

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

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

Oil States International, Inc.

(Exact name of registrant as specified in its charter)

Delaware
*(State or other jurisdiction of
incorporation or organization)*

Three Allen Center, 333 Clay Street
Suite 4620
Houston, Texas
(Address of principal executive offices)

76-0476605
*(I.R.S. Employer
Identification No.)*

77002
(Zip Code)

Amended and Restated Equity Participation Plan of Oil States International, Inc.

(Full title of the plan)

Lloyd A. Hajdik
Executive Vice President, Chief Financial Officer and Treasurer
Three Allen Center, 333 Clay Street, Suite 4620
Houston, Texas 77002
(Name and address of agent for service)

(713) 652-0582
(Telephone number, including area code, of agent for service)

Copies to:

Michael S. Telle
Vinson & Elkins L.L.P.
1001 Fannin Street, Suite 2500
Houston, Texas 77002
(713) 758-2222

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 Securities Exchange Act of 1934, as amended (the "Exchange Act").

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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	Amounts to be registered (1)	Proposed maximum offering price per share (2)	Proposed maximum aggregate offering price (2)	Amount of registration fee(3)
Common Stock, \$0.01 par value per share	4,950,000 shares	\$ 6.13	\$ 30,343,500	\$ 3,310.48

- (1) Shares of common stock, par value \$0.01 per share ("Common Stock"), of Oil States International, Inc. (the "Registrant") may be issued under the Amended and Restated Equity Participation Plan of Oil States International, Inc. (as amended from time to time, the "Plan") up to the maximum number reserved thereunder. This Form S-8 Registration Statement (the "Registration Statement") registers an additional 4,950,000 shares of Common Stock that may be delivered with respect to new awards under the Plan. Additionally, pursuant to Rule 416(a) under the Securities Act of 1933, as amended (the "Securities Act"), this Registration Statement also covers such additional shares of Common Stock as may become issuable pursuant to the anti-dilution and adjustment provisions of the Plan.
- (2) Estimated solely for purposes of calculating the registration fee in accordance with Rule 457(c) and Rule 457(h) under the Securities Act and based on a price of \$6.13 per share, which is the average of the high and low trading prices for a share of Common Stock as reported on the New York Stock Exchange on May 26, 2021.
- (3) Pursuant to General Instruction E to Form S-8, a registration fee is only being paid with respect to the registration of an additional 4,950,000 aggregate shares of Common Stock under the Plan.

EXPLANATORY NOTE

The Registrant is filing this Registration Statement pursuant to General Instruction E of Form S-8 to register the offer and sale of an additional 4,950,000 shares of Common Stock that may be issued under the Plan. The Registrant's stockholders approved an additional 4,950,000 shares of Common Stock for issuance pursuant to the Plan at the Registrant's 2021 annual meeting of stockholders. The contents of the Registrant's registration statements on Form S-8 relating to the Plan, which were filed with the Securities and Exchange Commission (the "Commission") on March 30, 2001 (File No. 333-57960), July 24, 2002 (File No. 333-97041), May 19, 2006 (File No. 333-134312), August 1, 2008 (File No. 333-152694), August 13, 2013 (File No. 333-190584) and May 16, 2018 (File No. 333-224988), and the post-effective amendment no. 1 to Form S-8, which was filed with the Commission on May 17, 2018 (File No. 333-190584), are incorporated by reference into this Registration Statement, as permitted by General Instruction E of Form S-8.

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 or given to the Plan's participants as specified by Rule 428(b)(1) under the Securities Act.

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents, previously filed by the Registrant with the Commission, are incorporated by reference herein and shall be deemed to be a part hereof, except to the extent that information therein is deemed furnished and not filed pursuant to securities laws and regulations:

- The Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 2020, filed with the Commission on February 22, 2021.
- The Registrant's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2021, as filed with the Commission on April 29, 2021.
- The Registrant's Current Reports on Form 8-K filed on February 12, 2021, February 23, 2021, March 16, 2021, March 17, 2021, March 22, 2021, May 11, 2021, May 18, 2021 and May 19, 2021.
- The description of the Common Stock included in the Registrant's Form 8-A filed with the Commission on February 6, 2001, including any subsequently filed amendments and reports filed for the purpose of updating such description.

