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

**FORM S-8
REGISTRATION STATEMENT
AND POST-EFFECTIVE AMENDMENT NO. 1
TO REGISTRATION STATEMENT
NO. 333-100709
UNDER
THE SECURITIES ACT OF 1933**

COGNEX CORPORATION
(Exact Name of Registrant as Specified in its Charter)

Massachusetts
(State or Other Jurisdiction of
Incorporation or Organization)

04-2713778
(IRS Employer
Identification No.)

**One Vision Drive
Natick, Massachusetts 01760
(508) 650-3000**
(Address of Principal Executive Offices)

**Cognex Corporation 2001 General Stock Option Plan
As Amended and Restated**
(Full Title of the Plan)

**Robert J. Willett
President and Chief Executive Officer
Cognex Corporation
One Vision Drive
Natick, Massachusetts 01760
(508) 650-3000**
(Name, Address and Telephone Number of Agent for Service)

Copies to:

**Lisa R. Haddad, Esq.
Goodwin Procter LLP
100 Northern Avenue
Boston, Massachusetts 02210
(617) 570-1000**

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a 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

Non-accelerated filer (Do not check if a smaller reporting company)

Accelerated filer

Smaller reporting company

Emerging growth company

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 to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price Per Share(2)	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee
Common Stock, par value \$.002 per share (3)	10,000,000	\$43.045	\$430,450,000	\$53,591.03

- (1) In addition, pursuant to Rule 416(a) under the Securities Act of 1933, as amended (the "Securities Act"), this registration statement also covers an indeterminate number of additional shares of common stock, par value \$.002 per share ("Common Stock"), that may become issuable as a result of the anti-dilution provisions of the employee benefit plan described herein, including to prevent dilution resulting from any reorganization, recapitalization, reclassification, stock dividend, stock split or other similar change.
- (2) Calculated in accordance with Rule 457(c) and (h) under the Securities Act solely for the purpose of determining the amount of the registration fee, based on the average of the high and low prices as reported on the NASDAQ Global Select Market on May 1, 2018.
- (3) This registration statement also relates to the rights to purchase shares of Series E Junior Participating Cumulative Preferred Stock of the Company, which are attached to issued shares of Common Stock, pursuant to the terms of the Shareholder Rights Agreement dated December 5, 2008. Until the occurrence of certain prescribed events, the rights are not exercisable, are evidenced by the certificates for the Common Stock or book-entry form along with the Common Stock, and will be transferred only with such Common Stock.
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EXPLANATORY NOTE

This is a combined (i) new registration statement for Cognex Corporation (the “Company”) to register 10,000,000 newly authorized shares of common stock, par value \$.002 per share (“Common Stock”), that may be offered or sold pursuant to the Company’s 2001 General Stock Option Plan, as Amended and Restated (the “Plan”); and (ii) post-effective amendment no. 1 to the registration statement on Form S-8 (File No. 333-100709) filed by the Company with the Securities and Exchange Commission (the “Commission”) on October 24, 2002 (the “2002 Registration Statement”). Pursuant to the 2002 Registration Statement, 7,500,000 shares of the Company’s Common Stock were registered for issuance under the Plan. The Plan was amended on August 14, 2007 to decrease the number of shares of Common Stock available for issuance under the Plan from 7,500,000 shares to 7,110,000 shares, which 390,000 shares of Common Stock are hereby deregistered under the 2002 Registration Statement. On each of September 16, 2013 and December 1, 2017, the Company effected a two-for-one stock split of its Common Stock in the form of a stock dividend, which resulted in a total of 28,440,000 shares of Common Stock authorized for issuance under the Plan. Pursuant to Rule 416(a) promulgated under the Securities Act of 1933, as amended (the “Securities Act”), the 2002 Registration Statement was deemed to cover the additional shares of Common Stock issuable under the Plan as a result of such stock splits. Upon the effectiveness of this filing, a total of 38,440,000 shares of Common Stock will have been registered for issuance under the Plan. The 2002 Registration Statement remains in effect as to the shares of Common Stock remaining available for offer and sale pursuant thereto.

PART I

INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

Item 1. Plan Information.*

Item 2. Registrant Information and Employee Plan Annual Information.*

* The information called for in Part I of Form S-8 is not being filed with or included in this registration statement on Form S-8 (by incorporation by reference or otherwise) in accordance with the rules and regulations of the Commission.

