect so that:

- (a) it is a qualifying option for the purposes of Schedule 5 in respect of such number of Shares as does not cause the limit to be exceeded; and
- (b) it is an Unapproved Option and accordingly will be taxed in accordance with section 476, ITEPA in respect of the balance of the Shares,

provided that where the grant of two or more EMI Options at the same time causes the limit to be exceeded, then, for the purposes of determining which part of each Option relates to that excess, the amount of the excess should be divided pro rata amongst the Options according to the value of the Shares in respect of which each Option was granted.

4.6 If any of the qualification requirements referred to above or as set out in Schedule 5 is breached on the occurrence of a disqualifying event under sections 533 to 539 ITEPA or was not met at the Date of Grant or is subsequently breached, the Option shall continue as a legally valid option contract between the Company and the Option Holder subject to the provisions of these Rules, including in particular the provisions as to taxation in rules 10.4 to 10.6.

**5. Grant of EMI and Unapproved Options**

- 5.1 Subject to these Rules, the Board may at any time grant EMI Options and/or Unapproved Options to such Eligible Employees as it, in its absolute discretion, thinks fit.
- 5.2 When granting an Option the Board may specify objective conditions relating to performance or otherwise which, unless otherwise stated in these Rules, must be satisfied prior to the exercise of the Option. The Board may in its absolute discretion amend or waive the objective conditions relating to a particular Option or part of an Option if events happen which cause the Board reasonably to consider that it would be fairer so to amend or waive the conditions to ensure that they achieve their original purpose, provided that any amended conditions are neither no more nor no less difficult to achieve than those previously imposed.
- 5.3 As soon as reasonably practicable after the relevant Date of Grant the Company shall issue to the Option Holder a letter enclosing a certificate evidencing the grant of the Option in such form, not inconsistent with these Rules, as the Board may determine provided that such documents shall together specify:
- (a) the number of Shares subject to the Option;
  - (b) the Exercise Price;
  - (c) the Date of Grant;
  - (d) when the Option will ordinarily become exercisable and the number of shares over which the Option may then be exercised;
  - (e) whether the Option is an EMI Option or an Unapproved Option;
  - (f) whether the Option Holder is required either to bear some or all of the cost of any secondary Class 1 (employer's) national insurance contributions arising from the exercise of the Option or jointly to elect with the Company to transfer some or all of such liability to the Option Holder;
  - (g) whether the Shares are restricted shares as defined in paragraph 37(5), Schedule 5; and
  - (h) any performance conditions attaching to the exercise of the Option set pursuant to rule 5.2.
- 5.4 The Board shall have discretion to amend the Vesting schedule (if any) applicable to EMI and Unapproved Options to take account of:
- (a) any absence from work other than paid leave, where such absence exceeds one calendar month; and
  - (b) any change in an Option Holder's working arrangements.
- 5.5 Any Option in respect of which the Option Holder does not execute and return the option certificate to the Company within 30 days of the Date of Grant of the Option shall for all purposes be taken to have been renounced and never to have been granted.
- 5.6 An Option shall be personal to the Option Holder and may not be transferred, assigned or charged. Any purported transfer (except a transfer to the Option Holder's personal representatives on death), assignment, charge, disposal or dealing of the Option shall render the Option void and cause it to lapse

- 5.7 An Option shall be granted under seal, executed as a deed or otherwise as the Board may determine. No cash payment shall be required in consideration of such grant.
- 5.8 No Option may be granted more than 10 years after the date on which the Scheme is adopted by a resolution of the Board.
- 5.9 Any EMI Options granted under the Scheme shall be limited and take effect so that any limit in rule 4.2 is not exceeded.
- 5.10 On granting an EMI Option, the Company shall procure that the company which is the employer of an Option Holder at the relevant Date of Grant shall give to HM Revenue & Customs within 92 days of such date a notice complying with the requirements of paragraph 44, Schedule 5 and in the form prescribed from time to time by HM Revenue & Customs, which shall include:
- (a) a declaration by a director or secretary of that company confirming that in that person's opinion the requirements of Schedule 5 are met in relation to the Option; and
  - (b) a declaration by the Option Holder that the commitment of working time requirement in paragraph 26, Schedule 5 is satisfied in relation to the Option.

**6. Rights to exercise Options**

- 6.1 Options may not in any event be exercised after the day preceding the tenth anniversary of the Date of Grant.
- 6.2 Except as otherwise provided elsewhere in the Rules, or as the Board may otherwise in its absolute discretion determine, Options may only be exercised in respect of Vested Shares on Quarter Dates, or otherwise on the dates specified by the Company.
- 6.3 Except as provided in rule 6.17-6.20, Options may not be exercised after the Option Holder has ceased employment with any Group Company or has given or received notice of termination of his employment with any Group Company.
- 6.4 The Board may, in its absolute discretion, specify other events upon which an Option may be exercised (and such other events shall be set out in, or attached in the form of a schedule to, the option certificate at the Date of Grant).

***Sale***

- 6.5 Subject to rule 6.6, on the occurrence of a Sale or an Asset Sale, notwithstanding the Vesting terms set out in the option certificate, the Board may in its absolute discretion determine that the remaining Vesting period shall be reduced.
- 6.6 Prior to a proposed Sale or Asset Sale, the Board may give notice to Option Holders inviting Option Holders to exercise their Options to such extent and at such time or times and within such period prior to the Sale as the Board may in its absolute discretion determine. If such notice is given, to the extent that any Option is not exercised within such period or at such time, it will lapse on completion of the Sale or Asset Sale. If the Sale or Asset Sale does not complete, the Option Holders will be deemed not to have exercised their Options.

***Initial Public Offering (IPO)***

- 6.7 Following an IPO, the Option shall remain in force and continue to Vest in accordance with the Vesting schedule set out in the option certificate.

***Acquisition of Control by another company***

- 6.8 The provisions of rule 6.9 shall have effect, and the provisions of rule 6.10 shall not apply, if another company obtains all the Equity Shares of the Company and the Option Holder is invited to release his rights under the Option in consideration of the grant to him of rights which are equivalent but relate to the acquiring company's shares (the " **New Option** "), subject to agreement by the acquiring company and rule 6.9.
- 6.9 If the Option Holder does not agree to release his rights under the Option in consideration of the grant of the New Option, this Option shall lapse and cease to be exercisable at the end of the period within which the Option Holder could have accepted such invitation.
- 6.10 If another company obtains Control of the Company or the Directors consider that a change of Control is imminent, and the Option Holder is not invited to exchange his Option for a New Option, accelerated Vesting of the right to exercise the Option shall apply so that, notwithstanding the vesting schedule set out in the option certificate, the Option Holder may exercise his Option in full during the period commencing on the day before the change of Control occurs and ending on a date specified by the Board at their discretion, on which date the Option, to the extent previously unexercised, shall lapse.

***Demerger***

- 6.11 If notice is given to shareholders of the Company of a proposed demerger of the Company or of any Qualifying Subsidiary the Directors may give notice to the Option Holder that the Option may then be exercised in respect of such proportion of the Shares under Option as the Board may specify in its absolute discretion within such period (not exceeding 30 days) as the Board may specify, save that the proportion of Shares which is so specified by the Board shall be the same as that specified in relation to all other rights to acquire Shares granted at the same time as the Option.

***Scheme of arrangement***

- 6.12 If under section 899 of the 2006 Act the court sanctions a compromise or arrangement then the Option may be exercised in respect of such proportion of the Shares under Option as the Board may specify in its absolute discretion during the period of six months beginning on the date on which the court sanctions the compromise or arrangement and if not then exercised, the Option will lapse and cease to be exercisable at the end of that period.

***Voluntary winding-up of the Company***

- 6.13 If notice is duly given to shareholders of the Company of a resolution for the voluntary winding- up of the Company, the Option may, at any time before the passing of such resolution, be exercised conditional upon the passing of such resolution in respect of such proportion of the Shares under Option as the Board may specify in its absolute discretion and if not then exercised, shall lapse and cease to be exercisable upon the commencement of the winding- up.
- 6.14 Subject to rule 6.13, this Option shall lapse and cease to be exercisable when the Company goes into liquidation.

***Voluntary arrangement***

- 6.15 If a proposal is made to the Company and to its creditors for a voluntary arrangement under Part I of the Insolvency Act 1986, the Option may be exercised in respect of such proportion of the Shares under Option as the Board may specify in its absolute discretion not later than 14 days

before the date of the meeting summoned in accordance with section 3 of the Insolvency Act 1986 and if not then exercised, shall lapse and cease to be exercisable.

**Administration order**

- 6.16 If an administration order is made in relation to the Company under Part II of the Insolvency Act 1986, the Option may be exercised in respect of such proportion of the Shares under Option as the Board may specify in its absolute discretion within the period of 28 days after the administration order is made, and the Option shall lapse and cease to be exercisable at the end of that period.

**Leaving employment**

- 6.17 If the Option Holder receives notice of termination of his employment with the Company, for any reason other than a Good Reason, the Option shall immediately lapse and cease to be exercisable.
- 6.18 Subject to rule 6.17, if the Option Holder ceases to hold employment with the Company for a Good Reason other than death or disability, injury or ill-health (in the case of disability, injury or ill-health, evidenced to the satisfaction of the Board):
- (a) the Option shall immediately lapse and cease to be exercisable in respect of Shares which, at the time of such cessation, are unvested, subject to the Board's discretion to accelerate Vesting in whole or in part; and
  - (b) for a period of 3 months commencing on the date of cessation of employment the Option Holder may exercise this Option in respect of Shares which have Vested prior to the date of such cessation, and after this 3 month period this Option shall lapse and cease to be exercisable in its entirety, subject to the Board's discretion to accelerate Vesting in whole or in part.
- 6.19 If the Option Holder dies in service, or if his employment ceases due to disability, injury or ill- health (evidenced to the satisfaction of the Board), this Option may be exercised by his or her legal personal representatives (in the case of death) or by the Option Holder (in the case of disability, injury or ill-health) within the period of one year beginning with the date of death in respect of all of the Shares under Option, whether Vested or unvested at the date of death or cessation of employment.
- 6.20 If the Option Holder whose employment ceases due to disability, injury or ill-health exercises an Option more than 40 days after the date of cessation of employment, the EMI tax treatment will cease to apply in full.

**Lapse of Options**

- 6.21 An Option will lapse to the extent it has not been exercised (whether it became exercisable under the normal vesting provisions, the accelerated vesting provisions or has not become exercisable) on the earliest to occur of the following:
- (a) the 10th anniversary of the Date of Grant;
  - (b) the passing of a resolution by the shareholders in respect of a creditor's voluntary liquidation, the making by the Court of a winding up order, or the appointment of an administrator or receiver in respect of the Company;
  - (c) the Option Holder being adjudicated bankrupt, making or proposing a voluntary arrangement under the Insolvency Act 1986 or otherwise being deprived (except on death) of the legal or beneficial ownership of the Option;

- (d) the expiry of the relevant period referred to in this rule 6 and where more than one such period applies, the earliest to expire of those periods.

**Meaning of ceasing employment**

6.22 For the purposes of rule 6.17 and 6.18:

- (a) an Option Holder (including an Option Holder who is absent from work on paternity or parental leave) shall not be treated as ceasing to hold any office or employment until he no longer holds any office or employment with the Company or any Group Company or any Associated Company; and
- (b) a female Option Holder who is absent from work on maternity leave shall not be deemed to have ceased holding any office or employment until she ceases to be entitled to exercise any statutory or contractual right to return to work.

**7. Procedures to exercise Options**

7.1 An Option may be exercised in whole or in part and shall be exercised by notice in writing (in the form prescribed by the Board) given by the Option Holder to the Company in respect of some or all of the Shares comprised in the Option, and such notice shall be accompanied by:

- (a) if required by the Board, an election to transfer liability for secondary Class 1 (employer's) national insurance contributions to the Option Holder (in the form prescribed by the Board and approved by HM Revenue & Customs); and
- (b) if required by the Board, if the Shares to be acquired on exercise of the Option are considered to be restricted securities as defined in Part 7, Chapter 2, ITEPA (such determination to be in the sole discretion of the Board), a joint section 431, ITEPA election (electing that the Market Value of the Shares acquired on exercise of the Option be calculated as if the Shares were not restricted securities),

together with a remittance for the aggregate Exercise Price payable, unless the Board in its absolute discretion agrees that the aggregate Exercise Price and any Tax Liabilities may be satisfied by an alternative method of payment.

7.2 Provided the conditions for exercise are satisfied, exercise of the Option shall be effective on the next Quarter Date after the date of receipt or deemed receipt by the Company according to rule 12.2 (the "**Exercise Date**" ) of the documents referred to in rule 7.1.

7.3 As soon as reasonably practicable after the Exercise Date the Company shall:

- (a) allot and issue such Shares which are to be issued pursuant to the exercise of the Option; or
- (b) procure the transfer of such Shares which are to be transferred pursuant to the exercise of the Option,

to the Option Holder (or his nominee) and, subject to rule 7.4, cause to be registered in his name (or the name of his nominee) the number of Shares specified in the notice of exercise.

7.4 The Option Holder shall be responsible for any stamp duty arising on the transfer of Shares.

7.5 An Option may only be exercised in respect of a whole number of Shares, not a fraction of a Share.

- 7.6 When an Option is exercised only in part, the balance shall remain exercisable on the same terms as originally applied to the whole Option.
- 7.7 Save for any right determined by reference to a date preceding the date on which Shares are issued, Shares issued on the exercise of an Option shall rank equally with the Shares then in issue. Shares transferred on the exercise of an Option will be transferred without the benefit of any rights attaching to them by reference to a record date preceding the date of exercise.
- 7.8 An Option Holder to whom Shares are issued or transferred on the exercise of an Option shall be bound by the Articles of Association as they apply to such Shares and if required to do so by the Board, shall enter into a deed of adherence pursuant to any shareholders' agreement relating to the Company.
- 8. Release of Options**
- 8.1 The provisions of Part 6, Schedule 5 shall apply in relation to Company Reorganisations.
- 8.2 Pursuant to rule 8.1, if a Company Reorganisation occurs the Option Holder may, by an agreement in writing with the acquiring company, release his rights under the Option in consideration of the grant to the Option Holder of rights which are equivalent but relate to the acquiring company's shares, such rights to be comprised in a replacement option in relation to which the following conditions must be satisfied:
- (a) it is granted within the appropriate period under paragraph 42, Schedule 5; and
  - (b) the qualifying requirements under paragraph 43, Schedule 5 are satisfied.
- 8.3 If the rights under the Option are released by the Option Holder under rule 8.2, the occurrence of the Company Reorganisation shall not be an event triggering the exercise of the Option under rule 6.5 or rule 6.10.
- 9. Adjustment of Options**
- In the event of any capitalisation or offer by way of rights (including an open offer) or on any consolidation, sub-division, reduction or other variation of the capital of the Company, the number of Shares subject to the Option and the Exercise Price may be adjusted in such manner as the Board, on a fair and reasonable basis, may deem appropriate. Notice of any such adjustments shall be given to the Option Holder by the Company.
- 10. Taxation**
- 10.1 The provisions of ITEPA shall apply to give relief from income tax in respect of the grant or exercise of an EMI Option.
- 10.2 Subject to rule 10.1, if a disqualifying event (within the meaning of sections 533 to 539 ITEPA) occurs before an EMI Option is exercised, and the EMI Option is not exercised within 40 days of that event, the gain realised by exercise of the EMI Option according to section 532 ITEPA shall be taxed under the rules applying on the exercise of unapproved share options under section 476 ITEPA.
- 10.3 Where the Exercise Price was established at less than Market Value at the Date of Grant, the gain realised at exercise will be taxed in accordance with section 531 ITEPA.

- 10.4 An Option Holder shall be accountable for any income tax and national insurance contributions liability (or their equivalent in any jurisdiction outside England and Wales) which is chargeable on any assessable income deriving from:
- (a) the grant or exercise of, or other dealing in, any Option held by him,
  - (b) the acquisition, holding or disposal of any shares acquired on exercise of any Option held by him; and
  - (c) any action, event or thing done or omitted to be done following the Option Holder's acquisition of the shares acquired on exercise of any Option held by him which directly or indirectly gives rise to a liability under the ITEPA in respect of the Shares (including the entering into of an election under section 431 of ITEPA).
- 10.5 In respect of such assessable income the Option Holder shall indemnify the Company and (at the direction of the Company) any Group Company which is or may be treated as the employer of the Option Holder in respect of the following (together, the "**Tax Liabilities**"):
- (a) any income tax liability which falls to be paid to HM Revenue & Customs by the Company (or the relevant employing Group Company) under the PAYE system as it applies to income tax under ITEPA and the PAYE regulations referred to in it (or the equivalent in any jurisdiction outside England & Wales); and
  - (b) any national insurance contributions liability which falls to be paid to HM Revenue & Customs by the Company (or the relevant employing Group Company) under the modified PAYE system as it applies for national insurance purposes under the Social Security Contributions and Benefits Act 1992 and regulations referred to in it (or the equivalent in any jurisdiction outside England & Wales) such national insurance liability being the aggregate of:
    - (i) all the primary Class 1 (employees') national insurance contributions; and
    - (ii) if required by the Board, such percentage of the secondary Class 1 (employer's) national insurance contributions as may be determined and specified in the grant documents under rule 5.3,and any reference to a national insurance liability shall be deemed to include an equivalent social security liability in any jurisdiction outside England and Wales.
- 10.6 Pursuant to the indemnity referred to in rule 10.5, the Option Holder shall make such arrangements as the Company requires to meet the cost of the Tax Liabilities, including at the direction of the Company any of the following:
- (a) making a cash payment of an appropriate amount to the relevant Group Company whether by way of cheque, banker's draft or deduction from salary in time to enable the company to remit such amount to HM Revenue & Customs before the 14th day following the end of the month in which the event giving rise to the tax liability occurred;
  - (b) appointing the Company as agent and/or attorney for the sale of sufficient of the Shares acquired pursuant to the exercise of the Option to cover the Tax Liabilities and authorising the payment to the relevant Group Company of the appropriate amount (including all reasonable fees, commissions and expenses incurred by the relevant Company in relation to such Sale) out of the net proceeds of sale of the Shares; and

- (c) entering into an election whereby the employer's liability for secondary national insurance contributions is transferred to the Option Holder on terms set out in the election and approved by HM Revenue & Customs.