In addition, all documents subsequently filed by the Registrant pursuant to Section 13(a), 13(c), 14 and 15(d) of the Exchange Act, excluding any information furnished under Item 2.02 or Item 7.01 of any Current Report on Form 8-K and corresponding information furnished under Item 9.01 or included as an exhibit, prior to the filing of a post-effective amendment to this Registration Statement which indicates that all securities offered have been sold or which deregisters all such securities then remaining unsold, shall be deemed to be incorporated by reference in this Registration Statement and to be a part hereof from the date of filing of such documents. Any statement contained in a document incorporated by reference herein shall be deemed to be modified or superseded for purposes of this registration statement to the extent that a statement contained 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.

Item 8. Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
<u>4.1</u>	— <u>Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2000, as filed with the Commission on March 30, 2001 (File No. 001-16337)).</u>
<u>4.2</u>	— <u>Fourth Amended and Restated Bylaws (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K, as filed with the Commission on May 8, 2019 (File No. 001-16337)).</u>
<u>4.3</u>	— <u>Form of Common Stock Certificate (incorporated by reference to Exhibit 4.1 to the Registrant's Registration Statement on Form S-1, as filed with the Commission on November 7, 2000 (File No. 333-43400)).</u>
<u>4.4*</u>	— <u>Amended and Restated Equity Participation Plan of Oil States International, Inc.</u>
<u>4.5*</u>	— <u>Form of Restricted Stock Agreement under the Registrant's Amended and Restated Equity Participation Plan</u>
<u>4.6*</u>	— <u>Form of Non-Employee Director Restricted Stock Agreement under the Registrant's Amended and Restated Equity Participation Plan</u>
<u>4.7*</u>	— <u>Form of Employee Nonqualified Stock Option Agreement under the Registrant's Amended and Restated Equity Participation Plan</u>
<u>4.8*</u>	— <u>Form of Performance Award Agreement under the Registrant's Amended and Restated Equity Participation Plan</u>
<u>5.1*</u>	— <u>Opinion of Vinson & Elkins L.L.P.</u>
<u>23.1*</u>	— <u>Consent of Ernst & Young LLP</u>
23.2*	— Consent of Vinson & Elkins L.L.P. (included in Exhibit 5.1 to this Registration Statement).

* Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Act, 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 Houston, State of Texas, on May 27, 2021.

Oil States International, Inc.

By /s/ Robert L. Potter
Robert L. Potter
Chairman of the Board

/s/ Cindy B. Taylor
Cindy B. Taylor
President, Chief Executive Officer and Director
(Principal Executive Officer)

/s/ Lloyd A. Hajdik
Lloyd A. Hajdik
Executive Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

/s/ Brian E. Taylor
Brian E. Taylor
Vice President, Controller and Chief Accounting Officer
(Principal Accounting Officer)

/s/ Denise Castillo-Rhodes
Denise Castillo-Rhodes
Director

/s/ Lawrence R. Dickerson
Lawrence R. Dickerson
Director

/s/ Darrell E. Hollek
Darrell E. Hollek
Director

/s/ Christopher T. Seaver
Christopher T. Seaver
Director

/s/ Hallie A. Vanderhider
Hallie A. Vanderhider
Director

/s/ E. Joseph Wright
E. Joseph Wright
Director

**THE AMENDED AND RESTATED EQUITY PARTICIPATION PLAN
OF
OIL STATES INTERNATIONAL, INC.
Effective May 11, 2021**

OIL STATES INTERNATIONAL, INC., a Delaware corporation (the “Company”), hereby adopts the Amended and Restated Equity Participation Plan of Oil States International, Inc. (the “Plan”), effective as of May 11, 2021 (the “Effective Date”), for the benefit of its eligible employees, consultants and directors. The Plan was originally adopted as The 2018 Equity Participation Plan of Oil States International, Inc. (the “Original Plan”), effective May 8, 2018 (the “Original Effective Date”). The Plan is being amended and restated as of the Effective Date to increase the number of shares available for issuance pursuant to the Plan by an additional Four Million Five Hundred Thousand (4,500,000) shares.

The purposes of the Plan are as follows:

(1) To provide an additional incentive for Directors, Employees and consultants to further the growth, development and financial success of the Company by personally benefiting through the ownership of Common Stock and/or rights which recognize such growth, development and financial success.

(2) To enable the Company to obtain and retain the services of Directors, Employees and consultants considered essential to the long range success of the Company by offering them an opportunity to own stock in the Company and/or rights which will reflect the growth, development and financial success of the Company.

**ARTICLE I
DEFINITIONS**

1.1 *General.* Wherever the following terms are used in this Plan they shall have the meaning specified below, unless the context clearly indicates otherwise.