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents are incorporated herein by reference:

- (a) The Annual Report on Form 10-K of the Company for the fiscal year ended December 31, 2017, as filed with the Commission on February 15, 2018;
- (b) The Company’s Quarterly Report on Form 10-Q for the quarterly period ended April 1, 2018, as filed with the Commission on April 30, 2018;
- (c) The Company’s Current Reports on Form 8-K filed with the Commission on February 15, 2018 (Item 8.01 only), February 21, 2018, April 27, 2018, and April 30, 2018 (Item 8.01 only);
- (d) The description of the Company’s Common Stock contained in the Company’s registration statement on Form 8-A, as filed with the Commission pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), including any amendment thereto or report filed for the purpose of updating such description; and
- (e) The description of the Company’s preferred stock purchase rights contained in the Company’s registration statement on Form 8-A, as filed with the Commission pursuant to Section 12 of the Exchange Act, including any amendments thereto or report filed for the purpose of updating such description.

All documents filed by the Company pursuant to Section 13(a), 13(c), 14 and 15(d) of the Exchange Act, subsequent to the date of this registration statement and prior to the filing of a post-effective amendment to this registration statement which indicates that all securities offered hereby have been sold or that deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference herein and to be a part hereof from the date of the filing of such documents.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall 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 herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this registration statement.

Under no circumstances will any information furnished under Items 2.02 or 7.01 of Form 8-K be deemed incorporated herein by reference unless such Form 8-K expressly provides to the contrary.

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts and Counsel.

Not applicable.

Item 6. Indemnification of Directors and Officers.

Section 2.02(b)(4) of Chapter 156D of the Massachusetts General Laws allows a corporation to eliminate or limit the personal liability of a director of a corporation to the corporation or its shareholders for monetary damages for a breach of fiduciary duty as a director notwithstanding any provision of law imposing such liability, except where the director breached his or her duty of loyalty, failed to act in good faith, engaged in intentional misconduct or knowingly violated a law, authorized the payment of an improper distribution or obtained an improper personal benefit. The Company has included a similar provision in its articles of organization.

Section 8.51(a) of Chapter 156D of the Massachusetts General Laws provides that a corporation may indemnify its directors against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement reasonably incurred in connection with any litigation or other legal proceeding brought against any director by virtue of his or her position as a director of the corporation unless he or she is deemed to have not acted in good faith in the reasonable belief that his or her action was in the best interest of the corporation. As noted below, the Company has provided for director indemnification in its articles of organization and by-laws.

Section 8.52 of Chapter 156D of the Massachusetts General Laws provides that a corporation must indemnify a director who is wholly successful, on the merits or otherwise, in the defense of any proceeding to which the director was a party because he or she was a director of the corporation against reasonable expenses incurred by him or her in connection with the proceeding.

Section 8.56(a) of Chapter 156D of the Massachusetts General Laws ("Section 8.56") provides that a corporation may indemnify its officers to the same extent as its directors and, for officers that are not directors, to the extent provided by (i) the articles of organization, (ii) the by-laws, (iii) a vote of the board of directors or (iv) a contract. In all instances, the extent to which a corporation provides indemnification to its officers under Section 8.56 is optional. As noted below, the Company has provided for officer indemnification in its by-laws.

The Company's by-laws, as amended and restated, provide that, except as limited by law or otherwise provided in the by-laws, each director or officer of the Company (and his or her heirs and personal representatives) shall be indemnified by the Company against any expense incurred in connection with each proceeding in which he or she is involved as a result of his or her serving or having served as a director or officer. The by-laws further provide that no indemnification shall be provided to a director or officer with respect to a proceeding as to which it shall have been adjudicated that he or she did not act in good faith in the reasonable belief that his or her action was in the best interests of the Company. The Company will pay sums on account of indemnification in advance of a final disposition of a proceeding upon receipt of an undertaking by the director or officer to repay such sums if it is subsequently established that he or she is not entitled to indemnification.

The by-laws do not limit the power of the board of directors to authorize the purchase and maintenance of insurance on behalf of any director or officer against any expense whether or not the Company would have the power to indemnify such director or officer against such expense under the by-laws.

The Company has entered into indemnification agreements with its directors. The indemnification agreements require, among other matters, that the Company indemnify its directors to the fullest extent provided by law and advance to directors certain expenses, subject to reimbursement if it is subsequently determined that indemnification is not permitted.

Item 7. Exemption from Registration Claimed.

Not applicable

Item 8. Exhibits.

See the Exhibit Index on the page immediately preceding the signature page for a list of exhibits filed as part of this registration statement, which Exhibit Index is incorporated herein by reference.

Item 9. Undertakings.

- (a) The undersigned registrant hereby undertakes:
- (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
 - (i) To include any prospectus required by Section 10(a)(3) of the Securities Act;
 - (ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;
 - (iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement; and
provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) of this section do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or 15(d) of the Exchange Act that are incorporated by reference in the 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 Section 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 the 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.
- (h) 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.