**11. Administration and amendment**

- 11.1 The Scheme shall be administered by the Board acting on behalf of the Company and the Board's decision on all disputes shall be final.
- 11.2 Subject to rule 11.3 and 11.4, the Board may at any time amend these Rules and the terms of any Option granted pursuant to the Scheme in any way it thinks fit provided that, except with the approval of the Company in general meeting, no amendment to the material advantage of Option Holders (present or future) may be made to the provisions relating to the following:
  - (a) the definition Eligible Employee;
  - (b) the individual limits contained in rule 4.3;
  - (c) the basis of determining an Option Holder's entitlement and for adjusting the same in the event of any variation in capital described in rule 9.
- 11.3 No amendment may be made to these Rules if, or to the extent that, in the reasonable opinion of the Board, it would materially abrogate or adversely affect the subsisting rights of an Option Holder as regards an Option granted prior to the amendment without the Option Holder's consent.
- 11.4 The requirement to obtain the approval of the Company in general meeting in rule 11.2 shall not apply to any amendment which the Board considers is necessary or desirable in order to:
  - (a) comply with or take account of the provisions of any proposed or existing legislation or take account of any changes to legislation; or
  - (b) obtain or maintain favourable taxation treatment of any Group Company or any Option Holder,provided that any such amendment does not affect the basic principles of the Scheme.
- 11.5 The Board shall have power from time to time to make and vary such rules (not being inconsistent with these rules) for the implementation and administration of this Scheme as it may think fit.

**12. General**

- 12.1 The Company shall at all times keep available sufficient authorised and unissued Shares to satisfy the exercise to the full extent still possible of any Options (excluding those the exercise of which is to be satisfied by the transfer of existing Shares) taking account of any other obligations of the Company to issue new Shares or shall otherwise ensure that Shares are available for transfer to satisfy the exercise of any Option.
- 12.2 Any notice or other communication under or in connection with these Rules may be given to the Option Holder either personally or by electronic mail or post and/or to the Company either personally or by electronic mail (with a report of receipt), post or by fax. Items sent by electronic mail shall be deemed to have been received at the time specified in the report of receipt returned to the sender. Items sent by post should be first class prepaid and shall be deemed to have been

received 48 hours after posting. Items sent by fax shall be deemed to have been received on the day that they are sent.

- 12.3 The terms of employment of any Option Holder shall not be affected in any way by his participation in the Scheme which shall not form part of such terms (either expressly or impliedly) nor in any way entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment for whatever reason (whether lawful or unlawful) which might otherwise be payable to him, and the Option Holder's terms of employment shall be deemed to be varied accordingly.
- 12.4 This Scheme is entirely discretionary and may be suspended or terminated by the Company at any time. The grant of an Option is likewise entirely discretionary and does not create any contractual or other right to receive future grants of options, or benefits in lieu of options. All determinations with respect to future grants will be at the sole discretion of the Company. Rights under the Scheme are not pensionable.
- 12.5 The costs of introducing and administering this Scheme shall be borne by the Company.
- 12.6 Subject to applicable law, the Company and any Group Company may enter into arrangements (including the payment of money or making of loans) with any person on such terms as it thinks fit whereby, on the exercise of an Option, existing Shares may be transferred to an Option Holder in satisfaction of his rights under this Scheme.
- 12.7 Nothing in these Rules shall be taken to impose any restriction or limitation on the exercise by the members of the Company of their rights to make any alteration to the Articles of Association or the share capital of the Company.
- 12.8 In the event that Shares are Listed, the Company shall apply to the relevant stock exchange for any shares issued on the exercise of any Option to be admitted to trading.
- 12.9 The Option Holder shall have no recourse of any kind against the Company (or any Group Company) if the incentives and tax reliefs provided by the ITEPA and/or Part 4, Schedule 7D to TCGA are not available in respect of any EMI Option for whatever reason.
- 12.10 The Board may adopt appendices to this Scheme which shall provide for the grant of Unapproved Options to employees who are not at the relevant time eligible to participate in the EMI scheme or who are not resident for tax purposes in the United Kingdom, subject to such modifications as the Board considers appropriate to take account of local tax, exchange control, securities laws or other regulatory requirements.
- 12.11 The Option Holder, by accepting the Option, consents to the collection, use and transfer, in electronic or other form, of personal data that is necessary to facilitate the implementation, administration and management of the Scheme. The Company may, for the purpose of implementing, administering and managing the Scheme, hold certain personal information about the Option Holder, including, but not limited to, the Option Holder's name, home address and telephone number, date of birth, national insurance number or other identification number, salary, nationality, job title and details of all awards or entitlement to options that may be granted under the Scheme. The Option Holder further consents to the transfer of the Data to any third parties assisting in the implementation, administration and management of the Scheme, including any broker with whom the Shares that may be issued on exercise of the Option may be deposited, and that these recipients may be located in the UK or elsewhere. The Option Holder, by accepting the Option, waives any data privacy rights he or she may have with respect to the Data and authorises the Company and its agents to store and transmit such information in electronic form
- 12.12 The Scheme and any dispute, claim or obligation arising out of or in connection with it, its subject matter or formation shall be governed by English law. The Option Holder and the Company

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irrevocably agree that the English courts shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Scheme, its subject matter or formation.

**Acano (UK) Limited  
2016 Unapproved Employee Share Option Scheme**

**Adopted on 25 January 2016**

**As amended by the Board on 28 January 2016**

Dated 28 January 2016

**Osborne Clarke LLP**

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**Rules of the Acano (UK) Limited 2016****Unapproved Employee Share Option Scheme****1. Definitions and interpretation**

1.1 In this Scheme, unless the context otherwise requires, the following definitions shall apply:

**"Agreement"** means the agreement dated 20 November 2015 setting out the terms of the acquisition of the Company by the Purchaser.

**"AIM"** means the market of that name operated by the London Stock Exchange.

**"Associated Company"** has the meaning set out in section 449 Corporation Tax Act 2010.

**"Board"** means the board of directors of the Company or a duly authorised committee of the board.

**"Business Day"** means a day on which the London Stock Exchange is open for business.

**"Closing"** has the meaning contained in the Agreement.

**"Company"** means Acano (UK) Limited.

**"Control"** means the meaning contained in section 995 Income Tax Act.

**"Date of Grant"** means the date on which the Board grants an Option pursuant to rule 2.1.

**"Eligible Employee"** means any executive director or any employee of a Group Company.

**"Employee's Contributions"** means an employee's primary Class 1 national insurance contributions or any equivalent social security liability in any jurisdiction outside England and Wales.

**"Employees' Share Scheme"** means the meaning contained in section 1166 Companies Act 2006.

**"Employer's Contributions"** means an employer's secondary Class 1 national insurance contributions or any equivalent social security liability in any jurisdiction outside England and Wales.

**"Exercise Date"** has the meaning set out in rule 4.1.

**"Exercise Price"** means the amount payable per Scheme Share on the exercise of an Option which amount shall be determined by the Board at the Date of Grant but shall not be less than the nominal value of a Scheme Share.

**"Good Reason"** means (a) the death of the Option Holder; (b) disability, injury or ill-health of the Option Holder (evidenced to the satisfaction of the Board); (c) redundancy (as defined for the purposes of the Employment Rights Act 1996); (d) retirement at or after the date on which the Option Holder is normally expected to retire in accordance with the Option Holder's contract of employment; (e) voluntary resignation; (f) dismissal (whether or not on notice) otherwise than for cause, and for the purposes of sub-clause (e) the question of whether or not termination of the Option Holder's employment is 'for cause' shall be determined by the Board, whose decision shall be binding on the Option Holder.

**"Group Company"** means the Company, its Subsidiaries, any holding Company or Subsidiaries of such Holding Company from time to time.

**"Income Tax Act"** means the Income Tax Act 2007.

**"Income Tax Liability"** means any income tax which is PAYE income for the purposes of s683 Taxes Act (or the equivalent in any jurisdiction outside England and Wales).

**"ITEPA"** means the Income Tax (Earnings and Pensions) Act 2003.

**"National Insurance Contribution Liability"** means any national insurance contributions which fall to be paid to HM Revenue & Customs by the Company (or the relevant employing Group Company) under the modified PAYE system as it applies for national insurance purposes under the Social Security Contributions and Benefits Act 1992 and regulations referred to in it (or the equivalent in any jurisdiction outside England and Wales).

**"Option"** means a right granted under this Scheme to acquire Scheme Shares.

**"Option Holder"** means a person to whom an Option has been granted under the Scheme or, where the context permits, the legal personal representatives of such a person.

**"Ordinary Shares"** means shares comprising the ordinary share capital of the Company as defined in section 989 Income Tax Act.

**"Purchaser"** means Cisco Systems Holdings UK Limited.

**"Rules"** means these rules comprising the rules of the Scheme.

**"Sale"** means the sale of the Company to the Purchaser pursuant to the Agreement

**"Scheme"** means the Acano (UK) Limited 2016 Unapproved Employee Share Option Scheme approved by resolutions of the Board dated 25 January 2016 and 28 January 2016 or as subsequently amended in accordance with rule 6.

**"Scheme Shares"** means C Ordinary Shares of £0.0001 each in the capital of the Company (or any shares representing the same following Closing of the Sale) which comply with the terms of this Scheme.

**"Subsidiary"** means a company (wherever incorporated) which for the time being is under the Control of the Company.

**"Tax Liabilities"** means the meaning contained in rule 7.4.

**"Vest"** means a right of exercise of the Option subject to rule 3.2 has arisen and "Vests" and "Vested" shall be interpreted accordingly.

**"Vesting Schedule"** means the terms on which an Option Vests as set out in the documentation provided to the Option Holder in accordance with rule 2.2.

1.2 In this Scheme, unless the context otherwise requires:

- (a) words in the singular include the plural and vice versa and words in one gender include any other gender;
- (b) a reference to a statute or statutory provision includes:
  - (i) any subordinate legislation (as defined in section 21(1), of the Interpretation Act 1978) made under it;
  - (ii) any repealed statute or statutory provision which it re-enacts (with or without modification); and
  - (iii) any statute or statutory provision which modifies, consolidates, re-enacts or supersedes it;
- (c) a reference to rules are to rules in these Rules and references to sub-rules are to sub-rules in which they appear;
- (d) the table of contents and headings are for convenience only and shall not affect the interpretation of these Rules.

1.3 Where under any of the provisions of these Rules it is provided that an Option shall lapse, that Option shall cease to be exercisable immediately notwithstanding any other provision of these Rules.

## 2. Grant of Options

2.1 Subject to these Rules, the Board may grant Options to such Eligible Employees over such number of Scheme Shares as it in its entire discretion thinks fit.

2.2 As soon as reasonably practicable after the relevant Date of Grant the Company shall issue to the Option Holder a letter enclosing a certificate evidencing the grant of the Option in such form, not inconsistent with these Rules, as the Board may determine provided that it shall specify:

- (a) the number of Scheme Shares subject to the Option;
- (b) the Exercise Price;
- (c) the Date of Grant;
- (d) when the Option will ordinarily Vest and the number of Scheme Shares over which the Option may then be exercised; and
- (e) whether the Option Holder is required either to bear some or all of the cost of any Employers' Contributions arising from the exercise of the Option or jointly to elect with the Company to transfer some or all of such liability to the Option Holder.

In the event of any conflict between the rules of the Scheme and any such document, the rules of the Scheme shall prevail.

2.3 An Option may not be transferred, assigned or charged and any attempted transfer, assignment or charge shall cause the Option to lapse. Each option certificate shall carry a statement to this effect.

2.4 An Option shall be granted under seal, executed as a deed or otherwise as the Board may determine. No cash payment shall be required in consideration of such grant.

## 3. Rights to exercise Options

3.1 Options granted under the Scheme shall be capable of exercise in whole or in part in accordance with the following provisions of this rule 3 and rule 4.

### **General exercise**

3.2 Except as otherwise provided in this rule 3 or as the Board may in its absolute discretion determine (subject always to 3.2(c) below, an Option may only be exercised;

- (a) in accordance with its Vesting Schedule; and
- (b) at a time when the Option Holder holds an office or employment with a Group Company;
- (c) but in no circumstances may any Vested Option be capable of exercise prior to the Sale

### **Sale treatment of Options**

3.3 The Option Holder agrees that conditional upon Closing, that any outstanding Option will be assumed by the Purchaser on the terms set out in clause 1.3 (i) and section 5.11 of the Agreement, and references to Scheme Shares will be interpreted as references to shares of common stock in Cisco Systems Inc.

### **Leaving employment**



3.4 If the Option Holder receives notice of termination of his employment with a Group Company, for any reason other than a Good Reason, the Option shall immediately lapse on the date of such notice and cease to be exercisable.

3.5 Subject to rule 3.4, if the Option Holder ceases to hold employment with a Group Company for a Good Reason other than death or disability, injury or ill-health (and in the case of disability, injury or ill-health, evidenced to the satisfaction of the Board):

(a) the Option shall immediately lapse and cease to be exercisable in respect of Option Shares which, at the time of such cessation, are not Vested, (subject to the Board's discretion to accelerate Vesting in whole or in part); and

(b) for a period of 3 months commencing on the date of cessation of employment the Option Holder may exercise the Option in respect of Option Shares which have Vested prior to the date of such cessation, and after this 3 month period this Option shall lapse and cease to be exercisable in its entirety, subject to the Board's discretion to accelerate Vesting in whole or in part.

3.6 If the Option Holder dies in service, or if his employment ceases due to disability, injury or ill-health (evidenced to the satisfaction of the Board), the Option may be exercised by his or her legal personal representatives (in the case of death) or by the Option Holder (in the case of disability, injury or ill-health) within the period of one year beginning with the date of death in respect of all of the Option Shares, whether Vested or not at the date of death or cessation of employment as relevant.

#### ***Voluntary winding-up of the Company***

3.7 If notice is duly given to shareholders of the Company of a resolution for the voluntary winding-up of the Company, the Option may, at any time before the passing of such resolution, be exercised conditional upon the passing of such resolution in respect of such proportion of the Shares under Option as the Board may specify in its absolute discretion and if not then exercised, shall lapse and cease to be exercisable upon the commencement of the winding-up.

#### ***Voluntary arrangement***

3.8 If a proposal is made to the Company and to its creditors for a voluntary arrangement under Part I of the Insolvency Act 1986, the Option may be exercised in respect of such proportion of the Scheme Shares under Option as the Board may specify in its absolute discretion not later than 14 days before the date of the meeting summoned in accordance with section 3 of the Insolvency Act 1986 and if not then exercised, shall lapse and cease to be exercisable.

#### ***Administration order***

3.9 If an administration order is made in relation to the Company under Part II of the Insolvency Act 1986, the Option may be exercised in respect of such proportion of the Scheme Shares under Option as the Board may specify in its absolute discretion within the period of 28 days after the administration order is made, and the Option shall lapse and cease to be exercisable at the end of that period.

#### ***Demerger***

3.10 If the Company is, or is expected to be the subject of a demerger, the Board may give notice to the Option Holder that the Option may then be exercised over such number of Scheme Shares under Option during such period as the Board in its discretion determines and notifies to the Option Holder.

#### ***Lapse of Options***

3.11 An Option will lapse to the extent it has not been exercised on the earliest to occur of the following:

(a) the Option Holder being adjudicated bankrupt, making or proposing a voluntary arrangement under the Insolvency Act 1986 or otherwise being deprived (except on death) of the legal or beneficial ownership of the Option;

- (b) the expiry of the relevant periods referred to in this rule 3 and where more than one such period applies, the earliest to expire of those periods; and
- (c) if the Sale has not Closed by 20 May 2016 or such later date as the parties to the Agreement agree, on that date; and
- (d) on the tenth anniversary of the Date of Grant. For the avoidance of doubt, the Date of Grant of an option granted to replace an option granted pursuant to the Acano (UK) Limited Share Option Scheme (the "Original Option") shall be the date of grant of the Original Option.

#### **Meaning of ceasing employment**

3.12 For the purposes of this rule 3:

- (a) an Option Holder shall not be treated as ceasing to hold any office or employment until he no longer holds any office or employment with a Group Company or any Associated Company; and
- (b) an Option Holder who is absent from work on statutory and/or any enhanced contractual entitlement to maternity, paternity, adoption or parental leave shall not be deemed to have ceased holding any office or employment until he or she ceases to be entitled to exercise any statutory and/or contractual right to return to work.