1.2 *Affiliate.* “Affiliate” shall mean any entity that, directly or through one or more intermediaries, is controlled by the Company or controls the Company as determined by the Committee.

1.3 *Award Limit.* “Award Limit” shall mean 400,000 shares of Common Stock.

1.4 *Board.* “Board” shall mean the Board of Directors of the Company.

1.5 *Change of Control.* “Change of Control” shall mean any of the following:

(a) any “person” (as such term is used in Section 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)), (other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any affiliate or any corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company), acquires “beneficial ownership” (within the meaning of Rule 13d-3 under the Exchange Act) of securities of the Company representing 35% or more of the combined voting power of the Company’s then outstanding securities; provided, however, that if the Company engages in a merger or consolidation in which the Company or surviving entity in such merger or consolidation becomes a subsidiary of another entity, then references to the Company’s then outstanding securities shall be deemed to refer to the outstanding securities of such parent entity;

(b) a change in the composition of the Board, as a result of which fewer than a majority of the directors are Incumbent Directors. “Incumbent Directors” shall mean directors who either (i) are directors of the Company as of the Effective Date, or (ii) are elected, or nominated for election, to the Board with the affirmative votes of at least two-thirds of the Incumbent Directors at the time of such election or nomination, but Incumbent Director shall not include an individual whose election or nomination occurs as a result of either (1) an actual or threatened election contest (as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act) or (2) an actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board;

(c) 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 if the surviving entity is or shall become a subsidiary of another entity, then such parent entity)) more

than 50% of the combined voting power of the voting securities of the Company (or such surviving entity or parent entity, as the case may be) outstanding immediately after such merger or consolidation;

(d) the stockholders of the Company approve a plan of complete liquidation of the Company; or

(e) the sale or disposition (other than a pledge or similar encumbrance) by the Company of all or substantially all of the assets of the Company other than to a subsidiary or subsidiaries of the Company.

1.6 *Code*. “Code” shall mean the Internal Revenue Code of 1986, as amended.

1.7 *Committee*. “Committee” shall mean the Board or a subcommittee of the Board appointed as provided in Section 8.1.

1.8 *Common Stock*. “Common Stock” shall mean the common stock of the Company, par value \$0.01 per share.

1.9 *Company*. “Company” shall mean Oil States International, Inc., a Delaware corporation.

1.10 *Deferred Stock*. “Deferred Stock” shall mean Common Stock awarded under Article VII of this Plan.

1.11 *Director*. “Director” shall mean a member of the Board who is not an Employee.

1.12 *Dividend Equivalent*. “Dividend Equivalent” shall mean a right to receive the equivalent value (in cash or Common Stock) of dividends paid on Common Stock, awarded under Article VII of this Plan. Dividend Equivalents shall not be permitted on Options under this Plan.

1.13 *Effective Date*. “Effective Date” shall mean May 11, 2021.

1.14 *Employee*. “Employee” shall mean any officer or other employee (as defined in accordance with Section 3401(c) of the Code) of the Company or of any Affiliate or Subsidiary.

1.15 *Exchange Act*. “Exchange Act” shall mean the Securities Exchange Act of 1934, as amended.

1.16 *Fair Market Value*. “Fair Market Value” of a share of Common Stock as of a given date shall mean (i) the closing price of a share of Common Stock on the principal exchange on which shares of Common Stock are then trading, if any (as reported in any reporting service approved by the Committee), on the trading day previous to such date, or if shares were not traded on the trading day previous to such date, then on the next preceding date on which a trade occurred, or (ii) if Common Stock is not traded on an exchange but is quoted on Nasdaq or a successor quotation system, the mean between the closing representative bid and asked prices for the Common Stock on the trading day previous to such date as reported by Nasdaq or such successor quotation system; or (iii) if Common Stock is not publicly traded on an exchange and not quoted on Nasdaq or a successor quotation system, the Fair Market Value of a share of Common Stock as established by the Committee acting in good faith. Notwithstanding the foregoing, the Fair Market Value of a share of Common Stock on the date of an initial public offering of Common Stock shall be the offering price under such initial public offering.

1.17 *Grantee*. “Grantee” shall mean an Employee, Director or consultant granted a Performance Award, Dividend Equivalent, or Stock Payment, or an award of Deferred Stock, under this Plan.

1.18 *Non-Qualified Stock Option*. “Non-Qualified Stock Option” shall mean an Option which is not designated as an Incentive Stock Option by the Committee.