EXHIBIT INDEX

<u>Exhibit</u>	<u>Description</u>
4.1	<u>Restated Articles of Organization of Cognex Corporation effective June 27, 1989, as amended through May 5, 2016 (incorporated herein by reference to Exhibit 3.1 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended July 3, 2016, as filed with the Commission on August 1, 2016).</u>
4.2*	<u>Articles of Amendment to Restated Articles of Organization of Cognex Corporation, effective May 2, 2018.</u>
4.3	<u>Articles of Amendment to Articles of Organization of Cognex Corporation establishing Series E Junior Participating Cumulative Preferred Stock (incorporated herein by reference to Exhibit 3.2 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended July 3, 2016, as filed with the Commission on August 1, 2016).</u>
4.4	<u>By-laws of Cognex Corporation, as amended and restated through December 5, 2013 (incorporated herein by reference to Exhibit 3.3 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended July 3, 2016, as filed with the Commission on August 1, 2016).</u>
4.5	<u>Amendment to Amended and Restated By-laws of Cognex Corporation, effective May 5, 2016 (incorporated herein by reference to Exhibit 3.4 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended July 3, 2016, as filed with the Commission on August 1, 2016).</u>
4.6	Specimen Certificate for Shares of Common Stock (incorporated herein by reference to Exhibit 4 of the Company's registration statement on Form S-1, Registration No. 33-29020).(P)
4.7	<u>Shareholder Rights Agreement, dated December 4, 2008, between the Company and National City Bank (incorporated herein by reference to Exhibit 4.1 to the Company's registration statement on Form 8-A filed on December 5, 2008).</u>
5.1*	<u>Opinion of Goodwin Procter LLP.</u>
23.1	<u>Consent of Goodwin Procter LLP (included in Exhibit 5.1 to this registration statement).</u>
23.2*	<u>Consent of Grant Thornton LLP.</u>
24.1	<u>Power of Attorney (included on signature pages to this registration statement).</u>
99.1*	<u>Cognex Corporation 2001 General Stock Option Plan, as Amended and Restated.</u>

* Filed herewith
(P) Paper filing

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 Natick, the Commonwealth of Massachusetts on this 7th day of May, 2018.

COGNEX CORPORATION

By: /s/ Robert J. Willett
Name: Robert J. Willett
Title: President and Chief Executive Officer

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS that each person whose signature appears below constitutes and appoints Robert J. Willett and John J. Curran his or her true and lawful attorneys-in-fact and agents, each acting alone, with full powers of substitution and resubstitution, for him or her or in his or her name, place and stead, in any and all capacities to sign any and all amendments or post-effective amendments to this registration statement, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, each acting alone, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Robert J. Shillman</u> Robert J. Shillman	Chairman of the Board of Directors and Chief Culture Officer	May 7, 2018
<u>/s/ Robert J. Willett</u> Robert J. Willett	President, Chief Executive Officer and Director (principal executive officer)	May 7, 2018
<u>/s/ John J. Curran</u> John J. Curran	Senior Vice President of Finance and Chief Financial Officer (principal financial and accounting officer)	May 7, 2018
<u>/s/ Patrick A. Alias</u> Patrick A. Alias	Director	May 7, 2018
<u>/s/ Eugene Banucci</u> Eugene Banucci	Director	May 7, 2018
<u>/s/ Theodor Krantz</u> Theodor Krantz	Director	May 7, 2018

<u>/s/ Dianne M. Parrotte</u> Dianne M. Parrotte, M.D.	Director	May 7, 2018
<u>/s/ Jerry A. Schneider</u> Jerry A. Schneider	Director	May 7, 2018
<u>/s/ Anthony Sun</u> Anthony Sun	Director	May 7, 2018

The Commonwealth of Massachusetts

William Francis Galvin
Secretary of the Commonwealth
One Ashburton Place, Boston, Massachusetts 02108-1512

FORM MUST BE TYPED

Articles of Amendment
(General Laws Chapter 156D, Section 10.06; 950 CMR 113.34)

FORM MUST BE TYPED

- (1) Exact name of corporation: Cognex Corporation
(2) Registered office address: One Vision Drive, Natick, Massachusetts 01760-2059
(3) These articles of amendment affect article(s): Articles 3 and 4
(4) Date adopted: April 25, 2018

- (5) Approved by:
the incorporators.
the board of directors without shareholder approval and shareholder approval was not required.
the board of directors and the shareholders in the manner required by law and the articles of organization.

(6) State the article number and the text of the amendment. Unless contained in the text of the amendment, state the provisions for implementing the exchange, reclassification or cancellation of issued shares.

