

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

FORM S-8
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

ITRON, INC.

(Exact name of Registrant as specified in its charter)

Washington
(State or Other Jurisdiction of
Incorporation or Organization)

91-1011792
(I.R.S. Employer Identification No.)

2111 N. Molter Road
Liberty Lake, Washington 99019
(Address of principal executive offices, including zip code)

SILVER SPRING NETWORKS, INC. 2012 EQUITY INCENTIVE PLAN
NON-PLAN INDUCEMENT STOCK OPTIONS
NON-PLAN INDUCEMENT RESTRICTED STOCK UNITS
NON-PLAN INDUCEMENT PERFORMANCE STOCK UNITS
(Full title of the plans)

Shannon M. Votava
Senior Vice President, General Counsel and Corporate Secretary
Itron, Inc.

2111 N. Molter Road
Liberty Lake, Washington 99019
(509) 924-9900
(Name, address and 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, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	x		Accelerated filer	o
Non-accelerated filer	o	(Do not check if a smaller reporting company)	Smaller reporting company	o
			Emerging growth company	o

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

CALCULATION OF REGISTRATION FEE

Title of Securities	Amount to be Registered(1)	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock, no par value, under options granted pursuant to the Silver Spring Networks, Inc. 2012 Equity Incentive Plan (the "SSNI Plan") and Non-Plan Inducement Stock Options (the "Inducement Options")	59,016(2)	\$ 53.93(3)	\$ 3,182,732.88(3)	\$ 396.25
Common Stock, no par value, under restricted stock units granted pursuant to the SSNI Plan, the Non-Plan Inducement Restricted Stock Units (the "Inducement RSUs") and Non-Plan Inducement Performance Stock Units (the "Inducement PSUs")	671,441(4)	\$ 69.775(5)	\$ 46,849,795.78(5)	\$ 5,832.80
Total	730,457	N/A	\$ 50,032,528.86	\$ 6,229.05

- (1) Includes an indeterminate number of additional shares which may be necessary to adjust the number of shares reserved for issuance pursuant to the plan as the result of any future stock split, stock dividend or similar adjustment of the Registrant's outstanding Common Stock.
- (2) Represents the number of shares of the Common Stock of the Registrant issuable pursuant to options granted under the SSNI Plan and the Inducement Options that were assumed by the Registrant pursuant to the Merger Agreement (as defined in the Explanatory Note, below).
- (3) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(h) of the Securities Act of 1933, as amended (the "Securities Act"), based upon the weighted average exercise price of the outstanding stock options granted under the SSNI Plan and the Inducement Options.
- (4) Represents the number of shares of the Common Stock of the Registrant issuable pursuant to restricted stock unit awards granted under the SSNI Plan and, the Inducement RSUs and the Inducement PSUs that were assumed by the Registrant pursuant to the Merger Agreement.
- (5) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c) and Rule 457(h) under the Securities Act. The proposed maximum offering price per share is estimated to be \$69.775 based on the average of the high (\$70.30) and low (\$69.25) sales prices of the Registrant's Common Stock on January 4, 2018, as reported for such date by the NASDAQ Global Select Market.

EXPLANATORY NOTE

This Registration Statement on Form S-8 is filed by Itron, Inc., a Washington corporation (“Itron” or the “Registrant”), to register an additional 730,457 shares of our Common Stock for issuance pursuant to awards granted under the Silver Spring Networks, Inc. 2012 Equity Incentive Plan (the “SSNI Plan”), Non-Plan Inducement Stock Options, Non-Plan Inducement Restricted Stock Units and Non-Plan Inducement Performance Stock Units that were assumed by Itron pursuant to the Agreement and Plan of Merger, dated as of September 17, 2017, by and among Itron, Silver Spring Networks, Inc. and Ivory Merger Sub, Inc. (the “Merger Agreement”).

PART I INFORMATION REQUIRED IN THE SECTION 10(A) PROSPECTUS

The documents containing the information specified in Part I of Form S-8 will be sent and delivered to participants as specified by Rule 428(b) (1) under the Securities Act. Such documents are not required to be, and are not, filed with the Securities and Exchange Commission (the “Commission”) either as part of this Registration Statement or as prospectuses or prospectus supplements pursuant to Rule 424 of the Securities Act.

PART II INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents filed with the Commission by the Registrant are hereby incorporated by reference in this Registration Statement:

- The Registrant’s Annual Report on Form 10-K for the year ended December 31, 2016 filed on March 1, 2017, which contains audited financial statements for the most recent fiscal year for which such statements have been filed;
- The Registrant’s Quarterly Reports on Form 10-Q for the quarters ended March 31, 2017 filed on May 4, 2017, June 30, 2017 filed on August 3, 2017 and September 30, 2017 filed on November 2, 2017, which contains unaudited interim financial statements;
- The Registrant’s Current Reports on Form 8-K filed on March 28, 2017, May 8, 2017, May 16, 2017, May 31, 2017, September 18, 2017, September 19, 2017, September 29, 2017, October 6, 2017, November 2, 2017, December 5, 2017, December 8, 2017, December 22, 2017 and January 5, 2018 provided that any portions of such reports that are deemed furnished and not filed pursuant to instructions to Form 8-K shall not be incorporated by reference into this Registration Statement; and
- The description of the Registrant’s Common Stock as set forth in the Registrant’s Registration Statement on Form 8-A, filed on September 18, 1993, File No. 00-22418, including any amendments or reports filed for the purpose of updating such description.

All documents filed by the Registrant pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) after the date hereof (other than those Current Reports on Form 8-K which “furnish” information pursuant to Item 2.02 or Item 7.01 of such report and exhibits furnished in connection therewith), and prior to the filing of a post-effective amendment, which indicates that the securities offered hereby have been sold or which deregisters the securities covered hereby then remaining unsold, shall also be deemed to be incorporated by reference into this Registration Statement and to be a part hereof commencing on the respective dates on which such documents are filed.

Any statement contained in this Registration Statement or in a document incorporated or deemed to be incorporated by reference in this Registration Statement will be deemed to be modified or superseded to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference in this Registration Statement modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts and Counsel.

None.

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Item 6. Indemnification of Directors and Officers.

Under the Washington Business Corporation Act, a corporation may indemnify directors against reasonable expenses for liability incurred in the defense of any proceeding to which such individuals were a party because of their position with the corporation. The director must have acted in good faith and reasonably believed that the conduct in the individual’s official capacity was in the best interests of the corporation and in all other cases that the conduct at least was not opposed to the corporation’s best interests. Indemnity is available for criminal proceedings if the individual had no reasonable cause to believe the conduct was unlawful. The Washington Business Corporation Act prohibits indemnification, however, in connection with any proceeding by or in the right of the corporation in which the individual is adjudged liable to the corporation or in connection with any other proceeding in which the individual was charged with and found liable for receiving an improper personal benefit. Washington law also provides for discretionary indemnification of officers. Under no circumstances, however, may any director or officer be indemnified for:

- acts or omissions finally adjudged to be intentional misconduct or a knowing violation of the law;
- conduct of a director or officer finally adjudged to be an unlawful distribution; or
- any transaction with respect to which it was finally adjudged that the director or officer personally received a benefit in money, property, or services to which the director or officer was not legally entitled.

Section 10 of Itron's amended and restated bylaws provide this indemnification to directors and officers to the full extent of the law. This right to indemnification includes the right to advancement of expenses upon an undertaking by the director or officer to repay the expenses if it is later determined that such indemnitee was not entitled to indemnification. Under Itron's amended and restated bylaws, this right to indemnification is a contract right. Itron's amended and restated bylaws provide that it may maintain insurance to protect any director or officer against any loss, liability or expense whether or not Itron would have the power to indemnify such person against such loss, liability or expense under the Washington Business Corporation Act.

Itron's amended and restated bylaws also authorize Itron to enter into contracts with any director or officer in furtherance of the provisions of the restated bylaws regarding indemnification and to create a trust fund, grant a security interest or use other means to ensure the payment of amounts necessary to effect this indemnification.

Unless limited by the corporation's articles of incorporation, Washington law requires indemnification if the director or officer is wholly successful on the merits of the action or otherwise. Any indemnification of a director in a derivative action must be reported to the shareholders in writing with or before notice of the next shareholders' meeting. Article 9 of Itron's amended and restated articles of incorporation provides that a director will not be liable to Itron or its shareholders for monetary damages for conduct as a director to the full extent of Washington law.

Item 7. Exemption from Registration Claimed.

Not applicable.

Item 8. Exhibits.

Exhibit Number	Description
*4.1	Silver Spring Networks, Inc. 2012 Equity Incentive Plan
*4.2	Form of Notice of Inducement Stock Option Grant and Inducement Stock Option Agreement
*4.3	Form of Notice of Inducement Restricted Stock Unit Award and Inducement Restricted Stock Unit Award Agreement

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*4.4	Form of Notice of Inducement Performance Stock Unit Award and Inducement Performance Stock Unit Award Agreement.
*5.1	Opinion of Stoel Rives LLP regarding legality of the Common Stock being registered
*23.1	Consent of Deloitte & Touche LLP
*23.2	Consent of Ernst & Young LLP
*23.3	Consent of Stoel Rives LLP (included in opinion filed as Exhibit 5.1)
*24.1	Power of Attorney (see signature page)

* Filed herewith.

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 this 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; and
 - (iii) To include any material information with respect to the plan of distribution not previously disclosed in this Registration Statement or any material change to such information in this Registration Statement;

provided, however, that paragraphs A(1)(i) and A(1)(ii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in 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.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which 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 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in 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 foregoing provisions, 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.

INDEX TO EXHIBITS

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*24.1	Power of Attorney (see signature page)

* Filed herewith.

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 Liberty Lake, State of Washington, on the 8th of January, 2018.

ITRON, INC.

By: /s/ Shannon M. Votava
 Name: Shannon M. Votava
 Title: Senior Vice President, General Counsel and Corporate Secretary

POWER OF ATTORNEY

Each person whose individual signature appears below hereby authorizes Philip C. Mezey and Shannon M. Votava, or either of them, as attorneys-in-fact, with full power of substitution, to execute in the name and on the behalf of each person, individually and in each capacity stated below, and to file, any and all amendments to this Registration Statement, including any and all post-effective amendments.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities indicated below on the 8th of January, 2018.

Signature	Title
<u>/s/ Philip C. Mezey</u> Philip C. Mezey	President and Chief Executive Officer, Director (Principal Executive Officer)
<u>/s/ Joan Hooper</u> Joan Hooper	Senior Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)

/s/ Kirby A. Dyess
Kirby A. Dyess

Director

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/s/ Thomas S. Glanville
Thomas S. Glanville

Director

/s/ Frank M. Jaehnert
Frank M. Jaehnert

Director

/s/ Jerome J. Lande
Jerome J. Lande

Director

/s/ Timothy M. Leyden
Timothy M. Leyden

Director

/s/ Peter Mainz
Peter Mainz

Director

/s/ Dan S. Pelino
Dan S. Pelino

Director

/s/ Gary E. Pruitt
Gary E. Pruitt

Director

/s/ Diana D. Tremblay
Diana D. Tremblay

Director

/s/ Lynda L. Ziegler
Lynda L. Ziegler

Chair of Board, Director

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SILVER SPRING NETWORKS, INC.

2012 EQUITY INCENTIVE PLAN

(share numbers adjusted for reverse stock split effected February 11, 2013)
(as amended August 21, 2013)

1. PURPOSE. The purpose of this Plan is to provide incentives to attract, retain and motivate eligible persons whose present and potential contributions are important to the success of the Company by offering them an opportunity to participate in the Company's future performance through the grant of Awards. Capitalized terms not defined elsewhere in the text are defined in Section 27.

2. SHARES SUBJECT TO THE PLAN.

2.1 Number of Shares Available. Subject to Sections 2.6 and 21 and any other applicable provisions hereof, the total number of Shares reserved and available for grant and issuance pursuant to this Plan as of the date of adoption of the Plan by the Board, is 3,400,000 Shares plus (i) any reserved shares not issued or subject to outstanding grants under the Company's 2003 Stock Option Plan (the "**Prior Plan**") on the Effective Date (as defined below), (ii) shares that are subject to stock options granted under the Prior Plan that cease to be subject to such stock options after the Effective Date and (iii) shares issued under the Prior Plan before or after the Effective Date pursuant to the exercise of stock options that are, after the Effective Date, forfeited and (iv) shares issued under the Prior Plan that are repurchased by the Company at the original issue price.

2.2 Lapsed, Returned Awards. Shares subject to Awards, and Shares issued under the Plan under any Award, will again be available for grant and issuance in connection with subsequent Awards under this Plan to the extent such Shares: (a) are subject to issuance upon exercise of an Option or SAR granted under this Plan but which cease to be subject to the Option or SAR for any reason other than exercise of the Option or SAR; (b) are subject to Awards granted under this Plan that are forfeited or are repurchased by the Company at the original issue price; (c) are subject to Awards granted under this Plan that otherwise terminate without such Shares being issued; or (d) are surrendered pursuant to an Exchange Program. To the extent an Award under the Plan is paid out in cash rather than Shares, such cash payment will not result in reducing the number of Shares available for issuance under the Plan. Shares used to pay the exercise price of an Award or to satisfy the tax withholding obligations related to an Award will become available for future grant or sale under the Plan. For the avoidance of doubt, Shares that otherwise become available for grant and issuance because of the provisions of this Section 2.2 shall not include Shares subject to Awards that initially became available because of the substitution clause in Section 21.2 hereof.

2.3 Minimum Share Reserve. At all times the Company shall reserve and keep available a sufficient number of Shares as shall be required to satisfy the requirements of all outstanding Awards granted under this Plan.