#### **4. Manner of exercise of Options**

4.1 An Option shall be exercised by notice in writing (in the form prescribed by the Company) given by the Option Holder to the Company in respect of all or some of the Scheme Shares comprised in the Option, and such notice shall be accompanied by:

- (a) the relevant option certificate (or an indemnity in respect of a lost option certificate);
- (b) if required by the Board, an election to transfer liability for Employers' Contributions to the Option Holder (in the form prescribed by the Board and approved by HM Revenue & Customs); and
- (c) a remittance for the aggregate Exercise Price payable; and
- (d) if required by the Board, if the Scheme Shares to be acquired on exercise of the Option are considered to be restricted securities as defined in Part 7, Chapter 2 ITEPA (such determination to be in the sole discretion of the Board), a joint section 431 ITEPA election (electing that the Market Value of the Scheme Shares acquired on exercise of the Option be calculated as if the Scheme Shares were not restricted securities)

and provided the conditions for exercise have been met, shall be effective on the date of its receipt or deemed receipt by the Company according to rule 6.5 (the "**Exercise Date**").

4.2 The Board may, in its absolute discretion agree to the Exercise Price being satisfied on a cashless basis in which case on exercise of the Option, the Company shall have the right not to issue or transfer to the Option Holder the whole number of Scheme Shares to which the Option Holder would otherwise be entitled but instead shall retain such number of Scheme Shares as would enable the Company to discharge out of the proceeds of sale:

- (a) all fees, commissions and expenses incurred in relation to such sale;
- (b) the aggregate Exercise Price; and
- (c) the Option Holder's Tax Liabilities pursuant to rule 7.4.

4.3 Not later than 30 days after the Exercise Date the Company shall:

- (a) allot and issue as fully paid such Scheme Shares which are to be issued pursuant to the exercise of an Option; or

(b) procure the transfer of such Scheme Shares which are to be transferred pursuant to the exercise of an Option

to the Option Holder (or his nominee) and cause to be registered in his name (or the name of his nominee) the number of Scheme Shares specified in the notice of exercise and (save where the Scheme Shares so registered are uncertificated securities within the meaning of the Uncertificated Securities Regulations 2001) shall deliver a definitive share certificate or statement in respect thereof.

4.4 When an Option is exercised only in part, the balance shall remain exercisable on the same terms as originally applied to the whole Option and a new option certificate shall be issued accordingly by the Company as soon as possible after the partial exercise.

4.5 Save for any right determined by reference to a date preceding the date on which Scheme Shares are allotted and issued, Scheme Shares issued on the exercise of an Option shall rank *pari passu* with the Scheme Shares then in issue. Scheme Shares transferred pursuant to the Scheme will be transferred without the benefit of any rights attaching to them by reference to a record date preceding the Exercise Date.

4.6 Any Option Holder to whom Scheme Shares are issued or transferred on the exercise of an Option shall be bound by the Company's articles of association as they apply to such Scheme Shares and if required to do so by the Board, shall enter into a deed of adherence pursuant to any shareholders' agreement relating to the Company.

4.7 No Option may be exercised when its exercise is prohibited by, or would be a breach of any regulatory rules, code or set of guidelines adopted by the Company with a similar purpose and effect or any other law or regulation.

4.8 The Option Holder shall be responsible for any stamp duty arising on the transfer of Scheme Shares.

#### **5. Adjustment of Option terms**

5.1 In the event of any capitalisation or offer by way of rights (including an open offer) or on any consolidation, sub-division, reduction or other variation of the capital of the Company, the number of Scheme Shares subject to the Option and the Exercise Price may be adjusted in such manner as the Board, on a fair and reasonable basis, may deem appropriate. Notice of any such adjustments shall be given to the Option Holder by the Company.

5.2 An adjustment under rule 5.1 may reduce the Exercise Price applying to an Option to less than the nominal value of an Ordinary Share but only if and to the extent that:

(a) the Board is authorised both:

(i) to capitalise from the reserves of the Company a sum equal to the amount by which the nominal value of the Scheme Shares which are allotted pursuant to the exercise of an Option exceeds the adjusted Exercise Price; and

(ii) to apply that sum in paying up that amount on those Scheme Shares; and

(b) on the allotment of the Scheme Shares to be subscribed on the exercise of an Option, the Board proceeds to capitalise the sum referred to in sub-rule (a)(i) above and applies that sum as described in sub-rule (a)(ii) above.

## 6. Administration and amendment

6.1 The Scheme shall be administered by the Board acting on behalf of the Company and the Board's decision on all disputes shall be final.

6.2 Subject to rule 6.3, the Board may at any time amend these Rules in any way it thinks fit.

6.3 No amendment may be made to these Rules if, or to the extent that, in the reasonable opinion of the Board, it would materially abrogate or adversely affect the subsisting rights of an Option Holder as regards an Option granted prior to the amendment being made unless it is made:

(a) with the written consent of the number of Option Holders that hold Options under the Scheme to acquire more than 50% of the Scheme Shares which would be delivered if all Options granted and subsisting under the Scheme were exercised (ignoring any conditions which may be attached to their exercise); or

(b) by a resolution at a meeting of Option Holders passed by not less than 50% of the Option Holders who attend and vote either in person or by proxy.

6.4 The Board shall have power from time to time to make and vary such regulations (not being inconsistent with these rules) for the implementation and administration of this Scheme as it may think fit.

6.5 Any notice or other written communication under or in connection with the Scheme may be given by the Board to the Option Holder either personally or by post or by electronic mail with report of receipt or by fax transmission, and by the Option Holder to the Board either personally or by post or by electronic mail with report of receipt or by fax transmission to the Secretary of the Company. Items sent by post shall be first class pre-paid and shall be deemed to have been received 48 hours after posting. Items sent by electronic mail shall be deemed to have been received at the time specified in the report of receipt returned to the sender. Items sent by fax shall be deemed to have been received on the day that they are sent.

## 7. General

7.1 The Company shall at all times keep available sufficient authorised and unissued Scheme Shares to satisfy the exercise to the full extent still possible of any Options (excluding those the exercise of which is to be satisfied by the transfer of existing Scheme Shares) taking account of any other obligations of the Company to issue shares or shall otherwise ensure that Scheme Shares are available for transfer to satisfy the exercise of any Option.

7.2 In the event that the Scheme Shares are listed or traded on any recognised investment exchange (as defined in section 1005, Income Tax Act) or on AIM, the Company shall apply to the appropriate body for any Scheme Shares allotted on exercise of an Option to be admitted to trading on that exchange.

7.3 The Option Holder shall be accountable for any income tax and, subject to the following provisions, national insurance contribution liability (or their equivalent in any jurisdiction outside England and Wales) which is chargeable on any assessable income deriving from:

(a) the grant or exercise of, or other dealing in, any Option held by him,

(b) the acquisition, holding or disposal of any Scheme Shares acquired on exercise of any Option held by him; and

(c) any action, event or thing done or omitted to be done following the Option Holder's acquisition of the shares acquired on exercise of any Option held by him which directly or indirectly gives rise to a liability under ITEPA in respect of the Shares.

7.4 In respect of such assessable income the Option Holder shall indemnify the Company and (at the direction of the Company) any Subsidiary which is or may be treated as the employer of the Option Holder in respect of the following (together, the "**Tax Liabilities**"):

- (a) any Income Tax Liability; and
- (b) any National Insurance Contribution Liability being the aggregate of:
  - (i) all the Employee's Contributions; and
  - (ii) to the extent permitted by law, all the Employer's Contributions as set out in the letter notifying the Option Holder of the grant of the option as referred to in rule 2.2(e) (unless the Company determines otherwise).

7.5 Pursuant to the indemnity referred to in rule 7.4 the Option Holder shall make such arrangements as the Company requires to meet the cost of the Tax Liabilities, including at the direction of the Company any of the following:

- (a) making a cash payment of an appropriate amount to the relevant Group Company whether by way of cheque, banker's draft or deduction from salary in time to enable that company to remit such amount to HM Revenue & Customs before the 14th day following the end of the month in which the event giving rise to the Tax Liability occurred; or
- (b) appointing the Company as agent and/or attorney for the sale of sufficient Scheme Shares acquired pursuant to the exercise of the Option to cover the Tax Liabilities and authorising the payment to the relevant Group Company of the appropriate amount out of the net proceeds of sale of the Scheme Shares;
- (c) entering into an election whereby the employer's liability for Employer's Contributions is transferred to the Option Holder on terms set out in the election and approved by the HM Revenue & Customs.

7.6 The terms of employment of any Option Holder shall not be affected in any way by his participation in the Scheme which shall not form part of such terms (either expressly or impliedly) nor in any way entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment for whatever reason (whether lawful or unlawful) which might otherwise be payable to him, and the Option Holder's terms of employment shall be deemed to be varied accordingly.

7.7 This Scheme is entirely discretionary and may be suspended or terminated by the Company at any time. Such suspension or termination will not affect any Options granted under the Scheme to the extent that they are subsisting at the date of such suspension or termination. The grant of an Option is likewise entirely discretionary and does not create any contractual or other right to receive future grants of options, or benefits in lieu of options. All determinations with respect to future grants will be at the sole discretion of the Company. Rights under the Scheme are not pensionable.

7.8 The costs of introducing and administering this Scheme shall be borne by the Company.

7.9 Subject to applicable law, the Company and any Subsidiary may enter into arrangements (including the payment of money or making of loans) with any person on such terms as it thinks fit whereby, on exercise of an Option, existing Scheme Shares may be transferred to an Option Holder in satisfaction of his rights under this Scheme.

7.10 The Board may adopt appendices to this Scheme which shall provide for the grant of options to Eligible Employees who are not at the relevant time exclusively resident for tax purposes in the UK, or who are employed by any non-UK resident Subsidiary, subject to such modifications as the Board considers appropriate to take into account local tax, exchange control, securities laws or other regulatory requirements.

7.11 The Option Holder, by accepting the Option, consents to the collection, use and transfer, in electronic or other form, of personal data ( "**Data**" ) that is necessary to facilitate the implementation, administration and management of the Scheme. The Company may, for the purpose of implementing, administering and managing the Scheme, hold certain personal information about the Option Holder, including, but not limited to, the Option Holder's name, home address and telephone number, date of birth, national insurance number or other

identification number, salary, nationality, job title and details of all awards or entitlement to options that may be granted under the Scheme. The Option Holder further consents to the transfer of the Data to third parties for the purposes of implementing, administering and managing the Scheme, including any broker with whom the Scheme Shares that may be issued on exercise of the Option may be deposited. These third party recipients may be located in territories outside of the European Economic Area (the **"EEA"** ). In accepting the Option the Option Holder explicitly consents to this transfer (and acknowledges that the legal regimes of some territories outside the EEA do not always offer the same standard of data protection as those inside the EEA).

7.12 The Scheme and any dispute, claim or obligation arising out of or in connection with it, its subject matter or formation shall be governed by English law. The Option Holder and the Company irrevocably agree that the English courts shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Scheme, its subject matter or formation.

**ACANO (UK) LIMITED**  
**2015 EQUITY INCENTIVE PLAN**

**SECTION 1. INTRODUCTION.**

The Acano (UK) Limited 2015 Equity Incentive Plan became effective upon its adoption by the Company's Board of Directors and approval by the shareholders of the Company on the Effective Date. If the Company's shareholders do not approve this Plan, no Awards will be granted under this Plan.

The purpose of the Plan is to promote the long-term success of the Company and the creation of shareholder value by offering designated Employees an opportunity to share in such long-term success by acquiring a proprietary interest in the Company. The Plan seeks to achieve this purpose by providing for discretionary long-term incentive awards in the form of Awards.

The Plan shall be governed by, and construed in accordance with, the laws of England and Wales. Capitalized terms shall have the meaning provided in Section 2 unless otherwise provided in this Plan or any related Stock Unit Agreement.

**SECTION 2. DEFINITIONS.**

- (a) "Affiliate" means (i) any entity other than a Subsidiary, if the Company and/or Parent and/or one or more Subsidiaries own not less than 50% of such entity.
  - (b) "Award" means any award of a Stock Unit under the Plan.
  - (c) "Board" means the Board of Directors of the Company, as constituted from time to time.
  - (d) "Cause" means except as may otherwise be provided in a Participant's employment agreement or Award agreement, a conviction of a Participant for, or the failure of a Participant to contest prosecution for, an indictable offence or, if relevant to the Participant's jurisdiction, a felony; a Participant's misconduct, fraud or dishonesty (as such terms are defined by the Committee in its sole discretion); or any unauthorized use or disclosure of confidential information or trade secrets, in each case as determined by the Committee, and the Committee's determination shall be conclusive and binding.
  - (e) "Change In Control" means, except as may otherwise be provided in a Participant's employment agreement or Stock Unit Agreement, the occurrence of any of the following:
    - (i) A change in the composition of the Board over a period of thirty-six consecutive months or less such that a majority of the Board members ceases, by reason of one or more contested elections for Board membership, to be comprised of individuals who either (A) have been Board members continuously since the beginning of such period or (B) have been elected or nominated for election as Board members during such period by at least a majority of the Board members described in clause (A) who were still in office at the time the Board approved such election or nomination; or
    - (ii) The acquisition, directly or indirectly, by any person or related group of persons (other than the Company or a person that directly or indirectly controls, is controlled by, or is under common control with, the Company) of beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of securities of the Company representing more than 35% of the total combined voting power of the Company's then outstanding securities pursuant to a tender or exchange
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offer made directly to the Company's shareholders which the Board does not recommend such shareholders accept.

- (f) "Code" means the Internal Revenue Code of 1986, as amended, and the regulations and interpretations promulgated thereunder.
- (g) "Committee" means a committee described in Section 3.
- (h) "Company" means Acano (UK) Limited, a company incorporated and registered in England and Wales under number 07793971.
- (i) "Corporate Transaction" means, except as may otherwise be provided in a Participant's employment agreement or Award agreement, the occurrence of any of the following shareholder approved transactions:
  - (i) Any "Person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becomes the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total voting power represented by the Company's then-outstanding voting securities; provided, however, that for purposes of this subclause (i) the acquisition of additional securities by any one Person who is considered to own more than fifty percent (50%) of the total voting power of the securities of the Company will not be considered a Corporate Transaction;
  - (ii) The consummation of a merger or consolidation of the Company with or into another entity or any other corporate reorganization, if more than 50% of the combined voting power of the continuing or surviving entity's securities outstanding immediately after such merger, consolidation or other reorganization is owned by persons who were not shareholders of the Company immediately prior to such merger, consolidation or other reorganization; or
  - (iii) The sale, transfer or other disposition of all or substantially all of the Company's assets.

A transaction shall not constitute a Corporate Transaction if its sole purpose is to change the jurisdiction of the Company's formation or to create a holding company that will be owned in substantially the same proportions by the persons who held the Company's securities immediately before such transactions.

- (j) "Director" means a member of the Board who is also an Employee.
  - (k) "Disability" means that the Participant is classified as disabled under a long-term disability policy of the Company or, if no such policy applies, the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.
  - (l) "Effective Date" means January, 2016.
  - (m) "Employee" means any individual who is an employee of a Group Company.
  - (n) "Exchange Act" means the Securities Exchange Act of 1934, as amended.
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(o) "Fair Market Value" means the market price of a Share as determined in good faith by the Committee. The Fair Market Value shall be determined by the following:

(i) If the Shares were traded over-the-counter or listed with NASDAQ on the date in question, then the Fair Market Value shall be equal to the last transaction price quoted by the NASDAQ system for the date in question; or

(ii) if the Shares are listed on the New York Stock Exchange or the American Stock Exchange on the date in question, the Fair Market Value is the closing selling price for the Shares as such price is officially quoted in the composite tape of transactions on the exchange determined by the Committee to be the primary market for the Shares for the date in question; provided, however, that if there is no such reported price for the Shares for the date in question under (i) or (ii), then if available such price on the last preceding date for which such price exists shall be determinative of Fair Market Value.

If neither (i) or (ii) are applicable, then the Fair Market Value shall be determined by the Committee in good faith on such basis as it deems appropriate.

Whenever possible, the determination of Fair Market Value by the Committee shall be based on the prices reported in the Western Edition of The Wall Street Journal. Such determination shall be conclusive and binding on all persons.

(p) "Grant" means any grant of an Award under the Plan.

(q) "Group Company" means any of the Company, the Parent, a Subsidiary or Affiliate.

(r) "Non-Employee Director" means a member of the Board who is not an Employee.

(s) "Parent" means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company, if each of the corporations other than the Company owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain. A corporation that attains the status of a Parent on a date after the adoption of the Plan shall be considered a Parent commencing as of such date.

(t) "Participant" means an individual or estate or other entity that holds an Award.

(u) "Plan" means this Acano (UK) 2015 Equity Incentive Plan, as it may be amended from time to time.

(v) "SEC" means the Securities and Exchange Commission.

(w) "Securities Act" means the Securities Act of 1933, as amended.