Article 3 is amended to increase the number of shares of common stock, par value \$.002 per share, from 200,000,000 to 300,000,000 shares.

Article 4, subsection A is amended and restated to read as follows:

A. AUTHORIZED SHARES. The aggregate number of shares which this Corporation shall have authority to issue is: 300,000,000 shares of common stock having a par value of \$.002 per share (the "Common Stock") and 400,000 shares of preferred stock having a par value of \$.01 per share (the "Series Preferred Stock").

To change the number of shares and the par value, * if any, of any type, or to designate a class or series, of stock, or change a designation of class or series of stock, which the corporation is authorized to issue, complete the following:

Total authorized prior to amendment:

TYPE	WITHOUT PAR VALUE		WITH PAR VALUE		
		NUMBER OF SHARES	TYPE	NUMBER OF SHARES	PAR VALUE
			Common	200,000,000	\$.002
			Preferred	350,000	\$.01
			Series E Pref	50,000	\$.01

Total authorized after amendment:

TYPE	WITHOUT PAR VALUE		WITH PAR VALUE		
		NUMBER OF SHARES	TYPE	NUMBER OF SHARES	PAR VALUE
			Common	300,000,000	\$.002
			Preferred	350,000	\$.01
			Series E Pref	50,000	\$.01

(7) The amendment shall be effective at the time and on the date approved by the Division, unless a later effective date not more than 90 days from the date and time of filing is specified:

* *G.L. Chapter 156D eliminates the concept of par value, however a corporation may specify par value in Article III. See G.L. Chapter 156D, Section 6.21, and the comments relative thereto.*

Signed by: /s/ John J. Curran

(signature of authorized individual)

- Chairman of the board of directors,
- President,
- Other officer,
- Court-appointed fiduciary,

on this 25th day of April, 2018.

COMMONWEALTH OF MASSACHUSETTS

William Francis Galvin
Secretary of the Commonwealth
One Ashburton Place, Boston, Massachusetts 02108-1512

Articles of Amendment
(General Laws Chapter 156D, Section 10.06; 950 CMR 113.34)

I hereby certify that upon examination of these articles of amendment, it appears that the provisions of the General Laws relative thereto have been complied with, and the filing fee in the amount of \$100,100 having been paid, said articles are deemed to have been filed with me this 2nd day of May, 2018, at 3:56 a.m./p.m.
time

Effective date: _____
(must be within 90 days of date submitted)

WILLIAM FRANCIS GALVIN
Secretary of the Commonwealth

Filing fee: Minimum filing fee \$100 per article amended, stock increases \$100 per 100,000 shares, plus \$100 for each additional 100,000 shares or any fraction thereof.

Examiner

TO BE FILLED IN BY CORPORATION

Name approval

Contact Information:

C Lisa R. Haddad, Esq.

M Goodwin Procter LLP

100 Northern Avenue, Boston, MA 02210

Telephone: 617-570-1000

Email: lhaddad@goodwinlaw.com

Upon filing, a copy of this filing will be available at www.sec.state.ma.us/cor. If the document is rejected, a copy of the rejection sheet and rejected document will be available in the rejected queue.

May 7, 2018

Cognex Corporation
One Vision Drive
Natick, MA 01760

Re: Securities Being Registered under Registration Statement on Form S-8

Ladies and Gentlemen:

We have acted as counsel to you in connection with your filing of a Registration Statement on Form S-8 (the "Registration Statement") pursuant to the Securities Act of 1933, as amended (the "Securities Act"), on or about the date hereof relating to an aggregate of 10,000,000 shares (the "Shares") of Common Stock, \$0.002 par value per share, of Cognex Corporation, a Massachusetts corporation (the "Company"), that may be issued pursuant to the Company's 2001 General Stock Option Plan, as Amended and Restated (the "Plan").

We have reviewed such documents and made such examination of law as we have deemed appropriate to give the opinions set forth below. We have relied, without independent verification, on certificates of public officials and, as to matters of fact material to the opinion set forth below, on certificates of officers of the Company.

The opinion set forth below is limited to Massachusetts law.

For purposes of the opinion set forth below, we have assumed that a sufficient number of authorized but unissued shares of the Company's Common Stock will be available for issuance when the Shares are issued.

Based on the foregoing, we are of the opinion that the Shares have been duly authorized and, upon issuance and delivery against payment therefor in accordance with the terms of the Plan, will be validly issued, fully paid and nonassessable.

We hereby consent to the inclusion of this opinion as Exhibit 5.1 to the Registration Statement. In giving our consent, we do not admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations thereunder.