2.4 Automatic Share Reserve Increase. The number of Shares available for grant and issuance under the Plan shall be increased on January 1, of each of the calendar years during the term of the Plan by the lesser of (i) four percent (4%) of the number of Shares issued and outstanding on each December 31 immediately prior to the date of increase or (ii) such number of Shares determined by the Board.

2.5 Limitations. No more than 3,400,000 Shares shall be issued pursuant to the exercise of ISOs.

2.6 Adjustment of Shares. If the number of outstanding Shares is changed by a stock dividend, recapitalization, stock split, reverse stock split, subdivision, combination, reclassification or similar change in the capital structure of the Company, without consideration, then (a) the number of Shares reserved for issuance and future grant under the Plan set forth in Section 2.1, (b) the Exercise Prices of and number of Shares subject to outstanding Options and SARs, (c) the number of Shares subject to other outstanding Awards, (d) the maximum number of shares that may be issued as ISOs set forth in Section 2.5, (e) the maximum number of Shares that may be issued to an individual or to a new Employee in any one calendar year set forth in Section 3 and (f) the number of Shares that are granted as Awards to Non-Employee Directors as set forth in Section 12, shall be proportionately adjusted, subject to any required action by the Board or the stockholders of the Company and in compliance with applicable securities laws; provided that fractions of a Share will not be issued.

3. ELIGIBILITY. ISOs may be granted only to Employees. All other Awards may be granted to Employees, Consultants, Directors and Non-Employee Directors of the Company or any Parent or Subsidiary of the Company; provided such Consultants, Directors and Non-Employee Directors render bona fide services not in connection with the offer and sale of securities in a capital-raising transaction. No Participant will be eligible to receive more than 600,000 Shares in any calendar year under this Plan pursuant to the grant of Awards except that new Employees of the Company or a Parent or Subsidiary of the Company (including new Employees who are also officers and directors of the Company or any Parent or Subsidiary of the Company) are eligible to receive up to a maximum of 1,200,000 Shares in the calendar year in which they commence their employment.

4. ADMINISTRATION.

4.1 Committee Composition; Authority. This Plan will be administered by the Committee or by the Board acting as the Committee. Subject to the general purposes, terms and conditions of this Plan, and to the direction of the Board, the Committee will have full power to implement and carry out this Plan, except, however, the Board shall establish the terms for the grant of an Award to Non-Employee Directors. The Committee will have the authority to:

- (a) construe and interpret this Plan, any Award Agreement and any other agreement or document executed pursuant to this Plan;
- (b) prescribe, amend and rescind rules and regulations relating to this Plan or any Award;
- (c) select persons to receive Awards;

(d) determine the form and terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder. Such terms and conditions include, but are not limited to, the exercise price, the time or times when Awards may vest and be exercised (which may be based on performance criteria), any vesting acceleration or waiver of forfeiture restrictions, and any restriction or limitation regarding any Award or the Shares relating thereto, based in each case on such factors as the Committee will determine;

(e) determine the number of Shares or other consideration subject to Awards;

(f) determine the Fair Market Value in good faith, if necessary;

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(g) determine whether Awards will be granted singly, in combination with, in tandem with, in replacement of, or as alternatives to, other Awards under this Plan or any other incentive or compensation plan of the Company or any Parent or Subsidiary of the Company;

(h) grant waivers of Plan or Award conditions;

(i) determine the vesting, exercisability and payment of Awards;

(j) correct any defect, supply any omission or reconcile any inconsistency in this Plan, any Award or any Award Agreement;

(k) determine whether an Award has been earned;

(l) determine the terms and conditions of any, and to institute any Exchange Program;

(m) reduce or waive any criteria with respect to Performance Factors;

(n) adjust Performance Factors to take into account changes in law and accounting or tax rules as the Committee deems necessary or appropriate to reflect the impact of extraordinary or unusual items, events or circumstances to avoid windfalls or hardships provided that such adjustments are consistent with the regulations promulgated under Section 162(m) of the Code with respect to persons whose compensation is subject to Section 162(m) of the Code; and

(o) make all other determinations necessary or advisable for the administration of this Plan.

4.2 Committee Interpretation and Discretion. Any determination made by the Committee with respect to any Award shall be made in its sole discretion at the time of grant of the Award or, unless in contravention of any express term of the Plan or Award, at any later time, and such determination shall be final and binding on the Company and all persons having an interest in any Award under the Plan. Any dispute regarding the interpretation of the Plan or any Award Agreement shall be submitted by the Participant or Company to the Committee for review. The resolution of such a dispute by the Committee shall be final and binding on the Company and the Participant. The Committee may delegate to one or more executive officers the authority to review and resolve disputes with respect to Awards held by Participants who are not Insiders, and such resolution shall be final and binding on the Company and the Participant.

4.3 Section 162(m) of the Code and Section 16 of the Exchange Act. When necessary or desirable for an Award to qualify as “performance-based compensation” under Section 162(m) of the Code the Committee shall include at least two persons who are “outside directors” (as defined under Section 162(m) of the Code) and at least two (or a majority if more than two then serve on the Committee) such “outside directors” shall approve the grant of such Award and timely determine (as applicable) the Performance Period and any Performance Factors upon which vesting or settlement of any portion of such Award is to be subject. When required by Section 162(m) of the Code, prior to settlement of any such Award at least two (or a majority if more than two then serve on the Committee) such “outside directors” then serving on the Committee shall determine and certify in writing the extent to which such Performance Factors have been timely achieved and the extent to which the Shares subject to such Award have thereby been earned. Awards granted to Participants who are subject to Section 16 of the Exchange Act must be approved by two or more “non-employee directors” (as defined in the regulations promulgated under Section 16 of the Exchange Act). With respect to Participants whose

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compensation is subject to Section 162(m) of the Code, and provided that such adjustments are consistent with the regulations promulgated under Section 162(m) of the Code, the Committee may adjust the performance goals to account for changes in law and accounting and to make such adjustments as the Committee deems necessary or appropriate to reflect the impact of extraordinary or unusual items, events or circumstances to avoid windfalls or hardships, including without limitation (i) restructurings, discontinued operations, extraordinary items, and other unusual or non-recurring charges, (ii) an event either not directly related to the operations of the Company or not within the reasonable control of the Company’s management, or (iii) a change in accounting standards required by generally accepted accounting principles.

4.4 Documentation. The Award Agreement for a given Award, the Plan and any other documents may be delivered to, and accepted by, a Participant or any other person in any manner (including electronic distribution or posting) that meets applicable legal requirements.

5. OPTIONS. The Committee may grant Options to Participants and will determine whether such Options will be Incentive Stock Options within the meaning of the Code (“*ISOs*”) or Nonqualified Stock Options (“*NQSOs*”), the number of Shares subject to the Option, the Exercise Price of the Option, the period during which the Option may vest and be exercised, and all other terms and conditions of the Option, subject to the following:

5.1 Option Grant. Each Option granted under this Plan will identify the Option as an ISO or an NQSO. An Option may be, but need not be, awarded upon satisfaction of such Performance Factors during any Performance Period as are set out in advance in the Participant’s individual Award Agreement. If the Option is being earned upon the satisfaction of Performance Factors, then the Committee will: (x) determine the nature, length and starting date of any Performance Period for each Option; and (y) select from among the Performance Factors to be used to measure the performance, if any. Performance Periods may overlap and Participants may participate simultaneously with respect to Options that are subject to different performance goals and other criteria.

5.2 Date of Grant. The date of grant of an Option will be the date on which the Committee makes the determination to grant such Option, or a specified future date. The Award Agreement and a copy of this Plan will be delivered to the Participant within a reasonable time after the granting of the

Option.

5.3 Exercise Period. Options may be vested and exercisable within the times or upon the conditions as set forth in the Award Agreement governing such Option; provided, however, that no Option will be exercisable after the expiration of ten (10) years from the date the Option is granted; and provided further that no ISO granted to a person who, at the time the ISO is granted, directly or by attribution owns more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or of any Parent or Subsidiary of the Company ("**Ten Percent Stockholder**") will be exercisable after the expiration of five (5) years from the date the ISO is granted. The Committee also may provide for Options to become exercisable at one time or from time to time, periodically or otherwise, in such number of Shares or percentage of Shares as the Committee determines.

5.4 Exercise Price. The Exercise Price of an Option will be determined by the Committee when the Option is granted; provided that: (i) the Exercise Price of an ISO will be not less than one hundred percent (100%) of the Fair Market Value of the Shares on the date of grant and (ii) the Exercise Price of any ISO granted to a Ten Percent Stockholder will not be less than one hundred ten percent (110%) of the Fair Market Value of the Shares on the date of grant. Payment for the Shares purchased may be made in accordance with Section 11 and the Award Agreement and in accordance with any procedures established by the Company. The Exercise Price of a NQSO may not be less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant.

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5.5 Method of Exercise. Any Option granted hereunder will be vested and exercisable according to the terms of the Plan and at such times and under such conditions as determined by the Committee and set forth in the Award Agreement. An Option may not be exercised for a fraction of a Share. An Option will be deemed exercised when the Company receives: (i) notice of exercise (in such form as the Committee may specify from time to time) from the person entitled to exercise the Option, and (ii) full payment for the Shares with respect to which the Option is exercised (together with applicable withholding taxes). Full payment may consist of any consideration and method of payment authorized by the Committee and permitted by the Award Agreement and the Plan. Shares issued upon exercise of an Option will be issued in the name of the Participant. Until the Shares are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder will exist with respect to the Shares, notwithstanding the exercise of the Option. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 2.6 of the Plan. Exercising an Option in any manner will decrease the number of Shares thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

5.6 Termination. The exercise of an Option will be subject to the following (except as may be otherwise provided in an Award Agreement):

(a) If the Participant is Terminated for any reason except for Cause or the Participant's death or Disability, then the Participant may exercise such Participant's Options only to the extent that such Options would have been exercisable by the Participant on the Termination Date no later than three (3) months after the Termination Date (or such shorter time period or longer time period not exceeding five (5) years as may be determined by the Committee, with any exercise beyond three (3) months after the Termination Date deemed to be the exercise of an NQSO), but in any event no later than the expiration date of the Options.

(b) If the Participant is Terminated because of the Participant's death (or the Participant dies within three (3) months after a Termination other than for Cause or because of the Participant's Disability), then the Participant's Options may be exercised only to the extent that such Options would have been exercisable by the Participant on the Termination Date and must be exercised by the Participant's legal representative, or authorized assignee, no later than twelve (12) months after the Termination Date (or such shorter time period not less than six (6) months or longer time period not exceeding five (5) years as may be determined by the Committee), but in any event no later than the expiration date of the Options.

(c) If the Participant is Terminated because of the Participant's Disability, then the Participant's Options may be exercised only to the extent that such Options would have been exercisable by the Participant on the Termination Date and must be exercised by the Participant (or the Participant's legal representative or authorized assignee) no later than twelve (12) months after the Termination Date (with any exercise beyond (a) three (3) months after the Termination Date when the Termination is for a Disability that is not a "permanent and total disability" as defined in Section 22(e)(3) of the Code, or (b) twelve (12) months after the Termination Date when the Termination is for a Disability that is a "permanent and total disability" as defined in Section 22(e)(3) of the Code, deemed to be exercise of an NQSO), but in any event no later than the expiration date of the Options.

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(d) If the Participant is terminated for Cause, then Participant's Options shall expire on such Participant's Termination Date, or at such later time and on such conditions as are determined by the Committee, but in any no event later than the expiration date of the Options. Unless otherwise provided in the Award Agreement, Cause will have the meaning as set forth in the Plan.

5.7 Limitations on Exercise. The Committee may specify a minimum number of Shares that may be purchased on any exercise of an Option, provided that such minimum number will not prevent any Participant from exercising the Option for the full number of Shares for which it is then exercisable.

5.8 Limitations on ISOs. With respect to Awards granted as ISOs, to the extent that the aggregate Fair Market Value of the Shares with respect to which such ISOs are exercisable for the first time by the Participant during any calendar year (under all plans of the Company and any Parent or Subsidiary) exceeds one hundred thousand dollars (\$100,000), such Options will be treated as NQSOs. For purposes of this Section 5.8, ISOs will be taken into account in the order in which they were granted. The Fair Market Value of the Shares will be determined as of the time the Option with respect to such Shares is granted. In the event that the Code or the regulations promulgated thereunder are amended after the Effective Date to provide for a different limit on the Fair Market Value of Shares permitted to be subject to ISOs, such different limit will be automatically incorporated herein and will apply to any Options granted after the effective date of such amendment.

5.9 Modification, Extension or Renewal. The Committee may modify, extend or renew outstanding Options and authorize the grant of new Options in substitution therefor, provided that any such action may not, without the written consent of a Participant, materially impair any of such Participant's rights under any Option previously granted. Any outstanding ISO that is modified, extended, renewed or otherwise altered will be treated in accordance with Section 424(h) of the Code. Subject to Section 18 of this Plan, by written notice to affected Participants, the Committee may reduce the

Exercise Price of outstanding Options without the consent of such Participants; provided, however, that the Exercise Price may not be reduced below the Fair Market Value on the date the action is taken to reduce the Exercise Price.

5.10 No Disqualification. Notwithstanding any other provision in this Plan, no term of this Plan relating to ISOs will be interpreted, amended or altered, nor will any discretion or authority granted under this Plan be exercised, so as to disqualify this Plan under Section 422 of the Code or, without the consent of the Participant affected, to disqualify any ISO under Section 422 of the Code.