(x) "Service" means service as an Employee, Director or Non-Employee Director. A Participant's Service does not terminate when continued service crediting is required by applicable law. Service terminates in any event when an approved leave ends, unless such Employee immediately returns to active work. Subject to applicable law, the Committee determines which leaves count toward Service, and when Service terminates for all purposes under the Plan. For purposes hereof, the term "leave" does not include temporary, short-term, ordinary course time off (such as vacation). Further, unless otherwise determined by the Committee, a Participant's Service shall not be deemed to have terminated merely because of a change in the capacity in which the Participant provides service to a Group Company, or a transfer to a different Group Company; provided that there is no interruption or other termination of Service.

(y) "Share" means one ordinary share in the share capital of the Company with a nominal value of £0.0001 per share as adjusted pursuant to Section 7, and any successor security.

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(z) “Specified Employee” means an Employee, Director or Non-Employee Director who has been selected by the Committee to receive a Stock Unit under the Plan.

(aa) “Stock Unit” means a bookkeeping entry representing the equivalent of one Share, as awarded under the Plan.

(bb) “Stock Unit Agreement” means the agreement described in Section 6 evidencing each Award of a Stock Unit.

(cc) “Subsidiary” means any corporation (other than the Company) in an unbroken chain of corporations beginning with the Company, if each of the corporations other than the last corporation in the unbroken chain owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain. A corporation that attains the status of a Subsidiary on a date after the adoption of the Plan shall be considered a Subsidiary commencing as of such date.

### **SECTION 3. ADMINISTRATION.**

(a) General. The Board or a Committee appointed by the Board shall administer the Plan. Members of the Committee shall serve for such period of time as the Board may determine and shall be subject to removal by the Board at any time. The Board may also at any time terminate the functions of the Committee and reassume all powers and authority previously delegated to the Committee.

(b) Authority of the Committee. Subject to the provisions of the Plan, the Committee shall have full authority and sole discretion to take any actions it deems necessary or advisable for the administration of the Plan. Such actions shall include:

- (i) selecting Specified Employees who are to receive Stock Units under the Plan;
- (ii) determining the type, number, vesting requirements and other features and conditions of such Stock Units and amending such Stock Units;
- (iii) correcting any defect, supplying any omission, or reconciling any inconsistency in the Plan or any Award agreement;
- (iv) accelerating the vesting of Awards at any time and under such terms and conditions as it deems appropriate;
- (v) interpreting the Plan;
- (vi) making all other decisions relating to the operation of the Plan; and
- (vii) adopting such plans or subplans as may be deemed necessary or appropriate to provide for the participation by Participants of the Company and its Subsidiaries and Affiliates who reside outside the UK, which plans and/or subplans shall be attached hereto as Appendices.

The Committee may adopt such rules or guidelines as it deems appropriate to implement the Plan. The Committee’s determinations under the Plan shall be final and binding on all persons.

(c) Indemnification. To the maximum extent permitted by applicable law, each member of the Committee, or of the Board, shall be indemnified and held harmless by the Company against and from (i) any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action taken or failure to act under the Plan or Stock Unit Agreement, and (ii) from any and all amounts paid by him or her in settlement thereof, with the Company’s approval, or paid by him or her in satisfaction of any judgment in any such claim, action, suit, or proceeding against him or her, provided he or she shall give the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company’s Articles of Association by contract, as a matter of law, or otherwise, or under any power that the Company may have to indemnify them or hold them harmless.

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#### SECTION 4. GENERAL.

- (a) General Eligibility. Only Employees, Directors and Non-Employee Directors shall be eligible to receive Stock Units under the Plan.
- (b) Restrictions on Shares. Any Shares issued pursuant to an Award shall be subject to such rights of repurchase, rights of first refusal and other transfer restrictions as the Committee may determine, in its sole discretion. Such restrictions shall apply in addition to any restrictions that may apply to holders of Shares generally and shall also comply to the extent necessary with applicable law. In no event shall the Company issue fractional Shares under this Plan.
- (c) Beneficiaries. Unless stated otherwise in an Award agreement, a Participant may designate one or more beneficiaries with respect to an Award by timely filing the prescribed form with the Company. A beneficiary designation may be changed by filing the prescribed form with the Company at any time before the Participant's death. If no beneficiary was designated or if no designated beneficiary survives the Participant, then after a Participant's death any vested Award(s) shall be transferred or distributed to the Participant's estate.
- (d) No Rights as a Shareholder. A Participant, or a transferee of a Participant, shall have no rights as a shareholder with respect to any Shares covered by an Award until such person has satisfied all of the terms and conditions to receive such Shares, has satisfied any applicable withholding or tax obligations relating to the Award and the Shares have been issued (as evidenced by an appropriate entry on the books of the Company or a duly authorized transfer agent of the Company).
- (e) Termination of Service. Unless the applicable Award agreement or, with respect to Participants who reside in the U.S., the applicable employment agreement provides otherwise, the following rules shall govern the vesting and term of outstanding Awards held by a Participant in the event of termination of such Participant's Service (in all cases subject to the term of the Award): upon termination of Service for any reason, all unvested portions of any outstanding Awards shall be immediately forfeited without consideration and the vested portions of any outstanding Stock Units shall be settled upon termination.
- (f) Information Delivery. When required to comply with Section 260.140.41(h) of Title 10 of the California Code of Regulations, the security holders to whom such information is required to be provided shall be provided the information required by Section 260.140.46 of Title 10 of the California Code of Regulations not less frequently than annually.

#### SECTION 5. SHARES SUBJECT TO PLAN AND SHARE LIMITS.

- (a) Basic Limitation. The stock issuable under the Plan shall be authorized but unissued Shares. The aggregate number of Shares reserved for Awards under the Plan shall not exceed 350,000 Shares, subject to adjustment pursuant to Section 7 and, if and when required, compliance with the shareholder approval requirements of Section 260.140.45 of Title 10 of the California Code of Regulations.
- (b) Additional Shares. If Awards are forfeited or are terminated for any other reason before being settled, then the Shares underlying such Awards shall again become available for Awards under the Plan.

#### SECTION 6. TERMS AND CONDITIONS OF STOCK UNITS.

- (a) Stock Unit Agreement. Each grant of Stock Units under the Plan shall be evidenced and governed exclusively by a Stock Unit Agreement between the Specified Employee and the Company. Such Stock Units shall be subject to all applicable terms and conditions of the Plan and may be subject to any other terms and conditions that are not inconsistent with the Plan and that the Committee deems appropriate for inclusion in the applicable Stock Unit Agreement (including without limitation any performance conditions). The provisions of the various Stock Unit Agreements entered into under the Plan need not
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be identical. Stock Units may be granted in consideration of a reduction in the Specified Employee's other compensation.

(b) Number of Shares. Each Stock Unit Agreement shall specify the number of Shares to which the Stock Unit Grant pertains and shall be subject to adjustment of such number in accordance with Section 7.

(c) Payment for Stock Units. Stock Units shall be issued without consideration.

(d) Vesting Conditions. Unless the applicable Stock Unit Agreement provides otherwise, each Stock Unit shall vest with respect to 25% of the Shares subject to the Stock Unit upon completion of each year of Service on each of the first through fourth annual anniversaries of the vesting commencement date.

(e) Voting Rights. The holders of Stock Units shall have no voting rights.

(f) Form and Time of Settlement. Settlement of vested Stock Units may be made in the form of (i) cash, (ii) Shares or (iii) any combination of both, as determined by the Committee at the time of grant of the Stock Units, in its sole discretion. Methods of converting Stock Units into cash may include (without limitation) a method based on the average Fair Market Value of Shares over a series of trading days. Vested Stock Units may be settled in a lump sum or in installments, provided, however, that any settlement of Vested Stock Units in installments shall be exempt from or otherwise comply with the provisions regarding deferred compensation set forth in Section 409A of the Code. The distribution may occur or commence when the vesting conditions applicable to the Stock Units have been satisfied or have lapsed, in accordance with applicable law, to any later date. Until an Award of Stock Units is settled, the number of such Stock Units shall be subject to adjustment pursuant to Section 7.

(g) Creditors' Rights. A holder of Stock Units shall have no rights other than those of a general creditor of the Company. Stock Units represent an unfunded and unsecured obligation of the Company, subject to the terms and conditions of the applicable Stock Unit Agreement.

(h) Modifications or Assumption of Stock Units. Within the limitations of the Plan, the Committee may modify or assume outstanding Stock Units or may accept the cancellation of outstanding Stock Units (including stock units granted by another issuer) in return for the grant of new Stock Units for the same or a different number of Shares and with the same or different vesting provisions. Notwithstanding the preceding sentence or anything to the contrary herein, no modification of a Stock Unit shall, without the consent of the Specified Employee, impair his or her rights or obligations under such Stock Unit.

(i) Assignment or Transfer of Stock Units. Except as otherwise provided in the applicable Stock Unit Agreement and then only to the extent permitted by applicable law, Stock Units shall not be anticipated, assigned, attached garnished, optioned, transferred or made subject to any creditor's process, whether voluntarily, involuntarily or by operation of law. Any act in violation of this Section 6(i) shall be void. However, this Section 6(i) shall not preclude a Specified Employee from designating a beneficiary who will receive any outstanding vested Stock Units in the event of the Specified Employee's death, nor shall it preclude a transfer of vested Stock Units by will or by the laws of descent and distribution.

## **SECTION 7. PROTECTION AGAINST DILUTION.**

(a) Adjustments. In the event of a subdivision of the outstanding Shares, a declaration of a dividend payable in Shares, a declaration of a dividend payable in a form other than Shares in an amount that has a material effect on the price of Shares, a combination or consolidation of the outstanding Shares (by reclassification or otherwise) into a lesser number of Shares, a recapitalization, a spin-off or a similar occurrence, the Committee shall make appropriate adjustments to the following:

- (i) the number of Shares and the kind of shares or securities available for future Awards under Section 5; or
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(ii) the number of Shares and the kind of shares or securities covered by each outstanding Award.

(b) Participant Rights. Except as provided in this Section 7, a Participant shall have no rights by reason of any issue by the Company of stock of any class or securities convertible into stock of any class, any subdivision or consolidation of shares of stock of any class, the payment of any stock dividend or any other increase or decrease in the number of shares of stock of any class. If by reason of an adjustment pursuant to this Section 7 a Participant's Award covers additional or different shares of stock or securities, then such additional or different shares and the Award in respect thereof shall be subject to all of the terms, conditions and restrictions which were applicable to the Award and the Shares subject to the Award prior to such adjustment.

(c) Fractional Shares. Any adjustment of Shares pursuant to this Section 7 shall be rounded down to the nearest whole number of Shares. Under no circumstances shall the Company (i) be required to authorize or (ii) issue, in either case, fractional shares and no consideration shall be provided as a result of any fractional shares not being issued or authorized.

#### **SECTION 8. EFFECT OF A CORPORATE TRANSACTION**

(a) Corporate Transaction. In the event that the Company is a party to a Corporate Transaction, outstanding Awards shall be subject to the applicable agreement of merger, reorganization, or sale of assets. Such agreement may provide, without limitation, for the assumption or substitution of outstanding Stock Units by the surviving corporation or its parent, for the replacement of outstanding Stock Units with a cash incentive program of the surviving corporation which preserves the spread existing on the unvested portions of such outstanding Awards at the time of the transaction and provides for subsequent payout in accordance with the same vesting provisions applicable to those Awards, or for the cancellation of outstanding Stock Units, with or without consideration, in all cases without the consent of the Participant.

(b) Acceleration. The Committee may determine, at the time of grant of an Award or thereafter, that such Award shall become fully vested as to all Shares subject to such Award in the event that a Corporate Transaction or a Change in Control occurs. Unless otherwise provided in the applicable Award agreement, in the event that a Corporate Transaction occurs and any outstanding Stock Units are not assumed, substituted, or replaced with a cash incentive program pursuant to Section 8(a), then such Stock Units shall terminate and cease to be outstanding.

(c) Dissolution. To the extent not previously settled, Stock Units shall terminate immediately prior to the dissolution or liquidation of the Company.

#### **SECTION 9. LIMITATIONS ON RIGHTS**

(a) No Entitlements. A Participant's rights, if any, in respect of or in connection with any Award is derived solely from the discretionary decision of the Company to permit the individual to participate in the Plan and to benefit from a discretionary Award. By accepting an Award under the Plan, a Participant expressly acknowledges that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Awards. Any Award granted hereunder is not intended to be compensation of a continuing or recurring nature, or part of a Participant's normal or expected compensation, and in no way represents any portion of a Participant's salary, compensation, or other remuneration for purposes of pension benefits, severance, redundancy, resignation or any other purpose.

Neither the Plan nor any Award granted under the Plan shall be deemed to give any individual a right to remain an employee or director of a Group Company. The Company and its Parents and Subsidiaries and Affiliates reserve the right to terminate the Service of any person at any time, and for any reason, subject to applicable laws, the Company's Articles of Association and a written employment agreement (if any), and such terminated person shall be deemed irrevocably to have waived any claim to damages or specific performance for breach of contract or dismissal, compensation for loss of office, tort or otherwise with

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respect to the Plan or any outstanding Award that is forfeited and/or is terminated by its terms or to any future Award.

(b) Shareholders' Rights. A Participant shall have no dividend rights, voting rights or other rights as a shareholder with respect to any Shares covered by his or her Award prior to the issuance of such Shares (as evidenced by an appropriate entry on the books of the Company or a duly authorized transfer agent of the Company). No adjustment shall be made for cash dividends or other rights for which the record date is prior to the date when such Shares are issued, except as expressly provided in Section 7.

(c) Regulatory Requirements. Any other provision of the Plan notwithstanding, the obligation of the Company to issue Shares or other securities under the Plan shall be subject to all applicable laws, rules and regulations and such approval by any regulatory body as may be required. The Company reserves the right to restrict, in whole or in part, the delivery of Shares or other securities pursuant to any Award prior to the satisfaction of all legal requirements relating to the issuance of such Shares or other securities, to their registration, qualification or listing or to an exemption from registration, qualification or listing.

#### **SECTION 10. WITHHOLDING TAXES.**

(a) General. A Participant shall make arrangements satisfactory to the Company for the satisfaction of any withholding tax obligations that arise in connection with his or her Award. The Company shall not be required to issue any Shares or make any cash payment under the Plan until such obligations are satisfied.

(b) Share Withholding. If a public market for the Company's Shares exists, the Committee may permit a Participant to satisfy all or part of his or her withholding or income tax obligations by having the Company withhold all or a portion of any Shares that otherwise would be issued to him or her or by surrendering or attesting to all or a portion of any Shares that he or she previously acquired. Such Shares shall be valued based on the value of the actual trade or, if there is none, the Fair Market Value as of the previous day. Any payment of taxes by assigning Shares to the Company may be subject to restrictions, including, but not limited to, any restrictions required by rules of the SEC. The Committee may, in its discretion, also permit a Participant to satisfy withholding or income tax obligations related to an Award through a sale of Shares underlying the Award.

#### **SECTION 11. DURATION AND AMENDMENTS.**

(a) Term of the Plan. The Plan shall become effective upon its approval by Board, subject to the approval of the Company's shareholders (if required under applicable law). The Plan shall terminate on the ninth anniversary of the date of approval by the Company's shareholders and may be terminated on any earlier date pursuant to this Section 11.

(b) Right to Amend or Terminate the Plan. The Board may amend or terminate the Plan at any time and for any reason. The termination of the Plan, or any amendment thereof, shall not impair the rights or obligations of any Participant under any Award previously granted under the Plan without the Participant's consent. No Awards shall be granted under the Plan after the Plan's termination. An amendment of the Plan shall be subject to the approval of the Company's shareholders only to the extent such approval is otherwise required by applicable laws, regulations or rules.

CISCO SYSTEMS, INC.

STOCK OPTION ASSUMPTION AGREEMENT

Dear [Field: Full Name]:

As you know, on January 29, 2016 (the "Closing Date") Cisco Systems, Inc. ("Cisco") acquired Acano (UK) Limited, ("Acano") (the "Acquisition"), pursuant to the Share Purchase Agreement by and among Cisco, Cisco Systems Holdings UK Limited, Acano, the shareholders of the Company and the Stockholders' Agent dated as of November 20, 2015 (the "Acquisition Agreement"). On the Closing Date, you held one or more outstanding options to purchase shares of Acano common stock granted to you under the Acano (UK) Limited, Amended and Restated 2012 Share Option Scheme (the "Plan"). Pursuant to the Acquisition Agreement, on the Closing Date, Cisco assumed all obligations of Acano under your outstanding option (or options). This Stock Option Assumption Agreement (the "Agreement") evidences the terms of Cisco's assumption of an option (or options) to purchase shares of Acano common stock granted to you under the Plan (the "Acano Option(s)"), and documented by a stock option agreement (or stock option agreements) and any amendment(s) entered into by and between you and Acano (the "Option Agreement(s)"), including the necessary adjustments for assumption of the Acano Option(s) that are required by the Acquisition.