1.19 *Option*. “Option” shall mean a stock option granted under Article III of this Plan. An Option granted under this Plan shall, as determined by the Committee, be either a Non-Qualified Stock Option or an Incentive Stock Option; provided, however, that Options granted to Employees, Directors and consultants employed by an Affiliate that is not a Subsidiary shall be Non-Qualified Stock Options.

1.20 *Optionee*. “Optionee” shall mean an Employee, Director or consultant granted an Option under this Plan.

1.21 *Original Effective Date*. “Original Effective Date” shall mean May 8, 2018.

1.22 *Original Plan*. “Original Plan” shall mean The 2018 Equity Participation Plan of Oil States International, Inc.

1.23 *Performance Award*. “Performance Award” shall mean a performance or incentive award, other than an Option, Restricted Stock, Deferred Stock or Stock Payments, that is paid in cash, Common Stock or a combination of both, awarded under Article VII of this Plan.

1.24 *Performance Objectives*. “Performance Objectives” shall mean the objectives, if any, established by the Committee that are to be achieved with respect to an award granted under this Plan, which may be described in terms of Company-wide objectives, in terms of objectives that are related to performance of a division, subsidiary, department or function within the Company or an Affiliate in which the participant receiving the award is employed, or otherwise or in individual or other terms, and which will relate to the period of time determined by the Committee. Which objectives to use with respect to an award, the weighting of the objectives if more than one is used, and whether the objective is to be measured against a Company-established budget or target, an index, a peer group of companies or other standards, shall be determined by the Committee in its discretion. A Performance Objective need not be based on an increase or a positive result and may include, for example, maintaining the status quo or limiting economic losses.

1.25 *Plan*. “Plan” shall mean The Amended and Restated Equity Participation Plan of Oil States International, Inc.

1.26 *Prior Plan*. “Prior Plan” shall mean The 2001 Equity Participation Plan of Oil States International, Inc.

1.27 *QDRO*. “QDRO” shall mean a qualified domestic relations order as defined by the Code or Title I of the Employee Retirement Income Security Act of 1974, as amended, or the rules thereunder.

1.28 *Restricted Stock*. “Restricted Stock” shall mean Common Stock awarded under Article VI of this Plan.

1.29 *Restricted Stockholder*. “Restricted Stockholder” shall mean an Employee, Director or consultant granted an award of Restricted Stock under Article VI of this Plan.

1.30 *Rule 16b-3*. “Rule 16b-3” shall mean that certain Rule 16b-3 under the Exchange Act, as such Rule may be amended from time to time.

1.31 *Stock Payment*. “Stock Payment” shall mean (i) a payment in the form of shares of Common Stock, or (ii) an option or other right to purchase shares of Common Stock, as part of a deferred compensation arrangement, made in lieu of all or any portion of the compensation, including without limitation, salary, bonuses and commissions, that would otherwise become payable to an Employee, Director or consultant in cash, awarded under Article VII of this Plan.

1.32 *Subsidiary*. “Subsidiary” shall mean any corporation in an unbroken chain of corporations beginning with the Company if each of the corporations other than the last corporation in the unbroken chain then owns stock possessing 50 percent or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

ARTICLE II SHARES SUBJECT TO PLAN

2.1 Shares Subject to Plan.

(a) The shares of stock subject to Options, awards of Restricted Stock, Performance Awards, Dividend Equivalents, awards of Deferred Stock, or Stock Payments shall be Common Stock. The aggregate number of such shares which may be issued upon exercise of such options or rights or upon any such awards under the Plan shall, subject to the requirements of Section 9.4, not exceed 7,847,616. This number of shares of Common Stock consists of the following (i) Four Million Five Hundred Thousand (4,500,000) newly reserved shares of Common Stock in connection with the amendment and restatement of the Plan; (ii) Two Million (2,000,000) shares of Common Stock that were originally reserved in connection with the adoption of the Original Plan; and (iii) 1,347,616 shares of Common Stock that remained available under the Prior Plan immediately prior to the Original Effective Date and were carried over to become available for issuance pursuant to the Original Plan, including shares of Common Stock subject to outstanding awards under the Prior Plan as of the Original Effective Date that were not vested and/or subsequently expired or forfeited and cancelled, for any reason. Notwithstanding the foregoing, all outstanding awards under the Prior Plan as of the Original Effective Date shall remain subject to the terms of the Prior Plan. The shares of Common Stock issuable upon exercise of such options or rights or upon any such awards may be either previously authorized but unissued shares or treasury shares.