6. RESTRICTED STOCK AWARDS.

6.1 Awards of Restricted Stock. A Restricted Stock Award is an offer by the Company to sell to a Participant Shares that are subject to restrictions (“*Restricted Stock*”). The Committee will determine to whom an offer will be made, the number of Shares the Participant may purchase, the Purchase Price, the restrictions under which the Shares will be subject and all other terms and conditions of the Restricted Stock Award, subject to the Plan.

6.2 Restricted Stock Purchase Agreement. All purchases under a Restricted Stock Award will be evidenced by an Award Agreement. Except as may otherwise be provided in an Award Agreement, a Participant accepts a Restricted Stock Award by signing and delivering to the Company an Award Agreement with full payment of the Purchase Price, within thirty (30) days from the date the Award Agreement was delivered to the Participant. If the Participant does not accept such Award within thirty (30) days, then the offer of such Restricted Stock Award will terminate, unless the Committee determines otherwise.

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6.3 Purchase Price. The Purchase Price for a Restricted Stock Award will be determined by the Committee and may be less than Fair Market Value on the date the Restricted Stock Award is granted. Payment of the Purchase Price must be made in accordance with Section 11 of the Plan, and the Award Agreement and in accordance with any procedures established by the Company.

6.4 Terms of Restricted Stock Awards. Restricted Stock Awards will be subject to such restrictions as the Committee may impose or are required by law. These restrictions may be based on completion of a specified number of years of service with the Company or upon completion of Performance Factors, if any, during any Performance Period as set out in advance in the Participant’s Award Agreement. Prior to the grant of a Restricted Stock Award, the Committee shall: (a) determine the nature, length and starting date of any Performance Period for the Restricted Stock Award; (b) select from among the Performance Factors to be used to measure performance goals, if any; and (c) determine the number of Shares that may be awarded to the Participant. Performance Periods may overlap and a Participant may participate simultaneously with respect to Restricted Stock Awards that are subject to different Performance Periods and having different performance goals and other criteria.

6.5 Termination of Participant. Except as may be set forth in the Participant’s Award Agreement, vesting ceases on such Participant’s Termination Date (unless determined otherwise by the Committee).

7. STOCK BONUS AWARDS.

7.1 Awards of Stock Bonuses. A Stock Bonus Award is an award to an eligible person of Shares for services to be rendered or for past services already rendered to the Company or any Parent or Subsidiary. All Stock Bonus Awards shall be made pursuant to an Award Agreement. No payment from the Participant will be required for Shares awarded pursuant to a Stock Bonus Award.

7.2 Terms of Stock Bonus Awards. The Committee will determine the number of Shares to be awarded to the Participant under a Stock Bonus Award and any restrictions thereon. These restrictions may be based upon completion of a specified number of years of service with the Company or upon satisfaction of performance goals based on Performance Factors during any Performance Period as set out in advance in the Participant’s Stock Bonus Agreement. Prior to the grant of any Stock Bonus Award the Committee shall: (a) determine the nature, length and starting date of any Performance Period for the Stock Bonus Award; (b) select from among the Performance Factors to be used to measure performance goals; and (c) determine the number of Shares that may be awarded to the Participant. Performance Periods may overlap and a Participant may participate simultaneously with respect to Stock Bonus Awards that are subject to different Performance Periods and different performance goals and other criteria.

7.3 Form of Payment to Participant. Payment may be made in the form of cash, whole Shares, or a combination thereof, based on the Fair Market Value of the Shares earned under a Stock Bonus Award on the date of payment, as determined in the sole discretion of the Committee.

7.4 Termination of Participation. Except as may be set forth in the Participant’s Award Agreement, vesting ceases on such Participant’s Termination Date (unless determined otherwise by the Committee).

8. STOCK APPRECIATION RIGHTS.

8.1 Awards of SARs. A Stock Appreciation Right (“*SAR*”) is an award to a Participant that may be settled in cash, or Shares (which may consist of Restricted Stock), having a value

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equal to (a) the difference between the Fair Market Value on the date of exercise over the Exercise Price multiplied by (b) the number of Shares with respect to which the SAR is being settled (subject to any maximum number of Shares that may be issuable as specified in an Award Agreement). All SARs shall be made pursuant to an Award Agreement.

8.2 Terms of SARs. The Committee will determine the terms of each SAR including, without limitation: (a) the number of Shares subject to the SAR; (b) the Exercise Price and the time or times during which the SAR may be settled; (c) the consideration to be distributed on settlement of the SAR; and (d) the effect of the Participant’s Termination on each SAR. The Exercise Price of the SAR will be determined by the Committee when the SAR is granted, and may not be less than Fair Market Value. A SAR may be awarded upon satisfaction of Performance Factors, if any, during any Performance Period as are set out in advance in the Participant’s individual Award Agreement. If the SAR is being earned upon the satisfaction of Performance Factors, then the

Committee will: (x) determine the nature, length and starting date of any Performance Period for each SAR; and (y) select from among the Performance Factors to be used to measure the performance, if any. Performance Periods may overlap and Participants may participate simultaneously with respect to SARs that are subject to different Performance Factors and other criteria.

8.3 Exercise Period and Expiration Date. A SAR will be exercisable within the times or upon the occurrence of events determined by the Committee and set forth in the Award Agreement governing such SAR. The SAR Agreement shall set forth the expiration date; provided that no SAR will be exercisable after the expiration of ten (10) years from the date the SAR is granted. The Committee may also provide for SARs to become exercisable at one time or from time to time, periodically or otherwise (including, without limitation, upon the attainment during a Performance Period of performance goals based on Performance Factors), in such number of Shares or percentage of the Shares subject to the SAR as the Committee determines. Except as may be set forth in the Participant's Award Agreement, vesting ceases on such Participant's Termination Date (unless determined otherwise by the Committee). Notwithstanding the foregoing, the rules of Section 5.6 also will apply to SARs.

8.4 Form of Settlement. Upon exercise of a SAR, a Participant will be entitled to receive payment from the Company in an amount determined by multiplying (i) the difference between the Fair Market Value of a Share on the date of exercise over the Exercise Price; times (ii) the number of Shares with respect to which the SAR is exercised. At the discretion of the Committee, the payment from the Company for the SAR exercise may be in cash, in Shares of equivalent value, or in some combination thereof. The portion of a SAR being settled may be paid currently or on a deferred basis with such interest or dividend equivalent, if any, as the Committee determines, provided that the terms of the SAR and any deferral satisfy the requirements of Section 409A of the Code.

8.5 Termination of Participation. Except as may be set forth in the Participant's Award Agreement, vesting ceases on such Participant's Termination Date (unless determined otherwise by the Committee).

9. RESTRICTED STOCK UNITS.

9.1 Awards of Restricted Stock Units. A Restricted Stock Unit ("**RSU**") is an award to a Participant covering a number of Shares that may be settled in cash, or by issuance of those Shares (which may consist of Restricted Stock). All RSUs shall be made pursuant to an Award Agreement.

9.2 Terms of RSUs. The Committee will determine the terms of an RSU including, without limitation: (a) the number of Shares subject to the RSU; (b) the time or times during which the RSU may be settled; (c) the consideration to be distributed on settlement; and (d) the effect of the

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Participant's Termination on each RSU. An RSU may be awarded upon satisfaction of such performance goals based on Performance Factors during any Performance Period as are set out in advance in the Participant's Award Agreement. If the RSU is being earned upon satisfaction of Performance Factors, then the Committee will: (x) determine the nature, length and starting date of any Performance Period for the RSU; (y) select from among the Performance Factors to be used to measure the performance, if any; and (z) determine the number of Shares deemed subject to the RSU. Performance Periods may overlap and participants may participate simultaneously with respect to RSUs that are subject to different Performance Periods and different performance goals and other criteria.

9.3 Form and Timing of Settlement. Payment of earned RSUs shall be made as soon as practicable after the date(s) determined by the Committee and set forth in the Award Agreement. The Committee, in its sole discretion, may settle earned RSUs in cash, Shares, or a combination of both. The Committee may also permit a Participant to defer payment under a RSU to a date or dates after the RSU is earned provided that the terms of the RSU and any deferral satisfy the requirements of Section 409A of the Code.

9.4 Termination of Participant. Except as may be set forth in the Participant's Award Agreement, vesting ceases on such Participant's Termination Date (unless determined otherwise by the Committee).

10. PERFORMANCE AWARDS.

10.1 Performance Awards. A Performance Award is an award to a Participant of a cash bonus or a Performance Share bonus. Grants of Performance Awards shall be made pursuant to an Award Agreement.

10.2 Terms of Performance Awards. The Committee will determine, and each Award Agreement shall set forth, the terms of each award of Performance Award including, without limitation: (a) the amount of any cash bonus; (b) the number of Shares deemed subject to a Performance Share bonus; (c) the Performance Factors and Performance Period that shall determine the time and extent to which each Performance Award shall be settled; (d) the consideration to be distributed on settlement; and (e) the effect of the Participant's Termination on each Performance Award. In establishing Performance Factors and the Performance Period the Committee will: (x) determine the nature, length and starting date of any Performance Period; and (y) select from among the Performance Factors to be used. Prior to settlement the Committee shall determine the extent to which Performance Awards have been earned. Performance Periods may overlap and Participants may participate simultaneously with respect to Performance Awards that are subject to different Performance Periods and different performance goals and other criteria. No Participant will be eligible to receive more than \$10,000,000 in Performance Awards in any calendar year under this Plan.

10.3 Value, Earning and Timing of Performance Shares. Any Performance Share bonus will have an initial value equal to the Fair Market Value of a Share on the date of grant. After the applicable Performance Period has ended, the holder of a Performance Share bonus will be entitled to receive a payout of the number of Shares earned by the Participant over the Performance Period, to be determined as a function of the extent to which the corresponding Performance Factors or other vesting provisions have been achieved. The Committee, in its sole discretion, may pay an earned Performance Share bonus in the form of cash, in Shares (which have an aggregate Fair Market Value equal to the value of the earned Performance Shares at the close of the applicable Performance Period) or in a combination thereof. Performance Share bonuses may also be settled in Restricted Stock.

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10.4 Termination of Participant. Except as may be set forth in the Participant's Award Agreement, vesting ceases on such Participant's Termination Date (unless determined otherwise by the Committee).

11. PAYMENT FOR SHARE PURCHASES.

Payment from a Participant for Shares purchased pursuant to this Plan may be made in cash or by check or, where expressly approved for the Participant by the Committee and where permitted by law (and to the extent not otherwise set forth in the applicable Award Agreement):

(a) by cancellation of indebtedness of the Company to the Participant;

(b) by surrender of shares of the Company held by the Participant that have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which said Award will be exercised or settled;

(c) by waiver of compensation due or accrued to the Participant for services rendered or to be rendered to the Company or a Parent or Subsidiary of the Company;

(d) by consideration received by the Company pursuant to a broker-assisted or other form of cashless exercise program implemented by the Company in connection with the Plan;

(e) by any combination of the foregoing; or

(f) by any other method of payment as is permitted by applicable law.

12. GRANTS TO NON-EMPLOYEE DIRECTORS.

12.1 Types of Awards. Non-Employee Directors are eligible to receive any type of Award offered under this Plan except ISOs. Awards pursuant to this Section 12 may be automatically made pursuant to policy adopted by the Board, or made from time to time as determined in the discretion of the Board.

12.2 Eligibility. Awards pursuant to this Section 12 shall be granted only to Non-Employee Directors. A Non-Employee Director who is elected or re-elected as a member of the Board will be eligible to receive an Award under this Section 12.

12.3 Vesting, Exercisability and Settlement. Except as set forth in Section 21, Awards shall vest, become exercisable and be settled as determined by the Board. With respect to Options and SARs, the exercise price granted to Non-Employee Directors shall not be less than the Fair Market Value of the Shares at the time that such Option or SAR is granted.

13. WITHHOLDING TAXES.

13.1 Withholding Generally. Whenever Shares are to be issued in satisfaction of Awards granted under this Plan, the Company may require the Participant to remit to the Company, or to the Parent or Subsidiary employing the Participant, an amount sufficient to satisfy applicable U.S. federal, state, local and international withholding tax requirements or any other tax liability legally due from the Participant prior to the delivery of Shares pursuant to exercise or settlement of any Award. Whenever payments in satisfaction of Awards granted under this Plan are to be made in cash, such payment will be net of an amount sufficient to satisfy applicable U.S. federal, state, local and international withholding tax

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requirements or any other tax liability legally due from the Participant. The Fair Market Value of the Shares will be determined as of the date that the taxes are required to be withheld and such Shares will be valued based on the value of the actual trade or, if there is none, the Fair Market Value of the Shares as of the previous trading day in the case of the settlement of an RSU and for all other awards, the Fair Market Value of the Shares as of the current trading day.

13.2 Stock Withholding. At the election of the Committee and without further consent from Participant, upon the vesting of any Award, the Company will either (1) retain and cancel or (2) sell pursuant to a "sell to cover" mandatory sale arranged by the Company (on Participant's behalf), that number of Shares having an aggregate Fair Market Value equal to the minimum amount the Company is required to withhold for income and employment tax purposes with respect to the Award. The Fair Market Value of the Shares to be withheld or delivered will be determined as of the date that the taxes are required to be withheld.

14. TRANSFERABILITY.

14.1 Transfer Generally. Unless determined otherwise by the Committee, an Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution. If the Committee makes an Award transferable, including, without limitation, by instrument to an inter vivos or testamentary trust in which the Awards are to be passed to beneficiaries upon the death of the trustor (settlor) or by gift to a Permitted Transferee, such Award will contain such additional terms and conditions as the Administrator deems appropriate.