The table below summarizes your Acano Option(s) immediately before and after the Acquisition:

Grant Details

<b>Employee ID</b>	[Field: Employee ID]
<b>Grant Date</b>	[Field: Grant Date]
<b>Type of Option</b>	[Field: Grant Type]
<b>Grant Number</b>	[Field: Grant Number]
<b>Cisco Number of Option Shares</b>	[Field: Shares Granted]
<b>Cisco Exercise Price Per Share</b>	[Field: Option Price]
<b>Original Number of Option Shares</b>	[Field: Acquisition Shares]
<b>Original Exercise Price Per Share</b>	[Field: Acquisition Exercise Price]
<b>Vesting Commencement Date</b>	[Field: Vest Start Date]
<b>Expiration Date</b>	[Field: Expiration Date]

The post-Acquisition adjustments are based on the Option Exchange Ratio of 2.0403185050 as determined in accordance with the terms of the Acquisition Agreement, and are intended to: (i) assure that the total spread of your assumed Acano Option(s) (i.e., the difference between the aggregate fair market value and the aggregate exercise price) does not exceed the total spread that existed immediately prior to the Acquisition; and (ii) to preserve, on a per share basis, the ratio of exercise price to fair market value that existed immediately prior to the Acquisition. The number of shares of Cisco common stock subject to your assumed Acano Option(s) was determined by multiplying the Option Exchange Ratio by the number of shares of Acano common stock remaining subject to your Acano Option(s) on the Closing Date and rounding the resulting product down to the next whole number of shares of Cisco common stock. The exercise price per share of your assumed Acano Option(s) was determined by dividing the exercise price per share of your Acano Option(s) by the Option Exchange Ratio and rounding the resulting quotient up to the next whole cent.

Unless the context otherwise requires, any references in the Plan or the Option Agreement(s) to: (i) the "Company" or the "Corporation" means Cisco, (ii) "Stock," "Common Stock," or "Shares" means shares of Cisco common stock, (iii) the "Board of Directors" or the "Board" means the Board of Directors of Cisco and (iv) the "Committee" means the Compensation and Management Development Committee of the Board of Directors of Cisco. As used in this Agreement, "Employer" means your actual employer. All references in the Option Agreement(s) and the Plan relating to your status as an employee or consultant of Acano or a subsidiary or affiliate will now refer to your status as an employee or consultant of Cisco or any present or future Cisco subsidiary or affiliate.

The vesting commencement date, vesting schedule and expiration date of your assumed Acano Option(s) remain the same as set forth in the Option Agreement(s) but with the number of shares subject to each vesting installment and the exercise price per share adjusted to reflect the effect of the Acquisition. (In this respect, please note that any discussion of option terms (including vesting acceleration) in any employment offer letter (whether from Cisco, Acano or any

other related employer) is explanatory in nature and will not result in duplication of benefits (including vesting) with respect to your assumed Acano Option(s). Vesting of your assumed Acano Option(s) will be suspended during all leaves of absence in accordance with Cisco's policies. Unless otherwise specified by Cisco, the only permissible methods to exercise your assumed Acano Option(s) are cash, check, wire transfer, or through a cashless exercise program with a Cisco-designated broker. All other provisions which govern either the exercise or the termination of your assumed Acano Option(s) remain the same as set forth in the Option Agreement(s), and the provisions of the Option Agreement(s) will govern and control your rights under this Agreement to purchase shares of Cisco common stock, except (i) no assumed Acano Option(s) may be "early exercised" (i.e., an assumed Acano Option(s) may be exercised for shares of Cisco common stock only to the extent the assumed Acano Option(s) is vested at the time of exercise pursuant to the applicable vesting schedule) and (ii) as expressly modified by this Agreement, the Acquisition Agreement or otherwise in connection with the Acquisition. Upon termination of your employment with Cisco or any present or future Cisco subsidiary or affiliate, you will have the applicable limited post-termination exercise period specified in your Option Agreement(s) and/or the Plan for your assumed Acano Option(s) to the extent vested and outstanding at the time of termination after which time your assumed Acano Option(s) will expire and NOT be exercisable for Cisco common stock. For the avoidance of doubt, for purposes of the Acano Option(s), the date of termination shall be deemed the date notice of termination is provided, whether by the Employer for any reason or by you upon resignation, and shall not be extended by any notice period mandated under contract or local law, unless Cisco in its exclusive discretion determines otherwise.

Please note that your Option Agreement(s) provide for a "fixed exercise" schedule. A "fixed exercise" schedule means that you must exercise all of the shares subject to Acano Option(s) that vest and become exercisable during a calendar year (these are referred to as the "exercisable portion") as follows:

- Shares vesting in Calendar Year 2016 and going forward must be exercised no later than December 31st, of such calendar year.

If you do not do so, you shall automatically forfeit such shares. Any acceleration of vesting of your shares, other than acceleration on account of the termination of your employment, shall be disregarded for purposes of determining the year in which you must exercise your shares. Please also note that your assumed Acano Option(s) shall be treated as "nonqualified stock options" and subject to all applicable payroll tax withholding and reporting. Please refer to your Option Agreement(s) for additional information.

As an administrative matter, beginning with calendar year 2016, the exercisable portion of these assumed Acano Option(s) may only be exercised until the close of The NASDAQ Global Select Market on December 31st of each calendar year in which such shares vest, or any earlier termination date of the Option term under your Option Agreement(s), or if such date is not a trading day on The NASDAQ Global Select Market, the last trading day before such date. Any later attempt to exercise this Option will not be honored. For example, if December 31st falls on a Sunday, you must exercise the exercisable portion of the assumed Acano Option(s) by 1 pm Pacific Time on the immediately preceding business day, which would be Friday, December 29th.

To exercise your assumed Acano Option(s), you must utilize one of Cisco's preferred brokers, the Charles Schwab Corporation (telephone number is or Morgan Stanley Smith Barney (telephone number is .

Nothing in this Agreement or the Option Agreement(s) interferes in any way with your right and the right of Cisco, its subsidiary or affiliate, which rights are expressly reserved, to terminate your employment at any time for any reason, subject to applicable law. Future options, if any, you may receive from Cisco will be governed by the terms of the Cisco stock option plan under which such options are granted, and such terms may be different from the terms of your assumed Acano Option(s), including, but not limited to, the time period in which you have to exercise vested options after your termination of employment.

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Until Cisco's Stock Administration Department is in receipt of your understanding and acceptance of this Agreement (which can be accomplished electronically by following the instructions under the heading of Acknowledgment below) your Cisco account will not be activated and your assumed Acano Option(s) will not be exercisable. If you have any questions regarding this Agreement or your assumed Acano Option(s), please contact \_\_\_\_\_ at ( ) \_\_\_\_\_.

CISCO SYSTEMS,  
INC.

By: /s/ Mark Chandler

\_\_\_\_\_  
Mark Chandler

General Counsel

#### ACKNOWLEDGMENT

[Field: Full Name] acknowledges that clicking on the I Agree button constitutes acceptance and agreement to be bound by the terms of this Agreement, as well as understanding and agreement that all rights and liabilities with respect to the assumed Acano Option(s) listed on the table above are hereby assumed by Cisco and are as set forth in the Option Agreement(s) for such assumed Acano Option(s), the Plan and this Stock Option Assumption Agreement.

#### ATTACHMENTS

Exhibit A - Form S-8 Prospectus

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CISCO SYSTEMS, INC.

STOCK OPTION ASSUMPTION AGREEMENT

Dear [Field: Full Name]:

As you know, on January 29, 2016 (the "Closing Date"), Cisco Systems, Inc. ("Cisco") acquired Acano (UK) Limited, ("Acano") (the "Acquisition"), pursuant to the Share Purchase Agreement by and among Cisco, Cisco Systems Holdings UK Limited, Acano, the shareholders of the Company and the Stockholders' Agent dated as of November 20, 2015 (the "Acquisition Agreement"). On the Closing Date, you held one or more outstanding options to purchase shares of Acano common stock granted to you under the Acano (UK) Limited, 2012 Share Option Scheme (the "Plan"). Pursuant to the Acquisition Agreement, on the Closing Date, Cisco assumed all obligations of Acano under your outstanding option (or options). This Stock Option Assumption Agreement (the "Agreement") evidences the terms of Cisco's assumption of an option (or options) to purchase shares of Acano common stock granted to you under the Plan (the "Acano Option(s)"), and documented by a stock option agreement (or stock option agreements) and any amendment(s) entered into by and between you and Acano (collectively, the "Option Agreement(s)"), including the necessary adjustments for assumption of the Acano Option(s) that are required by the Acquisition.

The table below summarizes your Acano Option(s) immediately before and after the Acquisition:

Grant Details

<b>Employee ID</b>	[Field: Employee ID]
<b>Grant Date</b>	[Field: Grant Date]
<b>Type of Option</b>	[Field: Grant Type]
<b>Grant Number</b>	[Field: Grant Number]
<b>Cisco Number of Option Shares</b>	[Field: Shares Granted]
<b>Cisco Exercise Price Per Share</b>	[Field: Option Price]
<b>Original Number of Option Shares</b>	[Field: Acquisition Shares]
<b>Original Exercise Price Per Share</b>	[Field: Acquisition Exercise Price]
<b>Vesting Commencement Date</b>	[Field: Vest Start Date]
<b>Expiration Date</b>	[Field: Expiration Date]

The post-Acquisition adjustments are based on the Exchange Ratio of 2.0403185050, as determined in accordance with the terms of the Acquisition Agreement, and are intended to: (i) assure that the total spread of your assumed Acano Option(s) (i.e., the difference between the aggregate fair market value and the aggregate exercise price) does not exceed the total spread that existed immediately prior to the Acquisition; and (ii) to preserve, on a per share basis, the ratio of exercise price to fair market value that existed immediately prior to the Acquisition. The number of shares of Cisco common stock subject to your assumed Acano Option(s) was determined by multiplying the Exchange Ratio by the number of shares of Acano common stock remaining subject to your Acano Option(s) on the Closing Date and rounding the resulting product down to the next whole number of shares of Cisco common stock. The exercise price per share of your assumed Acano Option(s) was determined by dividing the exercise price per share of your Acano Option(s) by the Exchange Ratio and rounding the resulting quotient up to the next whole cent.

Unless the context otherwise requires, any references in the Plan or the Option Agreement(s) to: (i) the "Company" or the "Corporation" means Cisco, (ii) "Stock," "Common Stock," "Shares" or "Ordinary Shares" means shares of Cisco common stock, (iii) the "Board of Directors" or the "Board" means the Board of Directors of Cisco and (iv) the "Committee" means the Compensation and Management Development Committee of the Board of Directors of Cisco. As used in this Agreement, "Employer" means your actual employer. All references in the Option Agreement(s) and the Plan relating to your status as an employee or consultant of Acano or a subsidiary or affiliate will now refer to your status as an employee or consultant of Cisco or any present or future Cisco subsidiary or affiliate.

The vesting commencement date, vesting schedule and expiration date of your assumed Acano Option(s) remain the same as set forth in the Option Agreement(s) but with the number of shares subject to each vesting installment and the exercise price per share adjusted to reflect the effect of the Acquisition. (In this respect, please note that any

discussion of option terms (including vesting acceleration) in any employment offer letter (whether from Cisco, Acano or any other related employer) is explanatory in nature and will not result in duplication of benefits (including vesting) with respect to your assumed Acano Option(s). Vesting of your assumed Acano Option(s) will be suspended during all leaves of absence in accordance with Cisco's policies. Unless otherwise specified by Cisco, the only permissible methods to exercise your assumed Acano Option(s) are cash, check, wire transfer, or through a cashless exercise program with a Cisco-designated broker. All other provisions which govern either the exercise or the termination of your assumed Acano Option(s) remain the same as set forth in the Option Agreement(s), and the provisions of the Option Agreement(s) will govern and control your rights under this Agreement to purchase shares of Cisco common stock, except (i) no assumed Acano Option(s) may be "early exercised" (i.e., an assumed Acano Option(s) may be exercised for shares of Cisco common stock only to the extent the assumed Acano Option(s) is vested at the time of exercise pursuant to the applicable vesting schedule) and (ii) as expressly modified by this Agreement, the Acquisition Agreement or otherwise in connection with the Acquisition. Upon termination of your employment with Cisco or any present or future Cisco subsidiary or affiliate, you will have the applicable limited post-termination exercise period specified in your Option Agreement(s) and/or the Plan for your assumed Acano Option(s) to the extent vested and outstanding at the time of termination after which time your assumed Acano Option(s) will expire and NOT be exercisable for Cisco common stock. For the avoidance of doubt, for purposes of the Acano Option(s), the date of termination shall be deemed the date notice of termination is provided, whether by the Employer for any reason or by you upon resignation, and shall not be extended by any notice period mandated under contract or local law, unless Cisco in its exclusive discretion determines otherwise.

To exercise your assumed Acano Option(s), you must utilize one of Cisco's preferred brokers, the Charles Schwab Corporation telephone number is or Morgan Stanley Smith Barney telephone number is .

Nothing in this Agreement or the Option Agreement(s) interferes in any way with your right and the right of Cisco, its subsidiary or affiliate, which rights are expressly reserved, to terminate your employment at any time for any reason, subject to applicable law. Future options, if any, you may receive from Cisco will be governed by the terms of the Cisco stock option plan under which such options are granted, and such terms may be different from the terms of your assumed Acano Option(s), including, but not limited to, the time period in which you have to exercise vested options after your termination of employment.

Until Cisco's Stock Administration Department is in receipt of your understanding and acceptance of this Agreement (which can be accomplished electronically by following the instructions under the heading of Acknowledgment below) your Cisco account will not be activated and your assumed Acano Option(s) will not be exercisable. If you have any questions regarding this Agreement or your assumed Acano Option(s), please contact at ( ) .

CISCO SYSTEMS,  
INC.

By: /s/ Mark Chandler

\_\_\_\_\_  
Mark Chandler

General Counsel

#### ACKNOWLEDGMENT

[Field: Full Name] acknowledges that clicking on the I Agree button constitutes acceptance and agreement to be bound by the terms of this Agreement, as well as understanding and agreement that all rights and liabilities with respect to the assumed Acano Option(s) listed on the table above are hereby assumed by Cisco and are as set forth in the Option Agreement(s) for such assumed Acano Option(s), the Plan and this Stock Option Assumption Agreement.

#### ATTACHMENTS

Exhibit A - Form S-8 Prospectus

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CISCO SYSTEMS, INC.

NON-U.S. STOCK OPTION ASSUMPTION AGREEMENT

Dear [Field: Full Name]:

As you know, on January 29, 2016 (the "Closing Date") Cisco Systems, Inc. ("Cisco") acquired Acano (UK) Limited, ("Acano") (the "Acquisition"), pursuant to the Share Purchase Agreement by and among Cisco, Cisco Systems Holdings UK Limited, Acano, the shareholders of the Company and the Shareholders Representative dated as of November 20, 2015 (the "Acquisition Agreement"). On the Closing Date, you held one or more outstanding options to purchase shares of Acano common stock granted to you under the Acano (UK) Limited, 2012 Share Option Scheme (the "Plan"). Pursuant to the Acquisition Agreement, on the Closing Date, Cisco assumed all obligations of Acano under your outstanding option (or options). This Non-U.S. Stock Option Assumption Agreement (the "Agreement") evidences the terms of Cisco's assumption of an option (or options) to purchase shares of Acano common stock granted to you under the Plan (the "Acano Option(s)"), and documented by a stock option agreement (or stock option agreements) and any amendment(s) entered into by and between you and Acano (the "Option Agreement(s)"), including the necessary adjustments for assumption of the Acano Option(s) that are required by the Acquisition.

The table below summarizes your Acano Option(s) immediately before and after the Acquisition:

Grant Details

<b>Employee ID</b>	[Field: Employee ID]
<b>Grant Date</b>	[Field: Grant Date]
<b>Type of Option</b>	[Field: Grant Type]
<b>Grant Number</b>	[Field: Grant Number]
<b>Cisco Number of Option Shares</b>	[Field: Shares Granted]
<b>Cisco Exercise Price Per Share</b>	[Field: Option Price]
<b>Original Number of Option Shares</b>	[Field: Acquisition Shares]
<b>Original Exercise Price Per Share</b>	[Field: Acquisition Exercise Price]
<b>Vesting Commencement Date</b>	[Field: Vest Start Date]
<b>Expiration Date</b>	[Field: Expiration Date]

The post-Acquisition adjustments are based on the Exchange Ratio of 2.0403185050, as determined in accordance with the terms of the Acquisition Agreement, and are intended to: (i) assure that the total spread of your assumed Acano Option(s) (i.e., the difference between the aggregate fair market value and the aggregate exercise price) does not exceed the total spread that existed immediately prior to the Acquisition; and (ii) to preserve, on a per share basis, the ratio of exercise price to fair market value that existed immediately prior to the Acquisition. The number of shares of Cisco common stock subject to your assumed Acano Option(s) was determined by multiplying the Exchange Ratio by the number of shares of Acano common stock remaining subject to your Acano Option(s) on the Closing Date and rounding the resulting product down to the next whole number of shares of Cisco common stock. The exercise price per share of your assumed Acano Option(s) was determined by dividing the exercise price per share of your Acano Option(s) by the Exchange Ratio and rounding the resulting quotient up to the next whole cent.

Unless the context otherwise requires, any references in the Plan or the Option Agreement(s) to: (i) the "Company" or the "Corporation" means Cisco, (ii) "Stock," "Common Stock," "Shares" or "Ordinary Shares" means shares of Cisco common stock, (iii) the "Board of Directors" or the "Board" means the Board of Directors of Cisco and (iv) the "Committee" means the Compensation and Management Development Committee of the Board of Directors of Cisco. As used in this Agreement, "Employer" means your actual employer. All references in the Option Agreement(s) and the Plan relating to your status as an employee or consultant of Acano or a subsidiary or affiliate will now refer to your status as an employee or consultant of Cisco or any present or future Cisco parent, subsidiary or affiliate.