(b) The maximum number of shares which may be subject to Options, Restricted Stock or Deferred Stock granted under the Plan to any individual in any calendar year shall not exceed the Award Limit. The maximum value of Performance Awards granted under the Plan to any individual in any calendar year shall not exceed \$4.0 million.

2.2 *Add-back Restricted Stock Performance Awards, Dividend Equivalents, Awards of Deferred Stock or Stock Payments.* If any Restricted Stock Performance Awards, Dividend Equivalents, Awards of Deferred Stock or Stock Payments, or other right to acquire shares of Common Stock under any other award under this Plan, expires or is forfeited and canceled without having been fully vested, the number of shares subject to such Restricted Stock Performance Awards, Dividend Equivalents, Awards of Deferred Stock or Stock Payments or other right but as to which such Restricted Stock Performance Awards, Dividend Equivalents, Awards of Deferred Stock or Stock Payments or other right was not vested prior to its expiration or cancellation may again be optioned, granted or awarded hereunder, subject to the limitations of Section 2.1. Notwithstanding the foregoing, shares of Common Stock subject to an award under this Plan shall not again be made available for issuance as awards under this Plan if such shares are (a) tendered in payment for an award, (b) delivered or withheld for payment of taxes, or (c) not issued or delivered as a result of a net settlement process.

ARTICLE III GRANTING OF OPTIONS

3.1 *Eligibility.* Any Employee, Director or consultant selected by the Committee pursuant to Section 3.4(a)(i) shall be eligible to be granted an Option.

3.2 *Disqualification for Stock Ownership.* No person may be granted an Incentive Stock Option under this Plan if such person, at the time the Incentive Stock Option is granted, owns stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any then existing Subsidiary unless (a) at the time such Option is granted, the Option price is at least 110% of the Fair Market Value of the Common Stock subject to the Option and (b) such Option by its terms is not exercisable after the expiration of five years from date of grant.

3.3 *Qualification of Incentive Stock Options.* No Incentive Stock Option shall be granted unless such Option, when granted, qualifies as an "incentive stock option" under Section 422 of the Code. No Incentive Stock Option shall be granted to any person who is not an employee of the Company or a Subsidiary.

3.4 *Granting of Options*

(a) The Committee shall from time to time, in its absolute discretion, and subject to applicable limitations of this Plan:

(i) Select from among the Employees, Directors or consultants (including Employees, Directors or consultants who have previously received Options or other awards under this Plan) such of them as in its opinion should be granted Options;

(ii) Subject to the Award Limit, determine the number of shares to be subject to such Options granted to the selected Employees, Directors or consultants;

(iii) Determine whether such Options are to be Incentive Stock Options or Non-Qualified Stock Options; and

(iv) Determine the terms and conditions of such Options, consistent with this Plan.

(b) Upon the selection of an Employee, Director or consultant to be granted an Option, the Committee shall instruct the Secretary of the Company to issue the Option and may impose such conditions on the grant of the Option as it deems appropriate.

(c) Any Incentive Stock Option granted under this Plan may be modified by the Committee to disqualify such option from treatment as an "incentive stock option" under Section 422 of the Code.

ARTICLE IV TERMS OF OPTIONS

4.1 *Option Agreement.* Each Option shall be evidenced by a Stock Option Agreement, which shall be executed by the Optionee and an authorized officer of the Company and which shall contain such terms and conditions as the Committee shall determine, consistent with this Plan.

4.2 *Option Price.* The price per share of the shares subject to each Option shall be set by the Committee; provided, however, that, except as provided in Section 8.1 with respect to assumed options, such price shall not be less than 100% of the Fair Market Value of a share of Common Stock on the date the Option is granted.

4.3 *Option Term.* The term of an Option shall be set by the Committee in its discretion; provided, however, that in the case of Incentive Stock Options, the term shall not be more than ten (10) years from the date the Incentive Stock Option is granted.

4.4 *Option Vesting.*

(a) The period during which the right to exercise an Option in whole or in part vests in the Optionee shall be set by the Committee and the Committee may determine that an Option may not be exercised in whole or in part for a specified period after it is granted. At any time after grant of an Option, the Committee may, in its sole and absolute discretion and subject to whatever terms and conditions it selects, accelerate the period during which an Option vests.