14.2 Award Transfer Program. Notwithstanding any contrary provision of the Plan, the Committee shall have all discretion and authority to determine and implement the terms and conditions of any Award Transfer Program instituted pursuant to this Section 14.2 and shall have the authority to amend the terms of any Award participating, or otherwise eligible to participate in, the Award Transfer Program, including (but not limited to) the authority to (i) amend (including to extend) the expiration date, post-termination exercise period and/or forfeiture conditions of any such Award, (ii) amend or remove any provisions of the Award relating to the Award holder's continued service to the Company or its Parent or Subsidiary, (iii) amend the permissible payment methods with respect to the exercise or purchase of any such Award, (iv) amend the adjustments to be implemented in the event of changes in the capitalization and other similar events with respect to such Award, and (v) make such other changes to the terms of such Award as the Committee deems necessary or appropriate in its sole discretion.

15. PRIVILEGES OF STOCK OWNERSHIP; RESTRICTIONS ON SHARES.

15.1 **Voting and Dividends.** No Participant will have any of the rights of a stockholder with respect to any Shares until the Shares are issued to the Participant. After Shares are issued to the Participant, the Participant will be a stockholder and have all the rights of a stockholder with respect to such Shares, including the right to vote and receive all dividends or other distributions made or paid with respect to such Shares; provided, that if such Shares are Restricted Stock, then any new, additional or different securities the Participant may become entitled to receive with respect to such Shares by virtue of a stock dividend, stock split or any other change in the corporate or capital structure of the Company will be subject to the same restrictions as the Restricted Stock; provided, further, that the Participant will have no right to retain such stock dividends or stock distributions with respect to Shares that are repurchased at the Participant's Purchase Price or Exercise Price, as the case may be, pursuant to Section 15.2.

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15.2 **Restrictions on Shares.** At the discretion of the Committee, the Company may reserve to itself and/or its assignee(s) a right to repurchase (a "**Right of Repurchase**") a portion of any or all Unvested Shares held by a Participant following such Participant's Termination at any time within ninety (90) days after the later of the Participant's Termination Date and the date the Participant purchases Shares under this Plan, for cash and/or cancellation of purchase money indebtedness, at the Participant's Purchase Price or Exercise Price, as the case may be.

16. **CERTIFICATES.** All certificates for Shares or other securities delivered under this Plan will be subject to such stock transfer orders, legends and other restrictions as the Committee may deem necessary or advisable, including restrictions under any applicable U.S. federal, state or foreign securities law, or any rules, regulations and other requirements of the SEC or any stock exchange or automated quotation system upon which the Shares may be listed or quoted and any non-U.S. exchange controls or securities law restrictions to which the Shares are subject.

17. **ESCROW; PLEDGE OF SHARES.** To enforce any restrictions on a Participant's Shares, the Committee may require the Participant to deposit all certificates representing Shares, together with stock powers or other instruments of transfer approved by the Committee, appropriately endorsed in blank, with the Company or an agent designated by the Company to hold in escrow until such restrictions have lapsed or terminated, and the Committee may cause a legend or legends referencing such restrictions to be placed on the certificates. Any Participant who is permitted to execute a promissory note as partial or full consideration for the purchase of Shares under this Plan will be required to pledge and deposit with the Company all or part of the Shares so purchased as collateral to secure the payment of the Participant's obligation to the Company under the promissory note; provided, however, that the Committee may require or accept other or additional forms of collateral to secure the payment of such obligation and, in any event, the Company will have full recourse against the Participant under the promissory note notwithstanding any pledge of the Participant's Shares or other collateral. In connection with any pledge of the Shares, the Participant will be required to execute and deliver a written pledge agreement in such form as the Committee will from time to time approve. The Shares purchased with the promissory note may be released from the pledge on a pro rata basis as the promissory note is paid.

18. **REPRICING; EXCHANGE AND BUYOUT OF AWARDS.** Without prior stockholder approval the Committee may (i) reprice Options or SARS (and where such repricing is a reduction in the Exercise Price of outstanding Options or SARS, the consent of the affected Participants is not required provided written notice is provided to them, notwithstanding any adverse tax consequences to them arising from the repricing), and (ii) with the consent of the respective Participants (unless not required pursuant to Section 5.9 of the Plan), pay cash or issue new Awards in exchange for the surrender and cancellation of any, or all, outstanding Awards.

19. **SECURITIES LAW AND OTHER REGULATORY COMPLIANCE.** An Award will not be effective unless such Award is in compliance with all applicable U.S. federal and state securities laws, rules and regulations of any governmental body, and the requirements of any stock exchange or automated quotation system upon which the Shares may then be listed or quoted, as they are in effect on the date of grant of the Award and also on the date of exercise or other issuance. Notwithstanding any other provision in this Plan, the Company will have no obligation to issue or deliver certificates for Shares under this Plan prior to: (a) obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and/or (b) completion of any registration or other qualification of such Shares under any state or federal or foreign law or ruling of any governmental body that the Company determines to be necessary or advisable. The Company will be under no obligation to register the Shares with the SEC or to effect compliance with the registration, qualification or listing requirements of any state securities laws, stock exchange or automated quotation system, and the Company will have no liability for any inability or failure to do so.

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20. **NO OBLIGATION TO EMPLOY.** Nothing in this Plan or any Award granted under this Plan will confer or be deemed to confer on any Participant any right to continue in the employ of, or to continue any other relationship with, the Company or any Parent or Subsidiary of the Company or limit in any way the right of the Company or any Parent or Subsidiary of the Company to terminate Participant's employment or other relationship at any time.

21. **CORPORATE TRANSACTIONS.**

21.1 **Assumption or Replacement of Awards by Successor.** In the event of a Corporate Transaction any or all outstanding Awards may be assumed or replaced by the successor corporation, which assumption or replacement shall be binding on all Participants. In the alternative, the successor corporation may substitute equivalent Awards or provide substantially similar consideration to Participants as was provided to stockholders (after taking into account the existing provisions of the Awards). The successor corporation may also issue, in place of outstanding Shares of the Company held by the Participant, substantially similar shares or other property subject to repurchase restrictions no less favorable to the Participant. In the event such successor or acquiring corporation (if any) refuses to assume, convert, replace or substitute Awards, as provided above, pursuant to a Corporate Transaction, then notwithstanding any other provision in this Plan to the contrary, such Awards shall have their vesting accelerate as to all shares subject to such Award (and any applicable right of repurchase fully lapse) immediately prior to the Corporate Transaction. In addition, in the event such successor or acquiring corporation (if any) refuses to assume, convert, replace or substitute Awards, as provided above, pursuant to a Corporate Transaction, the Committee will notify the Participant in writing or electronically that such Award will be exercisable for a period of time determined by the Committee in its sole discretion, and such Award will terminate upon the expiration of such period. Awards need not be treated similarly in a Corporate Transaction.

21.2 **Assumption of Awards by the Company.** The Company, from time to time, also may substitute or assume outstanding awards granted by another company, whether in connection with an acquisition of such other company or otherwise, by either; (a) granting an Award under this Plan in substitution of such other company's award; or (b) assuming such award as if it had been granted under this Plan if the terms of such assumed award could be applied to an Award granted under this Plan. Such substitution or assumption will be permissible if the holder of the substituted or assumed award would have

been eligible to be granted an Award under this Plan if the other company had applied the rules of this Plan to such grant. In the event the Company assumes an award granted by another company, the terms and conditions of such award will remain unchanged (except that the Purchase Price or the Exercise Price, as the case may be, and the number and nature of Shares issuable upon exercise or settlement of any such Award will be adjusted appropriately pursuant to Section 424(a) of the Code). In the event the Company elects to grant a new Option in substitution rather than assuming an existing option, such new Option may be granted with a similarly adjusted Exercise Price. Substitute Awards shall not reduce the number of Shares authorized for grant under the Plan or authorized for grant to a Participant in any calendar year.

21.3 Non-Employee Directors' Awards. Notwithstanding any provision to the contrary herein, in the event of a Corporate Transaction, the vesting of all Awards granted to Non-Employee Directors shall accelerate and such Awards shall become exercisable (as applicable) in full prior to the consummation of such event at such times and on such conditions as the Committee determines.

22. ADOPTION AND STOCKHOLDER APPROVAL. This Plan shall be submitted for the approval of the Company's stockholders, consistent with applicable laws, within twelve (12) months before or after the date this Plan is adopted by the Board.

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23. TERM OF PLAN/GOVERNING LAW. Unless earlier terminated as provided herein, this Plan will become effective on the day prior to the Effective Date and will terminate ten (10) years from the date this Plan is adopted by the Board. This Plan and all Awards granted hereunder shall be governed by and construed in accordance with the laws of the State of Delaware (excluding its conflict of law rules).

24. AMENDMENT OR TERMINATION OF PLAN. The Board may at any time terminate or amend this Plan in any respect, including, without limitation, amendment of any form of Award Agreement or instrument to be executed pursuant to this Plan; provided, however, that the Board will not, without the approval of the stockholders of the Company, amend this Plan in any manner that requires such stockholder approval.

25. NONEXCLUSIVITY OF THE PLAN. Neither the adoption of this Plan by the Board, the submission of this Plan to the stockholders of the Company for approval, nor any provision of this Plan will be construed as creating any limitations on the power of the Board to adopt such additional compensation arrangements as it may deem desirable, including, without limitation, the granting of stock awards and bonuses otherwise than under this Plan, and such arrangements may be either generally applicable or applicable only in specific cases.

26. INSIDER TRADING POLICY. Each Participant who receives an Award shall comply with any policy adopted by the Company from time to time covering transactions in the Company's securities by Employees, officers and/or directors of the Company.

27. DEFINITIONS. As used in this Plan, and except as elsewhere defined herein, the following terms will have the following meanings:

"**Award**" means any award under the Plan, including any Option, Restricted Stock, Stock Bonus, Stock Appreciation Right, Restricted Stock Unit or award of Performance Shares.

"**Award Agreement**" means, with respect to each Award, the written or electronic agreement between the Company and the Participant setting forth the terms and conditions of the Award, which shall be in substantially a form (which need not be the same for each Participant) that the Committee has from time to time approved, and will comply with and be subject to the terms and conditions of this Plan.

"**Award Transfer Program**" means any program instituted by the Committee which would permit Participants the opportunity to transfer any outstanding Awards to a financial institution or other person or entity approved by the Committee.

"**Board**" means the Board of Directors of the Company.

"**Cause**" means (a) the commission of an act of theft, embezzlement, fraud, dishonesty, (b) a breach of fiduciary duty to the Company or a Parent or Subsidiary, or (c) a failure to materially perform the customary duties of Employee's employment.

"**Code**" means the United States Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

"**Committee**" means the Compensation Committee of the Board or those persons to whom administration of the Plan, or part of the Plan, has been delegated as permitted by law.

"**Common Stock**" means the common stock of the Company.

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"**Company**" means Silver Spring Networks, Inc., or any successor corporation.

"**Consultant**" means any person, including an advisor or independent contractor, engaged by the Company or a Parent or Subsidiary to render services to such entity.

"**Corporate Transaction**" means the occurrence of any of the following events: (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 fifty percent (50%) or more of the total voting power represented by the Company's then-outstanding voting securities; (ii) the consummation of the sale or disposition by the Company of all or substantially all of the Company's assets; (iii) the consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation or (iv) any other transaction which qualifies as a "corporate transaction" under Section 424(a) of

the Code wherein the stockholders of the Company give up all of their equity interest in the Company (except for the acquisition, sale or transfer of all or substantially all of the outstanding shares of the Company).

“**Director**” means a member of the Board.

“**Disability**” means in the case of incentive stock options, total and permanent disability as defined in Section 22(e)(3) of the Code and in the case of other Awards, that the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months.

“**Effective Date**” means the date of the underwritten initial public offering of the Company’s Common Stock pursuant to a registration statement that is declared effective by the SEC.

“**Employee**” means any person, including Officers and Directors, employed by the Company or any Parent or Subsidiary of the Company. Neither service as a Director nor payment of a director’s fee by the Company will be sufficient to constitute “employment” by the Company.

“**Exchange Act**” means the United States Securities Exchange Act of 1934, as amended.

“**Exchange Program**” means a program pursuant to which outstanding Awards are surrendered, cancelled or exchanged for cash, the same type of Award or a different Award (or combination thereof).

“**Exercise Price**” means, with respect to an Option, the price at which a holder may purchase the Shares issuable upon exercise of an Option and with respect to a SAR, the price at which the SAR is granted to the holder thereof.

“**Fair Market Value**” means, as of any date, the value of a share of the Company’s Common Stock determined as follows:

(a) if such Common Stock is publicly traded and is then listed on a national securities exchange, its closing price on the date of determination on the principal national securities exchange on which the Common Stock is listed or admitted to trading as reported in *The Wall Street Journal*;

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(b) if such Common Stock is publicly traded but is neither listed nor admitted to trading on a national securities exchange, the average of the closing bid and asked prices on the date of determination as reported in *The Wall Street Journal*;

(c) in the case of an Option or SAR grant made on the Effective Date, the price per share at which shares of the Company’s Common Stock are initially offered for sale to the public by the Company’s underwriters in the initial public offering of the Company’s Common Stock pursuant to a registration statement filed with the SEC under the Securities Act; or

(d) if none of the foregoing is applicable, by the Board or the Committee in good faith.

“**Insider**” means an officer or director of the Company or any other person whose transactions in the Company’s Common Stock are subject to Section 16 of the Exchange Act.

“**Non-Employee Director**” means a Director who is not an Employee of the Company or any Parent or Subsidiary.

“**Option**” means an award of an option to purchase Shares pursuant to Section 5.

“**Parent**” means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if each of such corporations other than the Company owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“**Participant**” means a person who holds an Award under this Plan.

“**Performance Award**” means cash or stock granted pursuant to Section 10 or Section 12 of the Plan.