The vesting commencement date, vesting schedule and expiration date of your assumed Acano Option(s) remain the same as set forth in the Option Agreement(s) but with the number of shares subject to each vesting installment and

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the exercise price per share adjusted to reflect the effect of the Acquisition. (In this respect, please note that any discussion of option terms (including vesting acceleration) in any employment offer letter or any other documentation (whether from Cisco, Acano or any other related employer) is explanatory in nature and will not result in duplication of benefits (including vesting) with respect to your assumed Acano Option(s).) Vesting of your assumed Acano Option(s) will be suspended during all leaves of absence in accordance with Cisco's policies, subject to applicable law. Unless otherwise specified by Cisco, the only permissible methods to exercise your assumed Acano Option(s) are cash, check, wire transfer, or through a cashless exercise program with a Cisco-designated broker. All other provisions which govern either the exercise or the termination of your assumed Acano Option(s) remain the same as set forth in the Option Agreement(s) and the provisions of the Option Agreement(s) will govern and control your rights under this Agreement to purchase shares of Cisco common stock, except (i) no assumed Acano Option(s) may be "early exercised" (i.e., an assumed Acano Option(s) may be exercised for shares of Cisco common stock only to the extent the assumed Acano Option(s) is vested at the time of exercise pursuant to the applicable vesting schedule), and (ii) as expressly modified by this Agreement (including the Country-Specific Addendum), the Acquisition Agreement or otherwise in connection with the Acquisition. Upon termination of your employment with Cisco or any present or future Cisco parent, subsidiary or affiliate, you will have the applicable limited post-termination exercise period specified in your Option Agreement(s) and/or the Plan for your assumed Acano Option(s) to the extent vested and outstanding at the time of termination after which time your assumed Acano Option(s) will expire and NOT be exercisable for Cisco common stock. For the avoidance of doubt, for purposes of the Acano Option(s), the date of termination shall be deemed the date you cease actively providing services and shall not be extended by any notice period mandated under contract or local law, unless Cisco in its exclusive discretion determines otherwise.

To exercise your assumed Acano Option(s), you must utilize one of Cisco's preferred brokers, the Charles Schwab Corporation (telephone number is or Morgan Stanley Smith Barney (telephone number is .

Nothing in this Agreement or the Option Agreement(s) interferes in any way with your right and the right of Cisco or its parent, subsidiary or affiliate, which rights are expressly reserved, to terminate your employment at any time for any reason, whether or not in breach of local labor laws. Future options, if any, you may receive from Cisco will be governed by the terms of the Cisco stock option plans under which such options are granted, and such terms may be different from the terms of your assumed Acano Option(s), including, but not limited to, the time period in which you have to exercise vested options after your termination of employment.

The following are additional terms and conditions of your assumed Acano Options:

#### Tax-Related Items.

Prior to exercise of the assumed Acano Option(s) (or conversion/acceleration of vesting of the assumed Acano Option(s) if the conversion/acceleration is a taxable event in your country or any other taxable event in relation to the Acano Option(s)), and only if applicable, you authorize Cisco and/or your Employer, or their respective agents, at their discretion to satisfy any obligations for Option Tax Liability, including income tax, payroll tax, social contributions, or any other tax-related withholding ("Tax-Related Items") in relation to your assumed Acano Option(s) by one or a combination of the following: (1) withholding all applicable Tax-Related Items from your wages or other cash compensation paid to you by Cisco and/or the Employer; (2) withholding from proceeds of the sale of the Shares acquired upon exercise of the Acano Option(s) either through a voluntary sale (specifically including where the Acano Option(s) is/are exercised in accordance with a cashless exercise program with a Cisco-designated broker) or through a mandatory sale arranged by Cisco (on your behalf, pursuant to this authorization); (3) withholding of Shares that would otherwise be issued upon exercise of the Acano Option(s) or (4) requiring you to satisfy the liability for Tax-Related Items by means of any other arrangement approved by Cisco. If the obligation for Tax-Related Items is satisfied by withholding of Shares, for tax purposes you are deemed to have been issued the full number of Shares subject to the exercise of the Acano Option(s), notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of your participation in the Plan. To avoid financial accounting charges under applicable accounting guidance, Cisco may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding rates or may take any other action required to avoid financial accounting charges under applicable accounting guidance. Finally, you must pay to Cisco or the Employer any amount of Tax-Related Items that Cisco or the Employer may be required to withhold or account for as a result of your participation in the Plan or your purchase of Shares that cannot be satisfied by the means previously described. Cisco may refuse to honor the exercise, refuse to convert your assumed Acano Option(s) and/or refuse to issue or deliver the Shares or the proceeds of the sale of Shares if you fail to comply with your obligations in connection with the Tax-Related Items as described in this Paragraph.

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Regardless of any action Cisco or the Employer takes with respect to any or all Tax-Related Items, you acknowledge that the ultimate liability for all Tax-Related Items is and remains your responsibility and may exceed the amount actually withheld by Cisco or the Employer. You further acknowledge that Cisco and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Acano Option(s), including the grant, vesting, conversion into options over Cisco Shares or exercise of the Acano Option(s), any acceleration of vesting, the subsequent sale of Shares acquired pursuant to such exercise and the receipt of any dividends; and (2) do not commit to structure the terms of the conversion of Acano Option(s) into options over Cisco Shares, any acceleration of vesting or any aspect of the Acano Option(s) to reduce or eliminate your liability for Tax-Related Items or achieve a particular tax result. Further, if you become subject to taxation in more than one jurisdiction between the grant date and the date of any relevant taxable event, you acknowledge that Cisco and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

#### Data Privacy.

You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal information as described in this Agreement by and among, as applicable, the Employer, and Cisco and its parent, subsidiaries and affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan.

You understand that Cisco and the Employer hold certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number (or other social or national identification number), salary, nationality, job title, residency status, any Shares or directorships held in Cisco, details of all assumed Acano Option(s) or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding ("Data"), for the purpose of implementing, administering and managing your participation in the Plan. You understand that Data may be transferred to Cisco or any of its parent, subsidiaries or affiliates, or to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, including outside the European Economic Area, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data to a broker or other third party assisting with the administration of the assumed Acano Option(s) under the Plan or with whom Shares acquired pursuant to the exercise of the assumed Acano Option(s) or cash from the sale of Shares may be deposited. Furthermore, you acknowledge and understand that the transfer of such Data to Cisco or any of its parent, subsidiaries or affiliates, or any third parties is necessary for your participation in the Plan.

You further acknowledge that refusal or withdrawal of the consent herein may affect your ability to realize benefits from the assumed Acano Option(s) and your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.

#### No Entitlement or Claims for Compensation.

By accepting this Agreement, you hereby acknowledge and agree as follows:

(a) Your rights, if any, in respect of or in connection with the assumed Acano Options or any other stock award are derived solely from the discretionary decision of Cisco to permit you to benefit from a discretionary award. The Plan may be amended, suspended or terminated by Cisco at any time, unless otherwise provided in the Plan and this Agreement or the Option Agreement(s). By exercising the assumed Acano Option, you expressly acknowledge that there is no obligation on the part of Cisco to continue the Plan and/or grant any additional stock awards or benefits in lieu of options or any other stock awards even if Acano Options have been granted repeatedly in the past. All decisions with respect to future option grants, if any, will be at the sole discretion of Cisco.

(b) The assumed Acano Options and the Shares subject to the assumed Acano Options are not intended to replace any pension rights or compensation and are not to be considered compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represent any portion of your salary, compensation or other remuneration for any purpose, including but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments, and in no event should be considered as compensation for, or relating in any way to, past services for Acano, the Employer or Cisco or its parent, subsidiaries or affiliates. The value of the assumed

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Acano Options and the Shares subject to the Acano Options are extraordinary items that do not constitute compensation of any kind for services of any kind rendered to Acano, the Employer or Cisco or its parent, subsidiaries or affiliates and which are outside the scope of your written employment agreement (if any).

(c) You acknowledge that you are voluntarily participating in the Plan.

(d) Neither the Plan nor the assumed Acano Options or any other stock award granted under the Plan shall be deemed to give you a right to remain an employee, consultant or director of Cisco, its parent, subsidiaries or affiliates. The Employer reserves the right to terminate your service at any time, with or without cause, and for any reason, subject to applicable laws, Cisco's Articles of Incorporation and Bylaws and a written employment agreement (if any).

(e) Your participation in the Plan will not be interpreted to form an employment contract or relationship with the Employer or Cisco or its parent, subsidiaries or affiliates.

(f) The future value of the underlying Shares is unknown and cannot be predicted with certainty. If you exercise the assumed Acano Options and obtain Shares, the value of the Shares acquired upon exercise may increase or decrease in value, even below the exercise price. You understand that neither the Employer, nor Cisco or its parent, subsidiaries or affiliates is responsible for any foreign exchange fluctuation between the Employer's local currency and the United States Dollar (or the selection by Cisco or the Employer in its sole discretion of an applicable foreign currency exchange rate) that may affect the value of the assumed Acano Options or Shares received (or the calculation of income or any taxes, social contributions, or other charges thereunder).

(g) In consideration of the conversion of the assumed Acano Options, no claim or entitlement to compensation or damages shall arise from forfeiture of the Acano Options resulting from termination of your service by Cisco or the Employer (for any reason whatsoever and whether or not in breach of local labor laws) and you irrevocably release Cisco and the Employer from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing this Agreement, you shall be deemed irrevocably to have waived your entitlement to pursue such claim.

(h) In the event of your termination of service, your right to receive additional options or to vest in the assumed Acano Options will end as of the date you are no longer an employee actively providing services and will not be extended by any notice period mandated under contract or local law.

(i) You agree that Cisco may require the Acano Options assumed and converted hereunder to be exercised with, and the Shares held by, a broker designated by Cisco.

(j) You agree that your rights to acquire Shares or proceeds from the sale of Shares hereunder (if any) shall be subject to set-off by Cisco for any valid debts that you owe to Cisco.

(k) The Acano Options and the benefits under the Plan, if any, will not automatically transfer to another company in the case of a merger, take-over or transfer of liability.

(l) Cisco and the Employer are not providing any tax, legal or financial advice, nor are Cisco and the Employer making any recommendations regarding your participation in the Plan, or your acquisition or sale of Cisco Shares; you are hereby advised to consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

You hereby acknowledge and agree as follows: (a) the conversion and adjustment of your assumed Acano Option(s) and/or acceleration of vesting of your assumed Acano Option(s) to awards over Cisco Shares may have adverse tax and social insurance contribution consequences, including but not limited to any loss of tax and social insurance qualified status and the inability to obtain a tax or social insurance refund for taxes or contributions already paid on such assumed Acano Option(s), and that Acano, Cisco and your Employer do not take any responsibility or liability with respect to the loss of tax and social insurance qualified status of your assumed Acano Option(s); (b) you received information regarding the adjustment and conversion of your Acano Option(s); and (c) you acknowledge that exercise and vesting of your Acano Option(s) is contingent upon compliance with applicable local laws; in particular, if allowing you to exercise or receive assumed Acano Option(s) would not be compliant with applicable foreign securities laws, you will not be permitted to purchase or receive Shares under this Agreement.

You acknowledge that if you have received this Agreement or any other documents related to the Plan translated into a language other than English, and if the meaning of the translated version is different from the English version, the English version will take precedence. Cisco may, in its sole discretion, decide to deliver any documents related to the assumed Acano Option(s) and this Agreement by electronic means or to request your consent to participate in the

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Plan by electronic means. You hereby consent to receive such documents by electronic delivery and, if requested, agree to participate in the Plan through an on-line or electronic system established and maintained by Cisco or a third party designated by Cisco.

Cisco reserves the right to impose other requirements on your participation in the Plan, on the exercise of the assumed Acano Options and on any Shares acquired under the Plan, to the extent Cisco determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. You agree to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. Furthermore, you acknowledge that the laws of the country in which you are residing or working at the time of vesting or exercise of the assumed Acano Options, while you hold Options and/or Shares, or at the sale of Shares received pursuant to this Agreement (including any rules or regulations governing securities, foreign exchange, tax, labor, or other matters) may subject you to additional procedural or regulatory requirements that you are and will be solely responsible for and must fulfill. Such additional requirements may be outlined in but are not limited to the Country-Specific Addendum attached hereto, which forms part of the Agreement. At all times you are responsible for understanding and following Cisco's policies with respect to insider trading, as well as any insider trading restrictions imposed by local law. Notwithstanding any provision herein to the contrary, the Acano Options and any Shares shall be subject to any special terms and conditions or disclosures for your country as set forth in any attached Country-Specific Addendum, which forms part the Agreement.

Until Cisco's Stock Administration Department is in receipt of your understanding and acceptance of this Agreement (which can be accomplished electronically by following the instructions under the heading of Acknowledgment below) and furthermore until the date you become an employee of Cisco or one of its subsidiaries, or alternatively, if Cisco elects to operate Acano as a separate subsidiary, your Cisco account will not be activated and your assumed Acano Option(s) will not be exercisable. If you have any questions regarding this Agreement or your assumed Acano Option(s), please contact at ( ) .

CISCO SYSTEMS,  
INC.

By: /s/ Mark Chandler

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Mark Chandler

General Counsel

#### ACKNOWLEDGMENT

[Field: Full Name] acknowledges that clicking on the I Agree button constitutes acceptance and agreement to be bound by the terms of this Agreement, as well as understanding and agreement that all rights and liabilities with respect to the assumed Acano Option(s) listed on the table above are hereby assumed by Cisco and are as set forth in the Option Agreement(s) for such assumed Acano Option(s), the Plan and this Non-U.S. Stock Option Assumption Agreement.

#### ATTACHMENTS

Exhibit A - Form S-8 Prospectus

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CISCO SYSTEMS, INC.

NON-U.S. STOCK OPTION ASSUMPTION AGREEMENT

Dear [Field: Full Name]:

As you know, on January 29, 2016 (the "Closing Date") Cisco Systems, Inc. ("Cisco") acquired Acano (UK) Limited, ("Acano") (the "Acquisition"), pursuant to the Share Purchase Agreement by and among Cisco, Cisco Systems Holdings UK Limited, Acano, the shareholders of the Company and the Shareholders Representative dated as of November 20, 2015 (the "Acquisition Agreement"). On the Closing Date, you held one or more outstanding options to purchase shares of Acano common stock granted to you under the Acano (UK) Limited, 2016 Unapproved Employee Share Option Scheme (the "Plan"). Pursuant to the Acquisition Agreement, on the Closing Date, Cisco assumed all obligations of Acano under your outstanding option (or options). This Non-U.S. Stock Option Assumption Agreement (the "Agreement") evidences the terms of Cisco's assumption of an option (or options) to purchase shares of Acano common stock granted to you under the Plan (the "Acano Option(s)"), and documented by a stock option agreement (or stock option agreements) and any amendment(s) entered into by and between you and Acano (the "Option Agreement(s)"), including the necessary adjustments for assumption of the Acano Option(s) that are required by the Acquisition.

The table below summarizes your Acano Option(s) immediately before and after the Acquisition:

Grant Details

<b>Employee ID</b>	[Field: Employee ID]
<b>Grant Date</b>	[Field: Grant Date]
<b>Type of Option</b>	[Field: Grant Type]
<b>Grant Number</b>	[Field: Grant Number]
<b>Cisco Number of Option Shares</b>	[Field: Shares Granted]
<b>Cisco Exercise Price Per Share</b>	[Field: Option Price]
<b>Original Number of Option Shares</b>	[Field: Acquisition Shares]
<b>Original Exercise Price Per Share</b>	[Field: Acquisition Exercise Price]
<b>Vesting Commencement Date</b>	[Field: Vest Start Date]
<b>Expiration Date</b>	[Field: Expiration Date]

The post-Acquisition adjustments are based on the Exchange Ratio of 2.0403185050, as determined in accordance with the terms of the Acquisition Agreement, and are intended to: (i) assure that the total spread of your assumed Acano Option(s) (i.e., the difference between the aggregate fair market value and the aggregate exercise price) does not exceed the total spread that existed immediately prior to the Acquisition; and (ii) to preserve, on a per share basis, the ratio of exercise price to fair market value that existed immediately prior to the Acquisition. The number of shares of Cisco common stock subject to your assumed Acano Option(s) was determined by multiplying the Exchange Ratio by the number of shares of Acano common stock remaining subject to your Acano Option(s) on the Closing Date and rounding the resulting product down to the next whole number of shares of Cisco common stock. The exercise price per share of your assumed Acano Option(s) was determined by dividing the exercise price per share of your Acano Option(s) by the Exchange Ratio and rounding the resulting quotient up to the next whole cent.

Unless the context otherwise requires, any references in the Plan or the Option Agreement(s) to: (i) the "Company" or the "Corporation" means Cisco, (ii) "Stock," "Common Stock," "Shares" or "Ordinary Shares" means shares of Cisco common stock, (iii) the "Board of Directors" or the "Board" means the Board of Directors of Cisco and (iv) the "Committee" means the Compensation and Management Development Committee of the Board of Directors of Cisco. As used in this Agreement, "Employer" means your actual employer. All references in the Option Agreement(s) and the Plan relating to your status as an employee or consultant of Acano or a subsidiary or affiliate will now refer to your status as an employee or consultant of Cisco or any present or future Cisco parent, subsidiary or affiliate.