Very truly yours,

/s/ Goodwin Procter LLP

GOODWIN PROCTER LLP

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our reports dated February 15, 2018, with respect to the consolidated financial statements, schedule, and internal control over financial reporting of Cognex Corporation included in the Annual Report on Form 10-K for the year ended December 31, 2017. We consent to the incorporation by reference of the aforementioned reports in this Registration Statement.

/s/ Grant Thornton LLP

Boston, Massachusetts
May 7, 2018

COGNEX CORPORATION
2001 GENERAL STOCK OPTION PLAN

As Amended and Restated

1. PURPOSE OF THE PLAN.

This stock option plan (as amended and restated, the "Plan") is intended to provide a means by which eligible employees of Cognex Corporation (the "Company") and any present or future subsidiaries of the Company may purchase common stock in the Company through the exercise of stock options.

2. STOCK SUBJECT TO THE PLAN.

(a) The maximum number of shares of common stock, par value \$.002 per share, of the Company ("Common Stock") available for stock options granted under the Plan shall be 38,440,000 shares of Common Stock, all or any of which may be granted in the form of incentive stock options qualified under Section 422 of the Code. The maximum number of shares of Common Stock available for grants shall be subject to adjustment in accordance with Section 11 hereof. Shares issued under the Plan may be authorized but unissued shares of Common Stock or, to the extent applicable, shares of Common Stock held in treasury.

(b) To the extent that any stock option shall lapse, terminate, expire or otherwise be cancelled without the issuance of shares of Common Stock, the shares of Common Stock covered by such option shall again be available for the granting of stock options. Notwithstanding the foregoing, shares tendered or held back upon option exercises to cover the exercise price or tax withholding shall not be added to the shares of Common Stock authorized for grants under the Plan. In the event the Company repurchases shares of Common Stock on the open market, such shares shall not be added to the shares of Common Stock available for issuance under the Plan.

(c) Common Stock issuable under the Plan may be subject to such restrictions on transfer, repurchase rights or other restrictions as shall be determined by the Committee (as defined in Section 3 below).

3. ADMINISTRATION OF THE PLAN.

(a) At the discretion of the Company's Board of Directors, the Plan shall be administered either: (i) by the full Board of Directors of the Company; or (ii) by a committee (the "Committee") consisting of two or more members of the Company's Board of Directors. In the event the full Board of Directors is the administrator of the Plan, references herein to the Committee shall be deemed to include the full Board of Directors. The Board of Directors may from time to time appoint a member or members of the Committee in substitution for or in addition to the member or members then in office and may fill vacancies on the Committee however caused. The Committee shall choose one of its members as Chairman and shall hold meetings at such times and places as it shall deem advisable. A majority of the members of the Committee shall constitute a quorum and any action may be taken by a majority of those present and voting at any meeting.

(b) Any action may also be taken without the necessity of a meeting by a written instrument signed by a majority of the Committee. The decision of the Committee as to all questions of interpretation and application of the Plan shall be final, binding and conclusive on all persons. The Committee shall have the authority to adopt, amend and rescind such rules and regulations as, in its opinion, may be advisable in the administration of the Plan. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan or in any option agreement granted hereunder in the manner and to the extent it shall deem expedient to carry the Plan into effect and shall be the sole and final judge of such expediency. No Committee member shall be liable for any action or determination made in good faith.

(c) Subject to the terms of the Plan, the Committee shall have the authority to: (i) determine the employees of the Company and its subsidiaries (from among the class of employees eligible under Section 4 to receive options) to whom options may be granted; (ii) determine the time or times at which options may be granted; (iii) determine the option price of shares subject to each option which price shall not be less than the minimum price specified in

Section 6; (iv) determine (subject to Section 9) the time or times when each option shall become exercisable and the duration of the exercise period; (v) determine the extent and nature of any restrictions on any options or shares (including any repurchase rights and any forfeiture of options and shares for engaging in activities detrimental to the interests of the Company or any of its subsidiaries); and (vi) determine the size of any options under the Plan, taking into account the position or office of the optionee with the Company, the job performance of the optionee and such other factors as the Committee may deem relevant in the good faith exercise of its independent business judgment.

(d) The Chief Executive Officer of the Company may grant stock options under the Plan on such terms and conditions as deemed appropriate by the Chief Executive Officer; provided, however, that the terms and conditions otherwise comply with all provisions of this Plan (including the limitations of Section 2(a)), the number of shares of Common Stock underlying options granted to any one eligible individual in any calendar year may not exceed 80,000 shares per individual, and the exercise price of any option shall not be less than 100% of the fair market value of a share of Common Stock on the date of grant. All grants by the Chief Executive Officer shall be in writing and filed with the records of the Committee.