“**Performance Factors**” means any of the factors selected by the Committee and specified in an Award Agreement, from among the following objective measures, either individually, alternatively or in any combination, applied to the Company as a whole or any business unit or Subsidiary, either individually, alternatively, or in any combination, on a GAAP or non-GAAP basis, and measured, to the extent applicable on an absolute basis or relative to a pre-established target, to determine whether the performance goals established by the Committee with respect to applicable Awards have been satisfied:

- (a) Profit Before Tax;
- (b) Billings;
- (c) Revenue;
- (d) Net revenue;
- (e) Earnings (which may include earnings before interest and taxes, earnings before taxes, and net earnings);
- (f) Operating income;
- (g) Operating margin;

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- (h) Operating profit;
 - (i) Controllable operating profit, or net operating profit;
 - (j) Net Profit;
 - (k) Gross margin;
 - (l) Operating expenses or operating expenses as a percentage of revenue;
 - (m) Net income;
 - (n) Earnings per share;
 - (o) Total stockholder return;
 - (p) Market share;
 - (q) Return on assets or net assets;
 - (r) The Company's stock price;
 - (s) Growth in stockholder value relative to a pre-determined index;
 - (t) Return on equity;
 - (u) Return on invested capital;
 - (v) Cash Flow (including free cash flow or operating cash flows)
 - (w) Cash conversion cycle;
 - (x) Economic value added;
 - (y) Individual confidential business objectives;
 - (z) Contract awards or backlog;
 - (aa) Overhead or other expense reduction;
 - (bb) Credit rating;
 - (cc) Strategic plan development and implementation;
 - (dd) Succession plan development and implementation;
 - (ee) Improvement in workforce diversity;
 - (ff) Customer indicators;
 - (gg) New product invention or innovation;

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- (hh) Attainment of research and development milestones;
 - (ii) Improvements in productivity;
 - (jj) Bookings; and
 - (kk) Attainment of objective operating goals and employee metrics.

The Committee may, in recognition of unusual or non-recurring items such as acquisition-related activities or changes in applicable accounting rules, provide for one or more equitable adjustments (based on objective standards) to the Performance Factors to preserve the Committee's original intent regarding the Performance Factors at the time of the initial award grant. It is within the sole discretion of the Committee to make or not make any such equitable adjustments.

"Performance Period" means the period of service determined by the Committee, not to exceed five (5) years, during which years of service or performance is to be measured for the Award.

“Performance Share” means a performance share bonus granted as a Performance Award.

“Permitted Transferee” means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law (including adoptive relationships) of the Employee, any person sharing the Employee’s household (other than a tenant or employee), a trust in which these persons (or the Employee) have more than 50% of the beneficial interest, a foundation in which these persons (or the Employee) control the management of assets, and any other entity in which these persons (or the Employee) own more than 50% of the voting interests

“Plan” means this Silver Spring Networks, Inc. 2012 Equity Incentive Plan.

“Purchase Price” means the price to be paid for Shares acquired under the Plan, other than Shares acquired upon exercise of an Option or SAR.

“Restricted Stock Award” means an award of Shares pursuant to Section 6 or Section 12 of the Plan, or issued pursuant to the early exercise of an Option.

“Restricted Stock Unit” means an Award granted pursuant to Section 9 or Section 12 of the Plan.

“SEC” means the United States Securities and Exchange Commission.

“Securities Act” means the United States Securities Act of 1933, as amended.

“Shares” means shares of the Company’s Common Stock and the common stock of any successor security.

“Stock Appreciation Right” means an Award granted pursuant to Section 8 or Section 12 of the Plan.

“Stock Bonus” means an Award granted pursuant to Section 7 or Section 12 of the Plan.

“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 fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“Termination” or **“Terminated”** means, for purposes of this Plan with respect to a Participant, that the Participant has for any reason ceased to provide services as an employee, officer, director, consultant, independent contractor or advisor to the Company or a Parent or Subsidiary of the Company. An employee will not be deemed to have ceased to provide services in the case of (i) sick leave, (ii) military leave, or (iii) any other leave of absence approved by the Committee; provided, that such leave is for a period of not more than 90 days, unless reemployment upon the expiration of such leave is guaranteed by contract or statute or unless provided otherwise pursuant to formal policy adopted from time to time by the Company and issued and promulgated to employees in writing. In the case of any employee on an approved leave of absence, the Committee may make such provisions respecting suspension of vesting of the Award while on leave from the employ of the Company or a Parent or Subsidiary of the Company as it may deem appropriate, except that in no event may an Award be exercised after the expiration of the term set forth in the applicable Award Agreement. An employee shall have terminated employment as of the date he or she ceases to be employed (regardless of whether the termination is in breach of local laws or is later found to be invalid) and employment shall not be extended by any notice period or garden leave mandated by local law. The Committee will have sole discretion to determine whether a Participant has ceased to provide services for purposes of the Plan and the effective date on which the Participant ceased to provide services (the **“Termination Date”**).

“Unvested Shares” means Shares that have not yet vested or are subject to a right of repurchase in favor of the Company (or any successor thereto).

SILVER SPRING NETWORKS, INC.
NOTICE OF INDUCEMENT STOCK OPTION GRANT
GRANT NUMBER: %%OPTION_NUMBER%-%

Name: %%FIRST_NAME%-% %%LAST_NAME%-%

You (“*Optionee*”) have been granted an option (the “*Option*”) to purchase shares of the common stock of Silver Spring Networks, Inc. (the “*Company*”) subject to the terms and conditions of this Notice of Inducement Stock Option Grant and your Inducement Stock Option Agreement (together the “*Agreement*”). The Option has not been granted under the Company’s 2012 Equity Incentive Plan (the “*Plan*”); however, the Agreement references certain provisions in the Plan, and unless otherwise defined in this Notice or the Agreement, capitalized terms shall have the meanings ascribed to them in the Plan.

Date of Grant: %%OPTION_DATE,'Month DD, YYYY'%-%

Vesting Commencement Date: %%VEST_BASE_DATE,'Month DD, YYYY'%-%

Exercise Price per Share: %%OPTION_PRICE,'\$999,999,999.99'%-%

Total Number of Shares: %%TOTAL_SHARES_GRANTED,'999,999,999'%-%

Type of Option: Non-Qualified Stock Option

Expiration Date: %%EXPIRE_DATE_PERIOD1,'Month DD, YYYY'%-%

Post-Termination Exercise Period Termination for Cause = None Termination without Cause = 3 Months
 Voluntary Termination = 3 Months
 Disability = 12 Months Death = 12 Months

Vesting Schedule Subject to the limitations set forth in this Notice and the Agreement, and independent of the provisions of Section 11 of the Agreement, the Option will vest and may be exercised, in whole or in part, in accordance with the following schedule: 25% of the shares shall vest on the first anniversary of the Vesting Commencement Date and the remaining shares shall vest thereafter in 36 equal monthly installments until fully vested four years from the Vesting Commencement Date (subject to the Optionee’s remaining in continual service as an employee of the Company and as further described in the Agreement).

Notwithstanding anything to the contrary in the foregoing, the Option shall also be subject to the following acceleration benefits:

(a) Termination Other Than in Connection with a Change of Control. Subject to the terms of that certain offer letter agreement by and between the Company and Optionee, dated March 2, 2017 (the “Offer Letter”), including if Optionee is entitled to Separation Compensation (as defined in the Offer Letter), when Optionee is subject to Termination without Cause or upon Optionee’s Constructive Termination (in each case, as defined in the Offer Letter), and such termination does not occur within the period beginning two months prior to and ending twelve months following a Change of Control (as defined in the Offer Letter), then the number of shares subject to the Option that would have vested on the first anniversary of the date that Optionee’s employment terminates, shall automatically vest and be exercisable.

(b) Termination in Connection with a Change of Control. Subject to the terms of the Offer Letter, including if Optionee is entitled to Separation Compensation, when Optionee is subject to Termination without Cause or upon Optionee’s Constructive Termination, and such termination occurs within the period beginning two months prior to and ending twelve months following a Change of Control, then 100% of the then unvested shares subject to the Option at the time of the consummation of the Change of Control shall vest and be exercisable.

Provided further, that, in each case of the foregoing, the acceleration of such shares subject to the Option shall be effective as of immediately prior to the Optionee’s Termination.

You understand that unless otherwise provided in an employment agreement, your employment or consulting relationship or service with the Company or one of its Subsidiaries is for an unspecified duration, can be terminated at any time, and that nothing in this Notice or the Agreement changes the nature of that relationship. You acknowledge that the vesting of the Options pursuant to this Notice is earned only by continuing service as an Employee, Director or Consultant of the Company or any Subsidiary. You also understand that this Notice is subject to the terms and conditions of the Agreement, which are incorporated herein by reference. You have read the Agreement.

OPTIONEE: **SILVER SPRING NETWORKS, INC.:**

By: /s/ Michael Bell
Its: President and CEO

SILVER SPRING NETWORKS, INC.

INDUCEMENT STOCK OPTION AGREEMENT

Optionee has been granted an option (the “**Option**”) to purchase shares of common stock (“**Shares**”) of Silver Spring Networks, Inc. (the “**Company**”), subject to the terms and conditions of the Notice of Inducement Stock Option Grant (the “**Notice**”) and this Inducement Stock Option Agreement (“**Agreement**”). The Option has not been granted under the Company’s 2012 Equity Incentive Plan (the “**Plan**”), however, the Agreement references certain provisions in the Plan, and unless otherwise defined in the Notice or Agreement, capitalized terms shall have the meanings ascribed to them in the Plan.

1. **Vesting Rights.** Subject to the applicable provisions of the Notice and this Agreement, this Option may be exercised, in whole or in part, in accordance with the schedule set forth in the Notice.

2. **Termination Period.**

(a) **General Rule.** Except as provided below, and subject to the Notice, this Option may be exercised for 3 months after Termination of Optionee’s employment with the Company or any Subsidiary. In no event shall this Option be exercised later than the Expiration Date set forth in the Notice.

(b) **Death; Disability.** Unless provided otherwise in the Notice, upon the Termination of Optionee’s service to the Company or any Subsidiary by reason of his or her Disability or death, or if Optionee dies within three months of the Termination Date, this Option may be exercised for twelve months, provided that in no event shall this Option be exercised later than the Expiration Date set forth in the Notice.

(c) **Cause.** Upon the Termination of Optionee’s employment by the Company or any Subsidiary for Cause, the Option shall expire on such date of Optionee’s Termination Date.

3. **Grant of Option.**

(a) **Basic Terms.** Optionee named in the Notice has been granted an Option for the number of Shares set forth in the Notice at the Exercise Price per Share set forth in the Notice (the “**Exercise Price**”).

(b) **Adjustment of Shares.** The Exercise Price of the Option and the number of Shares subject to the Option will be proportionally adjusted to reflect any stock split, reverse stock split or similar change in the capital structure of the Company occurring after the Grant Date in the same manner as adjustments are made as set forth in Section 2.6 of the Plan.

4. **Exercise of Option.**

(a) **Right to Exercise.** This Option is exercisable during its term in accordance with the Vesting Schedule set forth in the Notice and the applicable provisions of the Notice and this Agreement. In the event of Optionee’s death, Disability, Termination for Cause or other Termination, the exercisability of the Option is governed by the applicable provisions of the Notice and this Agreement.

(b) **Method of Exercise.** This Option is exercisable by delivery of an exercise notice (the “**Exercise Notice**”), which shall state the election to exercise the Option, the number of Shares in respect of which the Option is being exercised (the “**Exercised Shares**”), and such other representations and agreements as may be required by the Company. The Exercise Notice shall be delivered in person, by mail, via electronic mail or facsimile or by other authorized method to the Secretary of the Company or other person designated

by the Company. The Exercise Notice shall be accompanied by payment of the aggregate Exercise Price and any Tax-Related Items (defined in Section 8) withholding amounts as to all Exercised Shares. This Option shall be deemed to be exercised upon receipt by the Company of such fully executed Exercise Notice accompanied by such aggregate Exercise Price and any Tax-Related Items (defined in Section 8) withholding amounts and no Shares shall be issued until such receipt.

(c) **Securities Laws.** No Shares shall be issued pursuant to the exercise of this Option unless such issuance and exercise complies with all relevant provisions of securities laws, other applicable laws and the requirements of any stock exchange or quotation service upon which the Shares are then listed. Assuming such compliance, for income tax purposes the Exercised Shares shall be considered transferred to Optionee on the date the Option is exercised with respect to such Exercised Shares.

5. **Method of Payment.** Payment of the aggregate Exercise Price shall be by any of the following, or a combination thereof, at the election of Optionee:

(a) cash;

(b) check;

- (c) a “broker-assisted” or “same-day sale” (as described in Section 11(d) of the Plan); or
- (d) other method authorized by the Company.

6. Restrictions.

(a) Non-Transferability of Option. This Option may not be transferred in any manner other than by will or by the laws of descent or distribution or court order and may be exercised during the lifetime of Optionee only by Optionee unless otherwise permitted by the Committee on a case-by-case basis. The terms of the Notice and this Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of Optionee.

(b) Voting and Dividends. Optionee will not have any of the rights of a stockholder with respect to any Shares until the Shares are issued to the Optionee. After Shares are issued to the Optionee, the Optionee will be a stockholder and have all the rights of a stockholder with respect to such Shares, including the right to vote and receive all dividends or other distributions made or paid with respect to such Shares.

(c) Certificates. All certificates for Shares will be subject to such stock transfer orders, legends and other restrictions as the Committee may deem necessary or advisable, including restrictions under any applicable federal, state or foreign securities law, or any rules, regulations and other requirements of the Securities and Exchange Commission (“SEC”) or any stock exchange or automated quotation system upon which the Shares may be listed or quoted.