The vesting commencement date, vesting schedule and expiration date of your assumed Acano Option(s) remain the same as set forth in the Option Agreement(s) but with the number of shares subject to each vesting installment and

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the exercise price per share adjusted to reflect the effect of the Acquisition. (In this respect, please note that any discussion of option terms (including vesting acceleration) in any employment offer letter or any other documentation (whether from Cisco, Acano or any other related employer) is explanatory in nature and will not result in duplication of benefits (including vesting) with respect to your assumed Acano Option(s).) Vesting of your assumed Acano Option(s) will be suspended during all leaves of absence in accordance with Cisco's policies, subject to applicable law. Unless otherwise specified by Cisco, the only permissible methods to exercise your assumed Acano Option(s) are cash, check, wire transfer, or through a cashless exercise program with a Cisco-designated broker. All other provisions which govern either the exercise or the termination of your assumed Acano Option(s) remain the same as set forth in the Option Agreement(s) and the provisions of the Option Agreement(s) will govern and control your rights under this Agreement to purchase shares of Cisco common stock, except (i) no assumed Acano Option(s) may be "early exercised" (i.e., an assumed Acano Option(s) may be exercised for shares of Cisco common stock only to the extent the assumed Acano Option(s) is vested at the time of exercise pursuant to the applicable vesting schedule), and (ii) as expressly modified by this Agreement (including the Country-Specific Addendum), the Acquisition Agreement or otherwise in connection with the Acquisition. Upon termination of your employment with Cisco or any present or future Cisco parent, subsidiary or affiliate, you will have the applicable limited post-termination exercise period specified in your Option Agreement(s) and/or the Plan for your assumed Acano Option(s) to the extent vested and outstanding at the time of termination after which time your assumed Acano Option(s) will expire and NOT be exercisable for Cisco common stock. For the avoidance of doubt, for purposes of the Acano Option(s), the date of termination shall be deemed the date you cease actively providing services and shall not be extended by any notice period mandated under contract or local law, unless Cisco in its exclusive discretion determines otherwise.

To exercise your assumed Acano Option(s), you must utilize one of Cisco's preferred brokers, the Charles Schwab Corporation (telephone number is or Morgan Stanley Smith Barney (telephone number is .

Nothing in this Agreement or the Option Agreement(s) interferes in any way with your right and the right of Cisco or its parent, subsidiary or affiliate, which rights are expressly reserved, to terminate your employment at any time for any reason, whether or not in breach of local labor laws. Future options, if any, you may receive from Cisco will be governed by the terms of the Cisco stock option plans under which such options are granted, and such terms may be different from the terms of your assumed Acano Option(s), including, but not limited to, the time period in which you have to exercise vested options after your termination of employment.

The following are additional terms and conditions of your assumed Acano Options:

#### Tax-Related Items.

Prior to exercise of the assumed Acano Option(s) (or conversion/acceleration of vesting of the assumed Acano Option(s) if the conversion/acceleration is a taxable event in your country or any other taxable event in relation to the Acano Option(s)), and only if applicable, you authorize Cisco and/or your Employer, or their respective agents, at their discretion to satisfy any obligations for Option Tax Liability, including income tax, payroll tax, social contributions, or any other tax-related withholding ("Tax-Related Items") in relation to your assumed Acano Option(s) by one or a combination of the following: (1) withholding all applicable Tax-Related Items from your wages or other cash compensation paid to you by Cisco and/or the Employer; (2) withholding from proceeds of the sale of the Shares acquired upon exercise of the Acano Option(s) either through a voluntary sale (specifically including where the Acano Option(s) is/are exercised in accordance with a cashless exercise program with a Cisco-designated broker) or through a mandatory sale arranged by Cisco (on your behalf, pursuant to this authorization); (3) withholding of Shares that would otherwise be issued upon exercise of the Acano Option(s) or (4) requiring you to satisfy the liability for Tax-Related Items by means of any other arrangement approved by Cisco. If the obligation for Tax-Related Items is satisfied by withholding of Shares, for tax purposes you are deemed to have been issued the full number of Shares subject to the exercise of the Acano Option(s), notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of your participation in the Plan. To avoid financial accounting charges under applicable accounting guidance, Cisco may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding rates or may take any other action required to avoid financial accounting charges under applicable accounting guidance. Finally, you must pay to Cisco or the Employer any amount of Tax-Related Items that Cisco or the Employer may be required to withhold or account for as a result of your participation in the Plan or your purchase of Shares that cannot be satisfied by the means previously described. Cisco may refuse to honor the exercise, refuse to convert your assumed Acano Option(s) and/or refuse to issue or deliver the Shares or the proceeds of the sale of Shares if you fail to comply with your obligations in connection with the Tax-Related Items as described in this Paragraph.

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You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal information as described in this Agreement by and among, as applicable, the Employer, and Cisco and its parent, subsidiaries and affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan.

You understand that Cisco and the Employer hold certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number (or other social or national identification number), salary, nationality, job title, residency status, any Shares or directorships held in Cisco, details of all assumed Acano Option(s) or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding ("Data"), for the purpose of implementing, administering and managing your participation in the Plan. You understand that Data may be transferred to Cisco or any of its parent, subsidiaries or affiliates, or to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, including outside the European Economic Area, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data to a broker or other third party assisting with the administration of the assumed Acano Option(s) under the Plan or with whom Shares acquired pursuant to the exercise of the assumed Acano Option(s) or cash from the sale of Shares may be deposited. Furthermore, you acknowledge and understand that the transfer of such Data to Cisco or any of its parent, subsidiaries or affiliates, or any third parties is necessary for your participation in the Plan.

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By accepting this Agreement, you hereby acknowledge and agree as follows:

(a) Your rights, if any, in respect of or in connection with the assumed Acano Options or any other stock award are derived solely from the discretionary decision of Cisco to permit you to benefit from a discretionary award. The Plan may be amended, suspended or terminated by Cisco at any time, unless otherwise provided in the Plan and this Agreement or the Option Agreement(s). By exercising the assumed Acano Option, you expressly acknowledge that there is no obligation on the part of Cisco to continue the Plan and/or grant any additional stock awards or benefits in lieu of options or any other stock awards even if Acano Options have been granted repeatedly in the past. All decisions with respect to future option grants, if any, will be at the sole discretion of Cisco.

(b) The assumed Acano Options and the Shares subject to the assumed Acano Options are not intended to replace any pension rights or compensation and are not to be considered compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represent any portion of your salary, compensation or other remuneration for any purpose, including but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments, and in no event should be considered as compensation for, or relating in any way to, past services for Acano, the Employer or Cisco or its parent, subsidiaries or affiliates. The value of the assumed

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Acano Options and the Shares subject to the Acano Options are extraordinary items that do not constitute compensation of any kind for services of any kind rendered to Acano, the Employer or Cisco or its parent, subsidiaries or affiliates and which are outside the scope of your written employment agreement (if any).

(c) You acknowledge that you are voluntarily participating in the Plan.

(d) Neither the Plan nor the assumed Acano Options or any other stock award granted under the Plan shall be deemed to give you a right to remain an employee, consultant or director of Cisco, its parent, subsidiaries or affiliates. The Employer reserves the right to terminate your service at any time, with or without cause, and for any reason, subject to applicable laws, Cisco's Articles of Incorporation and Bylaws and a written employment agreement (if any).

(e) Your participation in the Plan will not be interpreted to form an employment contract or relationship with the Employer or Cisco or its parent, subsidiaries or affiliates.

(f) The future value of the underlying Shares is unknown and cannot be predicted with certainty. If you exercise the assumed Acano Options and obtain Shares, the value of the Shares acquired upon exercise may increase or decrease in value, even below the exercise price. You understand that neither the Employer, nor Cisco or its parent, subsidiaries or affiliates is responsible for any foreign exchange fluctuation between the Employer's local currency and the United States Dollar (or the selection by Cisco or the Employer in its sole discretion of an applicable foreign currency exchange rate) that may affect the value of the assumed Acano Options or Shares received (or the calculation of income or any taxes, social contributions, or other charges thereunder).

(g) In consideration of the conversion of the assumed Acano Options, no claim or entitlement to compensation or damages shall arise from forfeiture of the Acano Options resulting from termination of your service by Cisco or the Employer (for any reason whatsoever and whether or not in breach of local labor laws) and you irrevocably release Cisco and the Employer from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing this Agreement, you shall be deemed irrevocably to have waived your entitlement to pursue such claim.

(h) In the event of your termination of service, your right to receive additional options or to vest in the assumed Acano Options will end as of the date you are no longer an employee actively providing services and will not be extended by any notice period mandated under contract or local law.

(i) You agree that Cisco may require the Acano Options assumed and converted hereunder to be exercised with, and the Shares held by, a broker designated by Cisco.

(j) You agree that your rights to acquire Shares or proceeds from the sale of Shares hereunder (if any) shall be subject to set-off by Cisco for any valid debts that you owe to Cisco.

(k) The Acano Options and the benefits under the Plan, if any, will not automatically transfer to another company in the case of a merger, take-over or transfer of liability.

(l) Cisco and the Employer are not providing any tax, legal or financial advice, nor are Cisco and the Employer making any recommendations regarding your participation in the Plan, or your acquisition or sale of Cisco Shares; you are hereby advised to consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

You hereby acknowledge and agree as follows: (a) the conversion and adjustment of your assumed Acano Option(s) and/or acceleration of vesting of your assumed Acano Option(s) to awards over Cisco Shares may have adverse tax and social insurance contribution consequences, including but not limited to any loss of tax and social insurance qualified status and the inability to obtain a tax or social insurance refund for taxes or contributions already paid on such assumed Acano Option(s), and that Acano, Cisco and your Employer do not take any responsibility or liability with respect to the loss of tax and social insurance qualified status of your assumed Acano Option(s); (b) you received information regarding the adjustment and conversion of your Acano Option(s); and (c) you acknowledge that exercise and vesting of your Acano Option(s) is contingent upon compliance with applicable local laws; in particular, if allowing you to exercise or receive assumed Acano Option(s) would not be compliant with applicable foreign securities laws, you will not be permitted to purchase or receive Shares under this Agreement.

You acknowledge that if you have received this Agreement or any other documents related to the Plan translated into a language other than English, and if the meaning of the translated version is different from the English version, the English version will take precedence. Cisco may, in its sole discretion, decide to deliver any documents related to the assumed Acano Option(s) and this Agreement by electronic means or to request your consent to participate in the

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Plan by electronic means. You hereby consent to receive such documents by electronic delivery and, if requested, agree to participate in the Plan through an on-line or electronic system established and maintained by Cisco or a third party designated by Cisco.

Cisco reserves the right to impose other requirements on your participation in the Plan, on the exercise of the assumed Acano Options and on any Shares acquired under the Plan, to the extent Cisco determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. You agree to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. Furthermore, you acknowledge that the laws of the country in which you are residing or working at the time of vesting or exercise of the assumed Acano Options, while you hold Options and/or Shares, or at the sale of Shares received pursuant to this Agreement (including any rules or regulations governing securities, foreign exchange, tax, labor, or other matters) may subject you to additional procedural or regulatory requirements that you are and will be solely responsible for and must fulfill. Such additional requirements may be outlined in but are not limited to the Country-Specific Addendum attached hereto, which forms part of the Agreement. At all times you are responsible for understanding and following Cisco's policies with respect to insider trading, as well as any insider trading restrictions imposed by local law. Notwithstanding any provision herein to the contrary, the Acano Options and any Shares shall be subject to any special terms and conditions or disclosures for your country as set forth in any attached Country-Specific Addendum, which forms part the Agreement.

Until Cisco's Stock Administration Department is in receipt of your understanding and acceptance of this Agreement (which can be accomplished electronically by following the instructions under the heading of Acknowledgment below) and furthermore until the date you become an employee of Cisco or one of its subsidiaries, or alternatively, if Cisco elects to operate Acano as a separate subsidiary, your Cisco account will not be activated and your assumed Acano Option(s) will not be exercisable. If you have any questions regarding this Agreement or your assumed Acano Option(s), please contact at ( ) .

CISCO SYSTEMS,  
INC.

By: /s/ Mark Chandler

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Mark Chandler

General Counsel

#### ACKNOWLEDGMENT

[Field: Full Name] acknowledges that clicking on the I Agree button constitutes acceptance and agreement to be bound by the terms of this Agreement, as well as understanding and agreement that all rights and liabilities with respect to the assumed Acano Option(s) listed on the table above are hereby assumed by Cisco and are as set forth in the Option Agreement(s) for such assumed Acano Option(s), the Plan and this Non-U.S. Stock Option Assumption Agreement.

#### ATTACHMENTS

Exhibit A - Form S-8 Prospectus

## CISCO SYSTEMS, INC.

## RESTRICTED STOCK UNIT ASSUMPTION AGREEMENT

Dear [Field: Full Name]:

As you know, on January 29, 2016 (the "Closing Date"), Cisco Systems, Inc. ("Cisco") acquired Acano (UK) Limited, ("Acano") (the "Acquisition"), pursuant to the Share Purchase Agreement by and among Cisco, Cisco Systems Holdings UK Limited, Acano, the shareholders of the Company and the Stockholders' Agent dated as of November 20, 2015 (the "Acquisition Agreement"). On the Closing Date, you held one or more outstanding restricted stock units related to shares of Acano common stock that were previously granted to you under the Acano (UK) Limited 2015 Equity Incentive Plan named below (the "Plan"). Pursuant to the Acquisition Agreement, on the Closing Date, Cisco assumed all obligations of Acano under your outstanding restricted stock unit award(s). This Restricted Stock Unit Assumption Agreement (the "Agreement") evidences the terms of Cisco's assumption of any restricted stock unit award(s) related to shares of Acano common stock granted to you under the Plan (the "Acano RSUs") and documented by a restricted stock unit agreement(s) and any amendment(s) entered into by and between you and Acano (collectively, the "RSU Agreement(s)"), including the necessary adjustments for assumption of the Acano RSUs that are required by the Acquisition.

The table below summarizes your Acano RSUs immediately before and after the Acquisition:

## Grant Details

<b>Employee ID</b>	[Field: Employee ID]
<b>Grant Date</b>	[Field: Grant Date]
<b>Type of Award</b>	[Field: Grant Type]
<b>Stock Plan Name</b>	[Field: Stock Plan Name]
<b>Grant Number</b>	[Field: Grant Number]
<b>Cisco Number of Shares</b>	[Field: Shares Granted]
<b>Original Number of Shares</b>	[Field: Acquisition Shares]
<b>Vesting Commencement Date</b>	[Field: Vest Start Date]

The post-Acquisition adjustments are based on the Exchange Ratio of 2.0403185050, as determined in accordance with the terms of the Acquisition Agreement, and are intended to preserve immediately after the Acquisition the aggregate fair market value of the underlying shares immediately prior to the Acquisition. The number of shares of Cisco common stock subject to your assumed Acano RSUs was determined by multiplying the Exchange Ratio by the number of shares of Acano common stock remaining subject to your Acano RSUs on the Closing Date and rounding the resulting product down to the next whole number of shares of Cisco common stock.

Unless the context otherwise requires, any references in the Plan and the RSU Agreement(s) to: (i) the "Company" or the "Corporation" means Cisco, (ii) "Stock," "Common Stock," "Shares" or "Ordinary Shares" means shares of Cisco common stock, (iii) the "Board of Directors" or the "Board" means the Board of Directors of Cisco and (iv) the "Committee" means the Compensation and Management Development Committee of the Board of Directors of Cisco. As used in this Agreement, "Employer" means your actual employer. All references in the RSU Agreement(s) and the Plan relating to your status as an employee or consultant of Acano or a subsidiary or affiliate will now refer to your status as an employee or consultant of Cisco or any present or future Cisco parent, subsidiary or affiliate.

The vesting commencement date, vesting schedule and expiration date of your assumed Acano RSUs remain the same as set forth in the RSU Agreement(s) and/or any notice of grant but with the number of shares subject to each vesting installment adjusted to reflect the effect of the Acquisition. (In this respect, please note that any discussion of terms in any employment offer letter (whether from Cisco, Acano or any other related employer) is explanatory in nature and will not result in duplication of benefits (including vesting) with respect to your assumed Acano RSUs.) Vesting of your assumed Acano

RSUs will be suspended during all leaves of absence in accordance with Cisco's policies. Cisco will withhold applicable taxes by withholding vested Cisco shares that would otherwise be released under the assumed Acano RSU on the vest date. The amount of Cisco shares withheld will be equal in value to the amount necessary to satisfy any such withholding tax obligation. All other provisions which govern either the settlement or the termination of your assumed Acano RSUs remain the same as set forth in the RSU Agreement(s), and the provisions of the RSU Agreement(s), will govern and control your rights under this Agreement to acquire shares of Cisco common stock, except as expressly modified by this Agreement, the Acquisition Agreement or otherwise in connection with the Acquisition.