4. OPTIONS.

Options may be granted to any employee of the Company or of any of its subsidiaries other than an employee who is either: (i) designated by the Company as a Section 16 reporting person for purposes of the Securities Exchange Act of 1934, as amended; (ii) determined by the Company as likely to be subject to the tax deduction limitations of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"); or (iii) a ten percent shareholder of the Company. In determining the eligibility of an individual to be granted an option, as well as in determining the number of shares to be optioned to any individual, the Committee shall take into account the position and responsibilities of the individual being considered, the nature and value to the Company or its subsidiaries of his or her service and accomplishments, his or her present and potential contribution to the success of the Company or its subsidiaries, and such other factors as the Committee may deem relevant. Options granted under the Plan may be either incentive stock options qualified under Section 422 of the Code or nonqualified stock options, except no incentive stock options may be granted under the Plan until shareholder approval has been obtained.

5. OPTION AWARD CERTIFICATE.

Each option shall be evidenced by a written or electronic document (the "Award Certificate") which sets forth the terms of grants and which may contain such other terms, provisions and conditions which are not inconsistent with the Plan as may be determined by the Committee. The date of grant of an option shall be as determined by the Committee or the Chief Executive Officer if acting pursuant to Section 3(d) above. More than one option may be granted to an individual.

6. OPTION PRICE.

The option exercise price of options granted by the Committee shall be determined by the Committee, but in no event shall the option price be less than 100% of the fair market value of a share of Common Stock on the date of grant.

7. MANNER OF PAYMENT; MANNER OF EXERCISE.

(a) The Award Certificate may provide for the payment of the exercise price by delivery of: (i) cash or a check payable to the order of the Company in an amount equal to the exercise price of such options; (ii) shares of Common Stock of the Company owned by the optionee having a fair market value equal in amount to the exercise price of the options being exercised; or (iii) any combination of (i) and (ii); provided, however, that payment of the exercise price by delivery of shares of Common Stock of the Company owned by such optionee may be made only if such payment does not result in a charge to earnings for financial accounting purposes as determined by the Committee. The fair market value of any shares of the Company's Common Stock which may be delivered upon exercise of an option shall be determined by the Committee. With the consent of the Committee, the delivery of shares used to exercise any option may be made through attestation rather than physical delivery of stock certificates. With the consent of the Committee, payment may also be made by delivery of a properly executed exercise notice to the Company, together with a copy of irrevocable instruments to a broker to deliver promptly to the Company the amount of proceeds necessary to pay the exercise price and relevant taxes. To facilitate the foregoing, the Company may enter into agreements for coordinated procedures with one or more brokerage firms.

(b) To the extent that the right to purchase shares under an option has accrued and is in effect, options may be exercised in full at one time or in part from time to time, by giving written notice, signed by the person or persons exercising the option, to the Company, stating the number of shares with respect to which the option is being exercised, accompanied by payment in full for such shares as provided in subparagraph (a) above. Upon such exercise, delivery of a certificate for paid-up non-assessable shares shall be made at the principal office of the Company to the person or persons exercising the option at such time, during ordinary business hours, not earlier than ten business days from the date of receipt of the notice by the Company, as shall be designated in such notice, or at such time, place and manner as may be agreed upon by the Company and the person or persons exercising the option.

8. EXERCISE OF OPTIONS.

Each option granted under the Plan shall, subject to the other provisions of this Plan, be exercisable at such time or times and during such period as shall be set forth in the Award Certificate; provided, however, that no option granted under the Plan shall have a term in excess of ten (10) years from the date of grant. To the extent that an option to purchase shares is not exercised by an optionee when it becomes initially exercisable, it shall not expire but shall be carried forward and shall be exercisable, on a cumulative basis, until the expiration of the exercise period.

9. TERM OF OPTIONS; EXERCISABILITY; MINIMUM VESTING.

(a) Term.

(1) Except as otherwise provided in this Section 9, an option granted to any employee optionee who ceases to be an employee of the Company or one of its subsidiaries shall terminate on the seventh business day after the date such optionee ceases to be an employee of the Company or one of its subsidiaries, or on the date on which the option expires by its terms, whichever occurs first.

(2) If such termination of employment is because of dismissal for cause or because the employee is in breach of any employment agreement, such option will terminate immediately on the date the optionee ceases to be an employee of the Company or one of its subsidiaries.

(3) If such termination of employment is because the optionee has become permanently disabled (within the meaning of Section 22(e)(3) of the Code), such option shall terminate on the last day of the twelfth month from the date such optionee ceases to be an employee, or on the date on which the option expires by its terms, whichever occurs first.