(d) Insider Trading Policy. Optionee shall comply with any policy adopted by the Company from time to time covering transactions in the Company’s securities by employees, officers and/or directors of the Company.

7. Term of Option. Unless otherwise subject to earlier termination, this Option shall in any event expire on the expiration date set forth in the Notice of Stock Option Grant, which date is 10 years after the Date of Grant.

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8. Responsibility for Taxes. Regardless of any action the Company or Optionee’s employer, if different, (the “**Employer**”) takes with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax related items related to Optionee’s Option or participation in the Plan and legally applicable to Optionee (“**Tax-Related Items**”), Optionee acknowledges that the ultimate liability for all Tax-Related Items is and remains Optionee’s responsibility and may exceed the amount actually withheld by the Company or the Employer. Optionee further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax- Related Items in connection with any aspect of the Option, including, but not limited to, the grant, vesting or exercise of the Option, the subsequent sale of Shares acquired pursuant to such exercise and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Option to reduce or eliminate Optionee’s liability for Tax-Related Items or achieve any particular tax result. Further, if Optionee has become subject to tax in more than one jurisdiction between the Date of Grant and the date of any relevant taxable or tax withholding event, as applicable, Optionee acknowledges that the Company 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.

Prior to the relevant taxable or tax withholding event, as applicable, Optionee will pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax- Related Items. In this regard, Optionee authorizes the Company and/or the Employer, or their respective agents, at the discretion of the Committee, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

- (a) withholding from Optionee’s wages or other cash compensation paid to Optionee by the Company and/or the Employer;
- (b) withholding from proceeds of the sale of Shares acquired at exercise of the Option either through a voluntary sale or through a mandatory sale arranged by the Company (on Optionee’s behalf pursuant to this authorization);
- (c) withholding in Shares to be issued to Optionee upon the exercise of the Option; or
- (d) any other arrangement approved by the Company.

Finally, Optionee shall pay to the Company or the Employer any amount of Tax- Related Items that the Company or the Employer may be required to withhold or account for as a result of Optionee’s grant of the Option that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if Optionee fails to comply with Optionee’s obligations in connection with the Tax-Related Items.

9. Tax Consequences. Some of the U.S. federal tax consequences relating to this Option, as of the date of this Option, are set forth below. THIS SUMMARY IS NECESSARILY INCOMPLETE, AND THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. OPTIONEE SHOULD CONSULT A TAX ADVISER BEFORE EXERCISING THIS OPTION OR DISPOSING OF THE SHARES.

(a) Exercising the Nonqualified Stock Option. Optionee may incur U.S. federal ordinary income tax liability upon exercise of a non-qualified stock option (“NSO”). Optionee will be treated as having received compensation income (taxable at ordinary income tax rates) equal to the excess, if any, of the Fair Market Value of the Exercised Shares on the date of exercise over their aggregate Exercise Price. If Optionee is an Employee or a former Employee, the Company will be required to withhold from his compensation an amount equal to the minimum amount the Company is required to withhold for income and employment taxes or collect from Optionee and pay to the applicable taxing authorities an amount in cash equal to a percentage of this compensation income at the time of exercise, and may refuse to honor the exercise and refuse to deliver Shares if such withholding amounts are not delivered at the time of exercise.

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(b) **Disposition of NSO Shares.** If Optionee holds NSO Shares for at least one year, any gain realized on disposition of the Shares will be treated as long-term capital gain for federal income tax purposes.

10. **Acknowledgement.** The Company and Optionee agree that the Option is granted under and governed by the Notice and this Agreement. Optionee: (i) represents that Optionee has carefully read and is familiar with the provisions contained therein and herein, and (ii) hereby accepts the Option subject to all of the terms and conditions set forth therein and herein.

11. **Corporate Transactions.** In the event of a Corporate Transaction the Option may be assumed or replaced by the successor corporation, which assumption or replacement shall be binding on Optionee. In the alternative, the successor corporation may substitute equivalent Awards or provide substantially similar consideration to Optionee as was provided to stockholders (after taking into account the existing provisions of the Option). The successor corporation may also issue, in place of outstanding Shares of the Company held by the Optionee, substantially similar shares or other property subject to repurchase restrictions no less favorable to the Optionee. In the event such successor or acquiring corporation (if any) refuses to assume, convert, replace or substitute the Option, as provided above, pursuant to a Corporate Transaction, then notwithstanding any other provision in this Plan to the contrary, the Option shall have its vesting accelerate as to all shares subject to the Option (and any applicable right of repurchase fully lapse) immediately prior to the Corporate Transaction. In addition, in the event such successor or acquiring corporation (if any) refuses to assume, convert, replace or substitute the Option, as provided above, pursuant to a Corporate Transaction, the Committee will notify the Optionee in writing or electronically that the Option will be exercisable for a period of time determined by the Committee in its sole discretion, and the Option will terminate upon the expiration of such period.

12. **Entire Agreement; Enforcement of Rights.** This Agreement and the Notice, and the Plan with respect to definitions, constitute the entire agreement and understanding of the parties relating to the subject matter herein and supersede all prior discussions between them. Any prior agreements, commitments or negotiations concerning the purchase of the Shares hereunder are superseded. The Committee may at any time amend the Notice, this Agreement or the Plan in any respect, provided, however, that the Committee will not, without the approval of the Optionee, amend the Notice, this Agreement or the Plan in any manner that impairs the rights of Optionee. Other than modifications or amendments to the Notice, this Agreement or the Plan covered by the foregoing sentence, no modification of or amendment to the Notice, this Agreement or the Plan, nor any waiver of any rights under the Notice, this Agreement or the Plan, shall be effective unless in writing and signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

13. **Compliance with Laws and Regulations.** The issuance of Shares will be subject to and conditioned upon compliance by the Company and Optionee with all applicable local, foreign, state and federal laws and regulations and with all applicable requirements of any exchange control authority and stock exchange or automated quotation system on which the Company's Shares may be listed or quoted at the time of such issuance or transfer.

14. **Governing Law; Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms. This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of California, without giving effect to principles of conflicts of law.

For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant or the Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of California and agree that such litigation shall be conducted only in the courts of San Mateo, California, or the federal courts for the United States for the Northern District of California and no other courts, where this grant is made and/or to be performed.

15. **No Rights as Employee, Director or Consultant.** Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a Parent or Subsidiary of the Company, to terminate Optionee's service, for any reason, with or without cause.

16. **Nature of Grant.** In accepting the Option, Optionee acknowledges, understands and agrees that:

(a) Optionee was not previously an employee or director of the Company or any Parent or Subsidiary of the Company or Optionee has not previously provided services to the Company as an employee or director, without subsequently completing a period of bona fide non-employment by the Company, and any Parent or Subsidiary of the Company.

(b) the grant of the Option is voluntary and occasional and does not create any contractual or other right to receive future grants of options, or benefits in lieu of options, even if options have been granted repeatedly in the past;

(c) all decisions with respect to future option grants, if any, will be at the sole discretion of the Company;

(d) Optionee's receipt of this Option or exercise of any Shares subject to the Option will not be interpreted to form an employment or service contract or relationship with the Company or any Subsidiary, shall not create a right to further employment with the Employer and shall not interfere with the ability of the Employer to terminate Optionee's employment or service relationship (if any) at any time;

(e) the Option and any Shares acquired under the Plan are extraordinary items that do not constitute compensation of any kind for services of any kind rendered to the Company or the Employer, and which is outside the scope of Optionee's employment or service contract, if any;

(f) the future value of the Shares underlying the Option is unknown and cannot be predicted with certainty;

(g) if the underlying Shares do not increase in value, the Option will have no value;

(h) if Optionee exercises the Option and acquires Shares, the value of such Shares may increase or decrease in value, even below the Exercise Price; and

(i) no claim or entitlement to compensation or damages shall arise from forfeiture of the Option resulting from Termination of Optionee's employment by the Company or the Employer (for any reason whatsoever and whether or not in breach of local labor laws) and in consideration of the grant of the Option to which Optionee is otherwise not entitled, Optionee irrevocably agrees never to institute any claim against the Company or the Employer, waives Optionee's ability, if any, to bring any such claim, and releases the Company and the Employer from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by receiving and accepting the Option grant, Optionee shall be deemed irrevocably to have agreed not to pursue such claim and agrees to execute any and all documents necessary to request dismissal or withdrawal of such claims.

17. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial

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advice, nor is the Company making any recommendations regarding Optionee's receipt of or interests with respect to the Option grant, or Optionee's acquisition or sale of the underlying Shares. Optionee is hereby advised to consult with Optionee's own personal tax, legal and financial advisors regarding the Option grant before taking any action related to the Option grant.

18. **Electronic Delivery.** The Company may, in its sole discretion, decide to deliver by electronic means any documents, including prospectuses required by the SEC, financial reports of the Company, other documents that the Company is required to deliver to its security holders (including, without limitation, annual reports and proxy statements) and other communications or information, related to this Agreement. Optionee hereby consents to receive such documents by electronic delivery and agrees to the administration of the Option grant through an on-line or electronic system established and maintained by the Company or a third party designated by the Company. Optionee acknowledges that Optionee may receive from the Company a paper copy of any documents delivered electronically at no cost if Optionee contacts the Company. Optionee further acknowledges that Optionee will be provided with a paper copy of any documents delivered electronically if electronic delivery fails. Optionee understands that Optionee must provide on request to the Company or any designated third party a paper copy of any documents delivered electronically if electronic delivery fails. Optionee understands that Optionee's consent may be revoked or changed, including any change in the electronic mail address to which documents are delivered (if Optionee has provided an electronic mail address) at any time by notifying the Company of such revised or revoked consent. Finally, Optionee understands that Optionee has consented to electronic delivery under this Section 18 even though Optionee is not required to consent to electronic delivery.

19. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on the Option and on any Shares purchased upon exercise of the Option, to the extent the Company determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Option, and to require Optionee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

* * * * *

By Optionee's signature and the signature of the Company's representative on the Notice, Optionee and the Company agree that this Option is granted under and governed by the terms and conditions of the Notice and this Agreement. Optionee has reviewed the Notice and this Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing the Notice, and fully understands all provisions of the Notice and this Agreement. Optionee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Notice and the Agreement. Optionee further agrees to notify the Company upon any change in the residence address indicated on the Notice.

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SILVER SPRING NETWORKS, INC.

NOTICE OF INDUCEMENT RESTRICTED STOCK UNIT AWARD
 GRANT NUMBER: %%OPTION_NUMBER%-%

Silver Spring Networks, Inc. (the “*Company*”) has granted you (“*Grantee*”) an award of Inducement Restricted Stock Units (“*RSUs*”) subject to this Notice of Inducement Restricted Stock Unit Award (the “*Notice*”) and the attached Inducement Restricted Stock Unit Award Agreement (the “*Agreement*”). The RSUs have not been granted under the Company’s 2012 Equity Incentive Plan (the “*Plan*”); however, the Notice and Agreement reference certain provisions in the Plan, and unless otherwise defined in the Notice or the Agreement, capitalized terms shall have the meanings ascribed to them in the Plan.

Name: %%FIRST_NAME%-% %%LAST_NAME%-%

You, the Grantee, have been granted an award of RSUs subject to the terms and conditions of this Notice and the attached Agreement.

Number of RSUs: %%TOTAL_SHARES_GRANTED,'999,999,999'%-%

Date of Grant: %%OPTION_DATE,'Month DD, YYYY'%-%

Vesting Commencement Date: %%VEST_BASE_DATE,'Month DD, YYYY'%-%

Expiration Date: The date on which settlement of all RSUs granted hereunder occurs, with earlier expiration upon the Termination Date.

Vesting Schedule: Subject to the limitations set forth in this Notice and the Agreement, the RSUs will vest in accordance with the following schedule: that the RSUs shall not be vested with respect to any of the shares as of the Date of Grant, and that the RSUs shall vest as to 1/4th of the RSUs on the one-year anniversary of the Vesting Commencement Date, and as to an additional 1/16th of the RSUs on each quarterly anniversary of the RSU Vesting Commencement Date, so long as the Grantee continues to be employed or provide services to the Company or any of its subsidiaries as set forth in the Agreement, and upon the termination of the Grantee’s employment with, or arrangements to provide services to, the Company, all unvested RSUs will expire.

Notwithstanding anything to the contrary in the foregoing, the RSUs shall also be subject to the following acceleration benefits:

(a) Termination Other Than in Connection with a Change of Control.
 Subject to the terms of that certain offer letter agreement by and between the Company and Grantee, dated March 2, 2017 (the “*Offer Letter*”), including if Grantee is entitled to Separation Compensation (as defined in the Offer Letter), when Grantee is subject to Termination without Cause or upon Grantee’s Constructive Termination (in each case, as defined in the Offer Letter) and such termination does not occur within the period beginning two months prior to and ending twelve months following a Change of Control (as defined in the Offer Letter), then the number of shares subject to the RSUs that would have vested on the first anniversary of the date that Grantee’s employment terminates, shall automatically vest and settle.

(b) Termination in Connection with a Change of Control. Subject to the terms of the Offer Letter, including if Grantee is entitled to Separation

Compensation, when Grantee is subject to Termination without Cause or upon Grantee’s Constructive Termination and such termination occurs within the period beginning two months prior to and ending twelve months following a Change of Control, then 100% of the then unvested shares subject to the RSUs at the time of the consummation of the Change of Control shall automatically vest as of the date Ms. Fallon’s employment terminates.

Provided further, that, in each case of the foregoing, the acceleration of such shares subject to the RSUs shall be effective as of immediately prior to the Grantee’s Termination.