UNLESS EXPRESSLY SET FORTH IN AN EMPLOYMENT AGREEMENT OR OFFER LETTER WITH CISCO, UPON NOTICE OF TERMINATION OF YOUR EMPLOYMENT WITH CISCO OR ANY PRESENT OR FUTURE CISCO SUBSIDIARY, ALL UNVESTED RESTRICTED STOCK UNITS SHALL BE IMMEDIATELY FORFEITED WITHOUT CONSIDERATION, EXCEPT AS MAY BE OTHERWISE DETERMINED BY CISCO IN ITS SOLE DISCRETION.

Nothing in this Agreement or the RSU Agreement(s) interferes in any way with your right and the right of Cisco or its parent, subsidiary or affiliate, which rights are expressly reserved, to terminate your employment at any time for any reason and whether or not in breach of local labor laws. Future restricted stock units, if any, you may receive from Cisco will be governed by the terms of the Cisco equity plan under which such restricted stock units are granted, and such terms may be different from the terms of your assumed Acano RSUs, including, but not limited to, vesting and forfeiture upon your termination of employment.

Until Cisco's Stock Administration Department is in receipt of your understanding and acceptance of this Agreement (which can be accomplished electronically by following the instructions under the heading of Acknowledgment below) your Cisco account will not be activated and your assumed Acano RSUs will not be settled.

If you have any questions regarding this Agreement or your assumed Acano RSUs, please contact \_\_\_\_\_ at ( ) \_\_\_\_\_.

CISCO SYSTEMS,  
INC.

/s/ Mark  
By: Chandler

\_\_\_\_\_  
Mark Chandler  
General Counsel

#### ACKNOWLEDGMENT

[Field: Full Name] acknowledges that clicking on the I Agree button constitutes acceptance and agreement to be bound by the terms of this Agreement, as well as understanding and agreement that all rights and liabilities with respect to the assumed Acano RSUs listed on the table above are hereby assumed by Cisco and are as set forth in the RSU Agreement(s) for such assumed Acano RSUs, the Plan (as applicable) and this Restricted Stock Unit Assumption Agreement.

#### ATTACHMENTS

Exhibit A - Form S-8 Prospectus

CISCO SYSTEMS, INC.

NON-U.S. RESTRICTED STOCK UNIT ASSUMPTION AGREEMENT

Dear [Field: Full Name]:

As you know, on January 29, 2016 (the "Closing Date"), Cisco Systems, Inc. ("Cisco") acquired Acano (UK) Limited, ("Acano") (the "Acquisition"), pursuant to the Share Purchase Agreement by and among Cisco, Cisco Systems Holdings UK Limited, Acano, the shareholders of the Company and the Stockholder Agent dated as of November 20, 2015 (the "Acquisition Agreement"). On the Closing Date, you held one or more outstanding restricted stock units related to shares of Acano common stock that were previously granted to you under the Acano (UK) Limited, 2015 Equity Incentive Plan (the "Plan"). Pursuant to the Acquisition Agreement, on the Closing Date, Cisco assumed all obligations of Acano under your outstanding restricted stock unit award(s). This Non-U.S. Restricted Stock Unit Assumption Agreement (the "Agreement") evidences the terms of Cisco's assumption of any restricted stock unit award(s) related to shares of Acano common stock granted to you under the Plan (the "Acano RSUs") and documented by a restricted stock unit agreement(s) and any amendment(s) entered into by and between you and Acano (collectively, the "RSU Agreement(s)"), including the necessary adjustments for assumption of the Acano RSUs that are required by the Acquisition.

The table below summarizes your Acano RSUs immediately before and after the Acquisition:

Grant Details

<b>Employee ID</b>	[Field: Employee ID]
<b>Grant Date</b>	[Field: Grant Date]
<b>Type of Award</b>	[Field: Grant Type]
<b>Stock Plan Name</b>	[Field: Stock Plan Name]
<b>Grant Number</b>	[Field: Grant Number]
<b>Cisco Number of Shares</b>	[Field: Shares Granted]
<b>Original Number of Shares</b>	[Field: Acquisition Shares]
<b>Vesting Commencement Date</b>	[Field: Vest Start Date]

The post-Acquisition adjustments are based on the Exchange Ratio of 2.0403185050, as determined in accordance with the terms of the Acquisition Agreement, and are intended to preserve immediately after the Acquisition the aggregate fair market value of the underlying shares immediately prior to the Acquisition. The number of shares of Cisco common stock subject to your assumed Acano RSUs was determined by multiplying the Exchange Ratio by the number of shares remaining subject to your Acano RSUs on the Closing Date and rounding the resulting product down to the next whole number of shares of Cisco common stock.

Unless the context otherwise requires, any references in the Plan and the RSU Agreement(s) to: (i) the "Company" or the "Corporation" means Cisco, (ii) "Stock," "Common Stock," "Shares" or "Ordinary Shares" means shares of Cisco common stock, (iii) the "Board of Directors" or the "Board" means the Board of Directors of Cisco and (iv) the "Committee" means the Compensation and Management Development Committee of the Board of Directors of Cisco. As used in this Agreement, "Employer" means your actual employer. All references in the RSU Agreement(s) and the Plan relating to your status as an employee or consultant of Acano or a subsidiary or affiliate will now refer to your status as an employee or consultant of Cisco or any present or future Cisco parent, subsidiary or affiliate.

The vesting commencement date, vesting schedule and expiration date of your assumed Acano RSUs remain the same as set forth in the RSU Agreement(s) and/or any notice of grant but with the number of shares subject to each vesting installment adjusted to reflect the effect of the Acquisition. (In this respect, please note that any discussion of grant terms in any employment offer letter or any other documentation (whether from Cisco, Acano or any other related employer) is explanatory in nature and will not result in duplication of benefits (including vesting) with respect to your assumed Acano RSUs.) Vesting of your assumed Acano RSUs will be suspended during all leaves of absence in accordance with Cisco's

policies subject to applicable law. All other provisions which govern either the settlement or the termination of your assumed Acano RSUs remain the same as set forth in the RSU Agreement(s) and the provisions of the RSU Agreement(s) will govern and control your rights under this Agreement to acquire Cisco common stock, except as expressly modified by this Agreement (including any Country-Specific Addendum), the Acquisition Agreement or otherwise in connection with the Acquisition.

**UPON TERMINATION OF YOUR EMPLOYMENT WITH CISCO OR ANY PRESENT OR FUTURE CISCO SUBSIDIARY, ALL UNVESTED RESTRICTED STOCK UNITS SHALL BE IMMEDIATELY FORFEITED WITHOUT CONSIDERATION, EXCEPT AS MAY BE OTHERWISE DETERMINED BY CISCO IN ITS SOLE DISCRETION.**

Nothing in this Agreement or the RSU Agreement(s) interferes in any way with your right and the right of Cisco or its parent, subsidiary or affiliate, which rights are expressly reserved, to terminate your employment at any time for any reason, whether or not in breach of local labor laws. Future restricted stock units, if any, you may receive from Cisco will be governed by the terms of the Cisco equity plan under which such restricted stock units are granted, and such terms may be different from the terms of your assumed Acano RSUs, including, but not limited to, vesting and forfeiture upon your termination of employment.

The following are additional terms and conditions of your assumed Acano RSUs:

#### Tax-Related Items.

Prior to conversion of the assumed Acano RSUs if the conversion is a taxable event in your country, you authorize Cisco and/or your Employer, or their respective agents, at their discretion to satisfy any obligations for tax liability, including income tax, payroll tax, social contributions, or any other tax-related withholding ("Tax-Related Items") in relation to your assumed Acano RSUs by one or a combination of the following: (1) withholding all applicable Tax-Related Items from your wages or other cash compensation paid to you by Cisco and/or the Employer; (2) withholding from proceeds of the sale of the Shares issued upon settlement of the Acano RSUs either through a voluntary sale or through a mandatory sale arranged by Cisco (on your behalf, pursuant to this authorization); (3) withholding of Shares that would otherwise be issued upon vesting of the Acano RSUs or (4) requiring you to satisfy the liability for Tax-Related Items by means of any other arrangement approved by Cisco. If the obligation for Tax-Related Items is satisfied by withholding of Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Acano RSUs, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of your participation in the Plan. To avoid financial accounting charges under applicable accounting guidance, Cisco may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding rates or may take any other action required to avoid financial accounting charges under applicable accounting guidance. Finally, you must pay to Cisco or the Employer any amount of Tax-Related Items that Cisco or the Employer may be required to withhold or account for as a result of your participation in the Plan that cannot be satisfied by the means previously described. Cisco may refuse to convert your assumed Acano RSUs and/or refuse to issue or deliver the Shares or the proceeds of the sale of Shares if you fail to comply with your obligations in connection with the Tax-Related Items as described in this Paragraph.

Regardless of any action Cisco or the Employer takes with respect to any or all Tax-Related Items, you acknowledge that the ultimate liability for all Tax-Related Items is and remains your responsibility and may exceed the amount actually withheld by Cisco or the Employer. You further acknowledge that Cisco and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Acano RSUs, including the grant, vesting, conversion into restricted stock units over Cisco Shares, any acceleration of vesting, the subsequent sale of Shares acquired pursuant to vesting and the receipt of any dividends; and (2) do not commit to structure the terms of the conversion of Acano RSUs into restricted stock units over Cisco Shares, any acceleration of vesting or any aspect of the Acano RSUs to reduce or eliminate your liability for Tax-Related Items or achieve a particular tax result. Further, if you become subject to taxation in more than one jurisdiction between the grant date and the date of any relevant taxable event, you acknowledge that Cisco and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

#### Data Privacy.

You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal information as described in this Agreement by and among, as applicable, the Employer, and Cisco and its parent, subsidiaries and affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan.

You understand that Cisco and the Employer hold certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number (or other social or national identification

number), salary, nationality, job title, residency status, any Shares or directorships held in Cisco, details of all assumed Acano RSUs or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding ("Data"), for the purpose of implementing, administering and managing your participation in the Plan. You understand that Data may be transferred to Cisco or any of its parent, subsidiaries or affiliates, or to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere, including outside the European Economic Area, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than your country. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data to a broker or other third party assisting with the administration of the assumed Acano RSUs under the Plan or with whom Shares acquired pursuant to the vesting of the assumed Acano RSUs or cash from the sale of Shares may be deposited. Furthermore, you acknowledge and understand that the transfer of such Data to Cisco or any of its parent, subsidiaries or affiliates, or any third parties is necessary for your participation in the Plan.

You further acknowledge that refusal or withdrawal of the consents herein may affect your ability to realize benefits from the assumed Acano RSUs and your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.

No Entitlement or Claims for Compensation.

By accepting this Agreement, you hereby acknowledge and agree as follows:

(a) Your rights, if any, in respect of or in connection with the assumed Acano RSUs or any other stock award are derived solely from the discretionary decision of Cisco to permit you to benefit from a discretionary award. The Plan may be amended, suspended or terminated by Cisco at any time, unless otherwise provided in the Plan and this Agreement or the RSU Agreement(s). By accepting this Agreement, you expressly acknowledge that there is no obligation on the part of Cisco to continue the Plan and/or grant any additional stock awards or benefits in lieu of restricted stock units, options or any other stock awards even if Acano RSUs have been granted repeatedly in the past. All decisions with respect to future stock awards, if any, will be at the sole discretion of Cisco.

(b) The assumed Acano RSUs and the Shares subject to the assumed Acano RSUs are not intended to replace any pension rights or compensation and are not to be considered compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represent any portion of your salary, compensation or other remuneration for any purpose, including but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments, and in no event should be considered as compensation for, or relating in any way to, past services for Acano, the Employer or Cisco or its parent, subsidiaries or affiliates. The value of the assumed Acano RSUs and the Shares subject to the Acano RSUs are extraordinary items that do not constitute compensation of any kind for services of any kind rendered to Acano, the Employer or Cisco or its parent, subsidiaries or affiliates and which are outside the scope of your written employment agreement (if any).

(c) You acknowledge that you are voluntarily participating in the Plan.

(d) Neither the Plan nor the assumed Acano RSUs or any other stock award granted under the Plan shall be deemed to give you a right to remain an employee, consultant or director of Cisco, its parent, subsidiaries or affiliates. The Employer reserves the right to terminate your service at any time, with or without cause, and for any reason, subject to applicable laws, Cisco's Articles of Incorporation and Bylaws and a written employment agreement (if any).

(e) Your participation in the Plan will not be interpreted to form an employment contract or relationship with the Employer or Cisco or its parent, subsidiaries or affiliates.

(f) The future value of the underlying Shares is unknown and cannot be predicted with certainty. If you vest in the assumed Acano RSUs and obtain Shares, the value of the Shares acquired upon issuance may increase or decrease in value. You understand that neither the Employer, nor Cisco or its parent, subsidiaries or affiliates is responsible for any foreign exchange fluctuation between the Employer's local currency and the United States Dollar (or the selection by Cisco or the Employer in its sole discretion of an applicable foreign currency exchange rate) that may affect the value of the assumed Acano RSUs or Shares received (or the calculation of income or any taxes, social contributions, or other charges thereunder).

(g) In consideration of the conversion of the assumed Acano RSUs, no claim or entitlement to compensation or damages shall arise from forfeiture of the assumed Acano RSUs resulting from termination of your service by Cisco or the Employer (for any reason whatsoever and whether or not in breach of local labor laws) and you irrevocably release Cisco and the Employer from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing this Agreement, you shall be deemed irrevocably to have waived your entitlement to pursue such claim.

(h) In the event of your termination of service, your right to vest in the assumed Acano RSUs will end as of the date you are no longer an active employee and will not be extended by any notice period mandated under contract or local law, unless Cisco in its exclusive discretion determines otherwise.

(i) You agree that Cisco may require the Acano RSUs assumed and converted hereunder and the Shares held by a broker to be designated by Cisco.

(j) You agree that your rights to acquire Shares or proceeds from the sale of Shares hereunder (if any) shall be subject to set-off by Cisco for any valid debts that you owe to Cisco.

(k) The Acano RSUs and the benefits under the Plan, if any, will not automatically transfer to another company in the case of a merger, take-over or transfer of liability.

(l) Cisco and the Employer are not providing any tax, legal or financial advice, nor are Cisco and the Employer making any recommendations regarding your participation in the Plan, or your acquisition or sale of Cisco Shares; you are hereby advised to consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

You hereby acknowledge and agree as follows: (a) the conversion and adjustment of your assumed Acano RSUs and/or acceleration of vesting of your assumed Acano RSUs to awards over Cisco Shares may have adverse tax and social insurance contribution consequences, including but not limited to any loss of tax and social insurance qualified status and the inability to obtain a tax or social insurance refund for taxes or contributions already paid on such assumed Acano RSUs, and that Acano, Cisco and your Employer do not take any responsibility or liability with respect to the loss of tax and social insurance qualified status of your assumed Acano RSUs; (b) you received information regarding the adjustment and conversion of your Acano RSUs; and (c) you acknowledge that vesting and settlement of your Acano RSUs and the issuance of Shares are contingent upon compliance with applicable local laws; in particular, if allowing you to vest in or receive assumed Acano RSUs or Shares subject to the Acano RSUs would not be compliant with applicable foreign securities laws, you will not be permitted to receive Shares under this Agreement.

You acknowledge that if you have received this Agreement or any other documents related to the Plan translated into a language other than English, and if the meaning of the translated version is different from the English version, the English version will take precedence. Cisco may, in its sole discretion, decide to deliver any documents related to the assumed Acano RSUs and this Agreement 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, agree to participate in the Plan through an on-line or electronic system established and maintained by Cisco or a third party designated by Cisco.

Cisco reserves the right to impose other requirements on your participation in the Plan, on the assumed Acano RSUs and on any Shares acquired under the Plan, to the extent Cisco determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. You agree to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. Furthermore, you acknowledge that the laws of the country in which you are residing or working at the time of vesting of the assumed Acano RSUs, while you hold Shares, or at the sale of Shares received pursuant to this Agreement (including any rules or regulations governing securities, foreign exchange, tax, labor, or other matters) may subject you to additional procedural or regulatory requirements that you are and will be solely responsible for and must fulfill. Any additional requirements may be outlined in but are not limited to the Country-Specific Addendum attached hereto, which forms part of the Agreement. Notwithstanding any provision herein to the contrary, the assumed Acano RSUs and any Shares shall be subject to any special terms and conditions or disclosures as set forth in any attached Country-Specific Addendum for your country (or any country you relocate to), which forms part the Agreement.

Until Cisco's Stock Administration Department is in receipt of your understanding and acceptance of this Agreement (which can be accomplished electronically by following the instructions under the heading of Acknowledgement below) your Cisco account will not be activated and your assumed Acano RSUs will not be settled. If you have any questions regarding this Agreement or your assumed Acano RSUs, please contact \_\_\_\_\_ at ( ).

CISCO SYSTEMS,  
INC.

/s/ Mark  
By: Chandler

\_\_\_\_\_  
Mark Chandler  
General Counsel

#### ACKNOWLEDGMENT

[Field: Full Name] acknowledges that clicking on the "I Agree" button constitutes acceptance and agreement to be bound by the terms of this Agreement, as well as understanding and agreement that all rights and liabilities with respect to the assumed Acano RSUs listed on the table above are hereby assumed by Cisco and are as set forth in the RSU Agreement(s) for such assumed Acano RSUs, the Plan and this Non-U.S. Restricted Stock Unit Assumption Agreement.

#### ATTACHMENTS

Exhibit A - Form S-8 Prospectus