(4) In the event of the death of any optionee, any option granted to such optionee shall terminate on the last day of the twelfth month from the date of death, or on the date on which the option expires by its terms, whichever occurs first.

(5) Notwithstanding subparagraphs (2), (3) and (4) above, the Committee shall have the authority to extend the expiration date of any outstanding option in circumstances in which it deems such action to be appropriate; provided that no such extension shall extend the term of an option beyond the date on which the option would have expired if no termination of the optionee's employment had occurred.

(b) Exercisability.

(1) An option granted to an employee optionee who ceases to be an employee of the Company or one of its subsidiaries shall be exercisable only to the extent that the right to purchase shares under such option has accrued and is in effect on the date such optionee ceases to be an employee of the Company or one of its subsidiaries.

(2) In the event of the death of any optionee, the option granted to such optionee may be exercised by the estate of such optionee, or by any person or persons who acquired the right to exercise such option by bequest or inheritance or by reason of the death of such optionee.

(c) Minimum Vesting Period. The vesting period of any option granted under the Plan must be at least one year following the date of grant (other than in case of death, disability or a change in control (including a Sale Event)). Notwithstanding the foregoing, up to five percent (5%) of the available shares authorized for issuance under the Plan pursuant to Section 2(a) may provide for vesting of options, partially or in full, in less than one-year.

10. TRANSFERABILITY.

The right of any optionee to exercise any option granted to him or her shall not be assignable or transferable by such optionee otherwise than by will or the laws of descent and distribution. Options shall be exercisable during the lifetime of such optionee only by him/her. Any option granted under the Plan shall be null and void without effect upon the bankruptcy of the optionee to whom the option is granted, or upon any attempted assignment or transfer, except as herein provided, including without limitation any purported assignment, whether voluntary or by operation of law, pledge, hypothecation or other disposition, attachment, divorce, trustee process or similar process, whether legal or equitable, upon such option.

11. ADJUSTMENTS FOR RECAPITALIZATIONS, REORGANIZATIONS AND OTHER EVENTS.

(a) In the event that the outstanding shares of the Common Stock of the Company are changed into or exchanged for a different number or kind of shares or other securities of the Company or of another corporation by reason of any reorganization, merger, consolidation, recapitalization, reclassification, stock split-up, combination of shares, or dividends payable in capital stock, appropriate adjustment shall be made in the number and kind of shares as to which options may be granted under the Plan and as to which outstanding options or portions thereof then unexercised shall be exercisable, to the end that the proportionate interest of the optionee shall be maintained as before the occurrence of such event; such adjustment in outstanding options shall be made without change in the total price applicable to the unexercised portion of such options and with a corresponding adjustment in the option price per share.

(b) Except as the Committee may otherwise specify with respect to particular options in the relevant Award Certificate, upon the effective time of a Sale Event, the Plan and all outstanding options granted hereunder shall terminate, unless provision is made in connection with the Sale Event in the sole discretion of the parties thereto for the assumption or continuation of options theretofore granted by the successor entity, or the substitution of such options with new options of the successor entity or parent thereof, with appropriate adjustment as to the number and kind of shares and, if appropriate, the per share exercise prices, as such parties shall agree (after taking into account any acceleration hereunder). In the event of such termination, (x) the Company shall have the option (in its sole discretion) to make or provide for a cash payment to the grantees holding options, in exchange for the cancellation thereto, in an amount equal to the difference between (A) the Sale Price multiplied by the number of shares of Common Stock subject to outstanding options (to the extent then exercisable (after taking into account any acceleration thereof) at prices not in excess of the Sale Price) and (B) the aggregate exercise price of all such outstanding options; or (y) each grantee shall be permitted, within a specified period of time prior to the consummation of the Sale Event as determined by the Committee, to exercise all outstanding options (to the extent then exercisable after taking into account any acceleration thereof) held by such grantee. For purposes of the Plan, "Sale Event" shall mean (i) the sale of all or substantially all of the assets of the Company on a consolidated basis to an unrelated person or entity, (ii) a merger, reorganization or consolidation pursuant to which the holders of the Company's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting power of the resulting or successor entity (or its ultimate parent, if applicable) immediately upon completion of such transaction, (iii) the sale of all of the Common Stock of the Company to an unrelated third party, or (iv) any other transaction in which the owners of the Company's outstanding voting power prior to such transaction do not own at least a majority of the outstanding voting power of the Company or any successor entity immediately upon completion of the transaction other than as a result of the acquisition of securities directly from the Company, and "Sale Price" shall mean the value as determined by the Committee of the consideration payable, or otherwise to be received by shareholders, per share of Common Stock pursuant to a Sale Event.