You understand that your employment or consulting relationship or service with the Company is for an unspecified duration, can be terminated at any time (i.e., is “at-will”), and that nothing in this Notice or the Agreement changes the at-will nature of that relationship. You acknowledge that the vesting of the RSUs pursuant to this Notice is earned only by continuing service as an Employee, Director or Consultant of the Company. You also understand that this Notice is subject to the terms and conditions of the Agreement, which is incorporated herein by reference. You have read the Agreement.

GRANTEE

SILVER SPRING NETWORKS, INC.

By: /s/ Michael Bell

Print Name: /s/ %%FIRST_NAME%-% %%LAST_NAME%-%

Its: President & CEO

SILVER SPRING NETWORKS, INC.
INDUCEMENT RESTRICTED STOCK UNIT AWARD AGREEMENT

Grantee has been granted Restricted Stock Units (“**RSUs**”) subject to the terms, restrictions and conditions of the Notice of Inducement Restricted Stock Unit Award (the “**Notice**”) and this Agreement. The RSUs have not been granted under the Silver Spring Networks, Inc. (the “**Company**”) 2012 Equity Incentive Plan (the “**Plan**”); however, this Agreement references certain provisions in the Plan, and unless otherwise defined in the Notice or this Agreement, capitalized terms shall have the meanings ascribed to them in the Plan.

1. **Settlement.** Settlement of RSUs shall be made within 30 days following the applicable date of vesting under the vesting schedule set forth in the Notice. Settlement of RSUs shall be in Shares.
2. **No Stockholder Rights.** Unless and until such time as Shares are issued in settlement of vested RSUs, Grantee shall have no ownership of the Shares allocated to the RSUs and shall have no right dividends or to vote such Shares.
3. **Dividend Equivalents.** Dividends, if any (whether in cash or Shares), shall not be credited to Grantee.
4. **Adjustment of Shares.** The number of Shares subject to the RSUs will be proportionally adjusted to reflect any stock split, reverse stock split or similar change in the capital structure of the Company occurring after the Date of Grant in the same manner as adjustments are made as set forth in Section 2.6 of the Plan.
5. **Restrictions.**
 - (a) **Non-Transferability.** The RSUs and any interest therein shall not be sold, assigned, transferred, pledged, hypothecated, or otherwise disposed of.
 - (b) **Certificates.** All certificates for Shares will be subject to such stock transfer orders, legends and other restrictions as the Committee may deem necessary or advisable, including restrictions under any applicable federal, state or foreign securities law, or any rules, regulations and other requirements of the Securities and Exchange Commission (“**SEC**”) or any stock exchange or automated quotation system upon which the Shares may be listed or quoted.
 - (c) **Insider Trading Policy.** Grantee shall comply with any policy adopted by the Company from time to time covering transactions in the Company’s securities by employees, officers and/or directors of the Company.
6. **Termination.** If Grantee’s service Terminates for any reason, all unvested RSUs shall be forfeited to the Company forthwith, and all rights of Grantee to such RSUs shall immediately terminate. In case of any dispute as to whether Termination has occurred, the Committee shall have sole discretion to determine whether such Termination has occurred and the effective date of such Termination.
7. **U.S. Tax Consequences.** Grantee acknowledges that there will be tax consequences upon settlement of the RSUs or disposition of the Shares, if any, received in connection therewith, and Grantee should consult a tax adviser regarding Grantee’s tax obligations prior to such settlement or disposition. Upon vesting of the RSU, Grantee will include in income the fair market value of the Shares subject to the RSU. The included amount will be treated as ordinary income by Grantee and will be subject to withholding by the Company when required by applicable law. Upon disposition of the Shares, any subsequent increase or decrease in value will be treated as short-term or long-term capital gain or loss, depending on whether the Shares are held for more than one year from the date of settlement. Further, an RSU may be considered a deferral of compensation that may be subject to Section 409A of the Code. Section 409A of the Code imposes special rules to the timing of making and effecting certain amendments of this RSU with respect to distribution of any deferred compensation. You

should consult your personal tax advisor for more information on the actual and potential tax consequences of this RSU.

8. **Acknowledgement.** The Company and Grantee agree that the RSUs are granted under and governed by the Notice and this Agreement. Grantee: (i) represents that grantee has carefully read and is familiar with their provisions, and (ii) hereby accepts the RSUs subject to all of the terms and conditions set forth herein and those set forth in the Notice.
9. **Entire Agreement; Enforcement of Rights.** This Agreement and the Notice, and the Plan with respect to definitions, constitute the entire agreement and understanding of the parties relating to the subject matter herein and supersede all prior discussions between them. Any prior agreements, commitments or negotiations concerning the purchase of the Shares hereunder are superseded. The Committee may at any time amend the Notice, this Agreement or the Plan in any respect, provided, however, that the Committee will not, without the approval of the Grantee, amend the Notice, this Agreement or the Plan in any manner that impairs the rights of Grantee. Other than modifications or amendments to the Notice, this Agreement or the Plan covered by the foregoing sentence, no modification of or amendment to the Notice, this Agreement, or the Plan, nor any waiver of any rights under the Notice, this Agreement, or the Plan, shall be effective unless in writing and signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.
10. **Compliance with Laws and Regulations.** The issuance of Shares will be subject to and conditioned upon compliance by the Company and Grantee with all applicable state and federal laws and regulations and with all applicable requirements of any stock exchange or automated quotation system on which the Company’s Common Stock may be listed or quoted at the time of such issuance or transfer.
11. **Governing Law; Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms. This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of California, without giving effect to principles of conflicts of law.

12. **Corporate Transactions.** In the event of a Corporate Transaction the RSUs may be assumed or replaced by the successor corporation, which assumption or replacement shall be binding on Grantee. In the alternative, the successor corporation may substitute equivalent RSUs or provide substantially similar consideration to Grantee as was provided to stockholders (after taking into account the existing provisions of the RSUs). The successor corporation may also issue, in place of outstanding Shares of the Company held by the Grantee, substantially similar shares or other property subject to repurchase restrictions no less favorable to the Grantee. In the event such successor or acquiring corporation (if any) refuses to assume, convert, replace or substitute the RSUs, as provided above, pursuant to a Corporate Transaction, then notwithstanding any other provision in the Plan to the contrary, the RSUs shall have its vesting accelerate as to all shares subject to the RSUs (and any applicable right of repurchase fully lapse) immediately prior to the Corporate Transaction. In addition, in the event such successor or acquiring corporation (if any) refuses to assume, convert, replace or substitute RSUs, as provided above, pursuant to a Corporate Transaction, the Committee will notify the Grantee in writing.

13. **No Rights as Employee, Director or Consultant.** Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a Parent or Subsidiary of the Company, to terminate Grantee's service, for any reason, with or without cause.

14. **RSUs Subject to Clawback.** Grantee understands and agrees that, notwithstanding any provisions in

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this Agreement, the Company may recover, or require reimbursement of, this grant of RSUs, any Shares issued upon settlement of the RSUs, and any proceeds from the sale of such Shares, pursuant to a clawback policy which may be adopted by the Board of Directors of the Company for the purpose of complying with current or proposed U.S. law or regulation.

By Grantee's signature and the signature of the Company's representative on the Notice, Grantee and the Company agree that this RSU is granted under and governed by the terms and conditions of the Notice and this Agreement. Grantee has reviewed the Notice and this Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Agreement, and fully understands all provisions of the Notice and this Agreement. Grantee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Notice and this Agreement. Grantee further agrees to notify the Company upon any change in Grantee's residence address.

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SILVER SPRING NETWORKS, INC.
NOTICE OF INDUCEMENT PERFORMANCE STOCK UNIT AWARD
GRANT NUMBER: %%OPTION_NUMBER%-%

Silver Spring Networks, Inc. (the “*Company*”) has granted you (“*Grantee*”) an award of Inducement Performance Stock Units (“*PSUs*”) subject to this Notice of Inducement Performance Stock Unit Award (the “*Notice*”) and the attached Inducement Performance Stock Unit Award Agreement (the “*Agreement*”). The PSUs have not been granted under the Company’s 2012 Equity Incentive Plan (the “*Plan*”); however, the Notice and the Agreement reference certain provisions in the Plan, and unless otherwise defined in the Notice or the Agreement, capitalized terms shall have the meanings ascribed to them in the Plan.

You, the Grantee, have been granted an award of PSUs subject to the terms and conditions of this Notice and the attached Agreement.

Name: %%FIRST_NAME%- %LAST_NAME%-

Number of PSUs: Up to a maximum of 26,000 Shares (“*Target Number of PSUs*”)

Date of Grant: May 10, 2017 (“*Date of Grant*”)

Performance Period: January 1, 2017 through December 31, 2017

Determination of Number of PSUs: The number of PSUs that Grantee will be eligible to vest and which shall remain subject to the vesting schedule set forth below (the “*Earned PSU Shares*”) shall be determined by the Committee on the Certification Date by multiplying (i) Grantee’s Target Number of PSUs by (ii) the Performance Multiplier (as defined below).

The Committee will determine applicable performance multiplier (the “*Performance Multiplier*”) based on the matrix set forth in the resolutions of the Compensation Committee of the Board of Directors approved on May 9, 2017 (the “*Performance Goal*”).

As soon as possible after the completion of the Performance Period, the Committee shall determine and certify in writing (the “*Certification*,” and the date of such certification, the “*Certification Date*”) the extent to which the Performance Goal has been achieved for the Performance Period, the resulting Performance Multiplier and the resulting number of Earned PSU Shares that are eligible to vest after the Certification Date pursuant to the vesting schedule set forth below. Except in the event of a Change of Control (as described below), no PSUs shall become Earned PSU Shares that are eligible to vest until the Certification Date.

Vesting Commencement Date: May 10, 2017

Expiration Date: The date on which settlement of all PSUs granted hereunder occurs, with earlier expiration upon the Termination Date or the Certification Date, as applicable.

The PSUs shall be forfeited and cancelled in the event that the achievement of the threshold Performance Goal is not achieved, subject to earlier termination as provided herein and the attached Agreement.

Vesting Schedule: Except as set forth in Section 6 of the Agreement, so long as Ms. Fallon continues to provide services to the Company or any of its subsidiaries on each applicable vesting date, and subject to the prior Certification of the achievement of the threshold Performance Goal as set forth above, the Earned PSU Shares (if any) shall vest as to (i) 1/3rd of the total number of Earned PSU Shares on the one-year anniversary of the Date of Grant; provided, however, that if the Certification Date has not occurred prior to such one-year anniversary, then on the Certification Date; (ii) 1/3rd of the total number of Earned PSU Shares on the two-year anniversary of the Date of Grant and (iii) 1/3rd of the total number of Earned PSU Shares on the three-year anniversary of the Date of Grant.

Change of Control: Notwithstanding anything to the contrary set forth in Grantee’s offer letter agreement with the Company (the “*Offer Letter*”), if a Change of Control (as such term is defined in the Offer Letter) occurs during the Performance Period and Grantee continues to provide services to the Company or any of its subsidiaries as of the closing of such Change of Control, then 100% of the Target Number of PSUs shall be deemed to have been earned as of the closing of such Change of Control and shall time-based vest in accordance with the Vesting Schedule set forth above

subject to Grantee's continued service to the Company or any of its subsidiaries (or a successor or an acquiring corporation) on each applicable vesting date, except as may otherwise be provided in Section 6 the Agreement. Notwithstanding the foregoing, in the event of a Change of Control during the Performance Period in which a successor or acquiring corporation (if any) refuses to assume, convert, replace or substitute the PSUs pursuant to such Change of Control (and such Change of Control also constitutes a Corporate Transaction (as defined in the Plan)), 100% of the Target Number of PSUs that shall have been

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deemed earned will vest in full immediately prior to the closing of such transaction.

You understand that unless otherwise provided in an employment agreement, your employment or consulting relationship or service with the Company or one of its Subsidiaries is for an unspecified duration, can be terminated at any time, and that nothing in this Notice or the Agreement changes the nature of that relationship. You acknowledge that the vesting of the PSUs pursuant to this Notice and Agreement is earned only upon the applicable certification of attainment of the requisite performance targets enumerated above and by continuing service as an Employee, Director or Consultant. You also understand that this Notice is subject to the terms and conditions of the Agreement, which is incorporated herein by reference. You have read the Agreement.

GRANTEE

SILVER SPRING NETWORKS, INC

By: /s/ Michael Bell

Print Name: %%FIRST_NAME%- %%LAST_NAME%-

Its: President & CEO

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**SILVER SPRING NETWORKS, INC.
INDUCEMENT PERFORMANCE STOCK UNIT AWARD AGREEMENT**

Grantee has been granted Performance Stock Units ("**PSUs**") subject to the terms, restrictions and conditions of the Notice of Inducement Performance Stock Unit Award (the "**Notice**") and this Inducement Performance Stock Unit Award Agreement (the "**Agreement**"). The PSUs have not been granted under the Silver Spring Networks, Inc. (the "**Company**") 2012 Equity Incentive Plan (the "**Plan**"); however, this Agreement references certain provisions in the Plan, and unless otherwise defined in the Notice or this Agreement, capitalized terms shall have the meanings ascribed to them in the Plan.