(c) Upon dissolution or liquidation of the Company, all options granted under this Plan shall terminate, but each optionee (if at such time in the employ of or otherwise associated with the Company or any of its subsidiaries) shall have the right, immediately prior to such dissolution or liquidation, to exercise his or her option to the extent then exercisable.

(d) No fraction of a share shall be purchasable or deliverable upon the exercise of any option, but in the event any adjustment hereunder of the number of shares covered by the option shall cause such number to include a fraction of a share, such fraction shall be adjusted to the nearest smaller whole number of shares.

12. NO SPECIAL EMPLOYMENT RIGHTS.

Nothing contained in the Plan or in any option granted under the Plan shall confer upon any option holder any right with respect to the continuation of his employment by the Company (or any subsidiary) or interfere in any way with the right of the Company (or any subsidiary), subject to the terms of any separate employment agreement to the contrary, at any time to terminate such employment or to increase or decrease the compensation of the option holder from the rate in existence at the time of the grant of an option. Whether an authorized leave of absence, or absence in military or government service, shall constitute termination of employment shall be determined by the Committee at the time.

13. WITHHOLDING.

The Company's obligation to deliver shares upon the exercise of any option granted under the Plan, or to make any payments or transfers under Section 11 hereof, shall be subject to the option holder's satisfaction of all applicable Federal, state, local, and foreign governmental tax withholding requirements. Whenever shares of Common Stock are to be delivered pursuant to the exercise of an option under the Plan, the Company shall be entitled to require as a condition of delivery that the option holder remit to the Company an amount sufficient in the opinion of the Company to satisfy all applicable tax withholding requirements related thereto. With the approval of the Committee, which it shall have sole discretion to grant, and on such terms and conditions as the Committee may impose, the option holder may satisfy the foregoing condition by electing to have the Company withhold from delivery shares having a value equal to the amount of tax required to be withheld. The Committee shall also have the right to require that shares be withheld from delivery to satisfy such condition.

14. RESTRICTIONS ON ISSUE OF SHARES; NO DIVIDENDS.

(a) Notwithstanding the provisions of Section 7, the Company may delay the issuance of shares covered by the exercise of an option and the delivery of a certificate for such shares until the delivery of any shares issued under this Plan complies with all applicable laws (including, without limitation, the Securities Act of 1933, as amended), and with the applicable rules of any stock exchange or market upon which the shares of the Company are listed or traded.

(b) It is intended that all exercises of options shall be effective, and the Company shall use its best efforts to bring about compliance with the above conditions within a reasonable time, except that the Company shall be under no obligation to qualify shares or to cause a registration statement or a post-effective amendment to any registration statement to be prepared for the purpose of covering the issue of shares in respect of which any option may be exercised, except as otherwise agreed to by the Company in writing.

(c) Until an option is vested and exercised and shares of Common Stock are deemed delivered, no right to vote or receive dividends or any other rights of a shareholder will exist with respect to shares of Common Stock to be issued in connection with an option.

15. LOANS.

The Company may not make loans to optionees to permit them to exercise options.

16. NO OPTION REPRICING.

Unless otherwise approved by shareholders, in no event may the Committee exercise its discretion to reduce the exercise price of outstanding options or affect re-pricing through cancellation and re-grants or cancellation of options in exchange for cash.

17. EFFECTIVE DATE.

The second restated Plan shall take effect as of the date of shareholder approval.

18. TERMINATION AND AMENDMENT.

If approved by shareholders, the Plan shall terminate ten (10) years from the date upon which the second Plan restatement was duly approved by the Board of Directors. The Board of Directors may at any time terminate the Plan or make such modification or amendment thereof as it deems advisable. Subject to Section 11, without the consent of the optionee, the Committee shall not change the number of shares subject to an option, nor the exercise price thereof, nor reduce the term of such option.

19. RESERVATION OF STOCK.

The Company shall at all times during the term of the Plan reserve and keep available such number of shares of stock as will be sufficient to satisfy the requirements of the Plan and shall pay all fees and expenses necessarily incurred by the Company in connection therewith.

20. NOTICES.

Any communication or notice required or permitted to be given under the Plan shall be in writing, and mailed by registered or certified mail or delivered by hand, if to the Company, to its principal place of business, attention: Chief Executive Officer, and, if to an optionee, to the address as appearing on the records of the Company.

Approved by the Directors: December 11, 2001

Restatement approved by the Directors: September 30, 2011

Approved by the Shareholders: December 6, 2011

(Adjusted for Stock Splits on September 16, 2013 and December 1, 2017)

Second restatement approved by the Directors: February 10, 2018

Second restatement approved by the Shareholders: April 25, 2018