- 1. Settlement.** Settlement of PSUs shall be made within 30 days following the applicable date of vesting under the vesting schedule set forth in the Notice. Settlement of PSUs shall be in Shares.
- 2. No Stockholder Rights.** Unless and until such time as Shares are issued in settlement of vested PSUs, Grantee shall have no ownership of the Shares allocated to the PSUs and shall have no right to dividends or to vote such Shares.
- 3. Dividend Equivalents.** Dividends, if any (whether in cash or Shares), shall not be credited to Grantee.
- 4. Adjustment of Shares.** The number of Shares subject to the PSUs will be proportionally adjusted to reflect any stock split, reverse stock split or similar change in the capital structure of the Company occurring after the Date of Grant in the same manner as adjustments are made as set forth in Section 2.6 of the Plan.
- 5. Restrictions.**
 - (a) Non-Transferability.** The PSUs and any interest therein shall not be sold, assigned, transferred, pledged, hypothecated, or otherwise disposed of.
 - (b) Certificates.** All certificates for Shares will be subject to such stock transfer orders, legends and other restrictions as the Committee may deem necessary or advisable, including restrictions under any applicable federal, state or foreign securities law, or any rules, regulations and other requirements of the Securities and Exchange Commission ("**SEC**") or any stock exchange or automated quotation system upon which the Shares may be listed or quoted.
 - (c) Insider Trading Policy.** Grantee shall comply with any policy adopted by the Company from time to time covering transactions in the Company's securities by employees, officers and/or directors of the Company.
- 6. Termination.** If Grantee's service is Terminated for any reason, all unvested PSUs shall be forfeited to the Company forthwith, and all rights of Grantee to such PSUs shall immediately terminate. In case of any dispute as to whether Termination has occurred, the Committee shall have sole discretion to determine whether such Termination has occurred and the effective date of such Termination.
- 7. Responsibility for Taxes.** Regardless of any action the Company or Grantee's employer, if different, (the "**Employer**") takes with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to Grantee's PSUs and legally applicable to Grantee ("**Tax-Related Items**"), Grantee acknowledges that the ultimate liability for all Tax-Related Items is and remains Grantee's responsibility and may exceed the amount actually withheld by the Company or the Employer. Grantee further acknowledges that the Company 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 PSU, including, but not limited to, the

grant, vesting or settlement of the PSU, the issuance of Shares upon settlement of the PSU, the subsequent sale of Shares acquired pursuant to such issuance and the receipt of any dividends; and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the PSU to reduce or eliminate Grantee's liability for Tax-Related Items or achieve any particular tax result. Further, if Grantee has become subject to tax in more than one jurisdiction between the Date of Grant and the date of any relevant taxable or tax withholding event, as applicable, Grantee acknowledges that the Company 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.

Prior to any relevant taxable or tax withholding event, as applicable, Grantee will pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Grantee

authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following: (i) withholding from Grantee's wages or other cash compensation paid to Grantee by the Company and/or the Employer; or (ii) withholding from proceeds of the sale of Shares acquired upon vesting/settlement of the PSU either through a voluntary sale or through a mandatory sale arranged by the Company (on Grantee's behalf pursuant to this authorization); or (iii) withholding in Shares to be issued upon vesting/settlement of the PSU. If Grantee is a Section 16 officer, then Grantee may elect the form of withholding or the Committee may determine that a particular method be used to satisfy any Tax-Related Items withholding.

To avoid negative accounting treatment, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, Grantee is deemed to have been issued the full number of Shares subject to the vested PSU, 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 Grantee's grant of the PSUs.

Finally, Grantee shall pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of Grantee's grant of the PSUs that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if Grantee fails to comply with Grantee's obligations in connection with the Tax-Related Items.

8. U.S. Tax Consequences. Grantee acknowledges that there will be tax consequences upon settlement of the PSUs or disposition of the Shares, if any, received in connection therewith, and Grantee should consult a tax adviser regarding Grantee's tax obligations prior to such settlement or disposition. Upon vesting of the PSU, Grantee will include in income the fair market value of the Shares subject to the PSU. The included amount will be treated as ordinary income by Grantee and will be subject to withholding by the Company when required by applicable law. Upon disposition of the Shares, any subsequent increase or decrease in value will be treated as short-term or long-term capital gain or loss, depending on whether the Shares are held for more than one year from the date of settlement. Further, a PSU may be considered a deferral of compensation that may be subject to Section 409A of the Code. Section 409A of the Code imposes special rules to the timing of making and effecting certain amendments of this PSU with respect to distribution of any deferred compensation. Grantee should consult with his or her personal tax advisor for more information on the actual and potential tax consequences of this PSU.

9. Acknowledgement. The Company and Grantee agree that the PSUs are granted under and governed by the Notice and this Agreement. Grantee: (i) represents that Grantee has carefully read and is familiar with the provisions contained therein and herein and (ii) hereby accepts the PSUs subject to all of the terms and conditions set forth therein and herein.

10. Entire Agreement; Enforcement of Rights. This Agreement and the Notice, and the Plan with respect to definitions, constitute the entire agreement and understanding of the parties relating to the subject matter herein and supersede all prior discussions between them. Any prior agreements, commitments or negotiations concerning the purchase of the Shares hereunder are superseded. The Committee may at any time amend the Notice, this Agreement or the Plan in any respect, provided, however, that the Committee will not, without the approval of the Grantee, amend the Notice, this Agreement or the Plan in any manner that impairs the rights of Grantee. Other than modifications or amendments to the Notice, this Agreement or the Plan covered by the foregoing sentence, no modification of or amendment to the Notice, this Agreement, or the Plan, nor any waiver of any rights under the Notice, this Agreement, or the Plan, shall be effective unless in writing and signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

11. Compliance with Laws and Regulations. The issuance of Shares will be subject to and conditioned upon compliance by the Company and Grantee with all applicable local, foreign, state and federal laws and regulations and with all applicable requirements of any exchange control authority and stock exchange or automated quotation system on which the Company's Shares may be listed or quoted at the time of such issuance or transfer.

12. Governing Law; Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this

Agreement, (ii) the balance of this Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of this Agreement shall be enforceable in accordance with its terms. This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of California, without giving effect to principles of conflicts of law.

For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant or the Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of California and agree that such litigation shall be conducted only in the courts of San Mateo, California, or the federal courts for the United States for the Northern District of California and no other courts, where this grant is made and/or to be performed.

13. Corporate Transactions. In the event of a Corporate Transaction the PSUs may be assumed or replaced by the successor corporation, which assumption or replacement shall be binding on Grantee. In the alternative, the successor corporation may substitute equivalent PSUs or provide substantially similar consideration to Grantee as was provided to stockholders (after taking into account the existing provisions of the PSUs). The successor corporation

may also issue, in place of outstanding Shares of the Company held by the Grantee, substantially similar shares or other property subject to repurchase restrictions no less favorable to the Grantee. In the event such successor or acquiring corporation (if any) refuses to assume, convert, replace or substitute the PSUs, as provided above, pursuant to a Corporate Transaction, then notwithstanding any other provision in the Plan to the contrary, the PSUs shall have its vesting accelerate as to all shares subject to the PSUs (and any applicable right of repurchase fully lapse) immediately prior to the Corporate Transaction. In addition, in the event such successor or acquiring corporation (if any) refuses to assume, convert, replace or substitute PSUs, as provided above, pursuant to a Corporate Transaction, the Committee will notify the Grantee in writing.

14. No Rights as Employee, Director or Consultant. Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a Parent or Subsidiary of the Company, to terminate Grantee's service, for any reason, with or without cause.

15. Nature of Grant. In accepting the grant, Grantee acknowledges, understands and agrees that:

- (a) Grantee was not previously an employee or director of the Company or any Parent or Subsidiary of the Company or Grantee has not previously provided services to the Company as an employee or director, without subsequently completing a period of bona fide non-employment by the Company, and any Parent or Subsidiary of the Company;
- (b) the grant of the PSU is voluntary and occasional and does not create any contractual or other right to receive future grants of PSUs, or benefits in lieu of PSUs, even if PSUs have been granted repeatedly in the past;
- (c) all decisions with respect to future PSU grants, if any, will be at the sole discretion of the Company;
- (d) Grantee's receipt of the PSUs or any Shares pursuant to the settlement of the PSUs will not be interpreted to form an employment or service contract or relationship with the Company or any Subsidiary and shall not create a right to further employment with the Employer and shall not interfere with the ability of the Employer to terminate Grantee's employment or service relationship (if any) at any time;
- (e) the future value of the underlying Shares is unknown and cannot be predicted with certainty; and
- (f) no claim or entitlement to compensation or damages shall arise from forfeiture of the PSUs resulting from Termination of Grantee's employment by the Company or the Employer (for any reason whatsoever and whether or not in breach of local labor laws and whether or not later found to be invalid), and in consideration of the grant of the PSUs to which Grantee is otherwise not entitled, Grantee irrevocably agrees never to institute any claim against the Company or the Employer, waives his or her ability, if any, to bring any such claim, and releases the Company and the Employer from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by receiving and accepting the PSU grant, Grantee shall be deemed irrevocably to have agreed not to pursue such claim and agrees to execute any and all documents necessary to request dismissal or withdrawal of such claims.

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16. No Advice Regarding Grant. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Grantee's receipt of or interest with respect to the PSUs, or Grantee's acquisition or sale of the underlying Shares. Grantee is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her receipt of the PSUs before taking any action related to the PSUs.

17. Electronic Delivery. The Company may, in its sole discretion, decide to deliver by electronic means any documents, including prospectuses required by the SEC, financial reports of the Company, other documents that the Company is required to deliver to its security holders (including, without limitation, annual reports and proxy statements) and other communications or information, related to this Agreement. Grantee hereby consents to receive such documents by electronic delivery and agrees to the administration of the PSUs through an on-line or electronic system established and maintained by the Company or a third party designated by the Company. Grantee acknowledges that Grantee may receive from the Company a paper copy of any documents delivered electronically at no cost if Grantee contacts the Company. Grantee further acknowledges that Grantee will be provided with a paper copy of any documents delivered electronically if electronic delivery fails. Grantee understands that Grantee must provide on request to the Company or any designated third party a paper copy of any documents delivered electronically if electronic delivery fails. Grantee understands that Grantee's consent may be revoked or changed, including any change in the electronic mail address to which documents are delivered (if Grantee has provided an electronic mail address) at any time by notifying the Company of such revised or revoked consent. Finally, Grantee understands that Grantee has consented to electronic delivery under this Section 18 even though Grantee is not required to consent to electronic delivery.

18. Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

19. PSUs Subject to Clawback. Grantee understands and agrees that, notwithstanding any provisions in this Agreement, the Company may recover, or require reimbursement of, this PSU grant, any Shares issued upon settlement of the PSU grant, and any proceeds from the sale of such Shares, pursuant to a clawback policy which may be adopted by the Board of Directors of the Company for the purpose of complying with current or proposed U.S. law or regulation.

20. Imposition of Other Requirements. The Company reserves the right to impose other requirements on the PSU and on any Shares acquired under the PSU, to the extent the Company determines it is necessary or advisable in order to comply with local law or facilitate the administration of the PSU, and to require me to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

* * * * *

By Grantee's signature and the signature of the Company's representative on the Notice, Grantee and the Company agree that this PSU is granted under and governed by the terms and conditions of the Notice and this Agreement. Grantee has reviewed the Notice and this Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Agreement, and fully understands all provisions of the Notice and this Agreement. Grantee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Notice and this Agreement. Grantee further agrees to notify the Company upon any change in Grantee's residence address.

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January 8, 2018

Board of Directors
Itron, Inc.
2111 N Molter Road
Liberty Lake, WA 99019

We have acted as legal counsel for Itron, Inc., a Washington corporation (the "Company"), for purposes of delivering this opinion letter in connection with the filing of a Registration Statement on Form S-8 (the "Registration Statement") under the Securities Act of 1933 covering 730,457 shares of Common Stock (the "Shares") that may be issued (i) upon the exercise of options granted under the Silver Spring Networks, Inc. ("SSNI") 2012 Equity Incentive Plan (the "SSNI Plan") or outside of the SSNI Plan; (ii) to settle restricted stock units awarded by SSNI; and (iii) to settle performance stock units awarded by SSNI, in each case pursuant to the Agreement and Plan of Merger dated September 17, 2017, between the Company, SSNI and Ivory Merger Sub, Inc. (the "Merger Agreement").

We have reviewed the corporate actions of the Company in connection with this matter and have examined those documents, corporate records, and other instruments we deemed necessary for the purposes of this opinion, including the (a) SSNI Plan, (b) form of SSNI Plan Stock Award Agreement, (c) form of SSNI Plan Global Award Agreement (Restricted Stock Units), (d) form of Inducement Stock Option Grant, (e) form of Inducement Restricted Stock Unit Award Agreement, and (f) form of Inducement Performance Stock Unit Award Agreement (collectively, the "Grant Documents"). We have assumed all documents submitted to us were accurate, duly executed and not subsequently altered. As to certain factual matters, we have relied upon a certificate of an officer of the Company and have not sought to independently verify such matters. Our opinion is expressed only with respect to the Washington Business Corporation Act.

Based on the foregoing, it is our opinion that all action necessary to make the Shares validly issued, fully paid and non-assessable will have been taken when the Shares are issued in accordance with the applicable Grant Documents and the Merger Agreement.

We consent to the filing of this opinion as an exhibit to the Registration Statement.

Very truly yours,

/s/ Stoel Rives LLP

STOEL RIVES LLP

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Registration Statement on Form S-8 of our reports dated February 28, 2017, relating to the financial statements and financial statement schedule of Itron, Inc., and the effectiveness of Itron Inc.'s internal control over financial reporting, appearing in the Annual Report on Form 10-K of Itron, Inc. for the year ended December 31, 2016.

/s/ Deloitte & Touche LLP

Seattle, Washington
January 8, 2018

Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement (Form S-8) pertaining to the Silver Springs Networks, Inc. 2012 Equity Incentive Plan, Non-Plan Inducement Stock Options, Non-Plan Inducement Restricted Stock Units and Non-Plan Inducement Performance Stock Units of our report dated June 29, 2016, with respect to the consolidated financial statements and schedule of Itron, Inc. included in its Annual Report (Form 10-K) for the year ended December 31, 2016, filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP

Seattle, Washington
January 8, 2018