(b) To the extent that the aggregate Fair Market Value of stock with respect to which "incentive stock options" (within the meaning of Section 422 of the Code, but without regard to Section 422(d) of the Code) are exercisable for the first time by an Optionee during any calendar year (under the Plan and all other incentive stock option plans of the Company and any parent or Subsidiary) exceeds \$100,000, such Options shall be treated as Non-Qualified Options to the extent required by Section 422 of the Code. The rule set forth in the preceding sentence shall be applied by taking Options into account in the order in which they were granted. For purposes of this Section 4.4(b), the Fair Market Value of stock shall be determined as of the time the Option with respect to such stock is granted.

4.5 *Restrictions on Repricing of Options.* Except as provided in Section 9.3, the Committee may not, without approval of the Company's stockholders, amend any outstanding Stock Option Agreement to lower the Option price of an underwater Option or cancel an outstanding underwater Option in exchange for cash, another award or an Option having a lower price.

ARTICLE V EXERCISE OF OPTIONS

5.1 *Partial Exercise.* An exercisable Option may be exercised in whole or in part; however, an Option shall not be exercisable with respect to fractional shares and the Committee may require that, by the terms of the Option, a partial exercise be with respect to a minimum number of shares.

5.2 *Manner of Exercise.* All or a portion of an exercisable Option shall be deemed exercised upon delivery of all of the following to the Secretary of the Company or his office:

(a) A written notice complying with the applicable rules established by the Committee stating that the Option, or a portion thereof, is exercised. The notice shall be signed by the Optionee or other person then entitled to exercise the Option or such portion;

(b) Such representations and documents as the Committee, in its absolute discretion, deems necessary or advisable to effect compliance with all applicable provisions of the Securities Act of 1933, as amended, and any other federal or state securities laws or regulations. The Committee or Board may, in its absolute discretion, also take whatever additional actions it deems appropriate to effect such compliance including, without limitation, placing legends on share certificates and issuing stop-transfer notices to agents and registrars;

(c) In the event that the Option shall be exercised pursuant to Section 9.1 by any person or persons other than the Optionee, appropriate proof of the right of such person or persons to exercise the Option; and

(d) Full cash payment to the Secretary of the Company for the shares with respect to which the Option, or portion thereof, is exercised. However, the Committee may in its discretion or provide in the grant agreement (i) that payment may be made, in whole or in part, through the delivery of shares of Common Stock owned by the Optionee, duly endorsed for transfer to the Company, with a Fair Market Value on the date of delivery not in excess of the aggregate exercise price of the Option or exercised portion thereof and subject to such other limitations as the Committee may impose thereon, (ii) allow payment, in whole or in part, through the surrender of shares of Common Stock then issuable upon exercise of the Option having a Fair Market Value on the date of Option exercise equal to the aggregate exercise price of the Option or exercised portion thereof, (iii) allow payment, in whole or in part, through the delivery of property of any kind which constitutes good and valuable consideration; (iv) allow payment through a cashless-broker

procedure approved by the Company, or (v) allow payment through any combination of the consideration provided above.

5.3 *Conditions to Issuance of Stock Certificates.* The Company shall not be required to issue or deliver any certificate or certificates for shares of stock purchased upon the exercise of any Option or portion thereof prior to fulfillment of all of the following conditions:

- (a) The admission of such shares to listing on all stock exchanges on which such class of stock is then listed;
- (b) The completion of any registration or other qualification of such shares under any state or federal law, or under the rulings or regulations of the Securities and Exchange Commission or any other governmental regulatory body which the Committee shall, in its absolute discretion, deem necessary or advisable;
- (c) The obtaining of any approval or other clearance from any state or federal governmental agency which the Committee shall, in its absolute discretion, determine to be necessary or advisable;
- (d) The lapse of such reasonable period of time following the exercise of the Option as the Committee may establish from time to time for reasons of administrative convenience; and
- (e) The receipt by the Company of full payment for such shares, including payment of any applicable withholding tax.

5.4 *Rights as Stockholders.* The holders of Options shall not be, nor have any of the rights or privileges of, stockholders of the Company in respect of any shares purchasable upon the exercise of any part of an Option unless and until certificates representing such shares have been issued by the Company to such holders.

5.5 *Ownership and Transfer Restrictions.* The Committee, in its absolute discretion, may impose such restrictions on the ownership and transferability of the shares purchasable upon the exercise of an Option as it deems appropriate. Any such restriction shall be set forth in the respective Stock Option Agreement and may be referred to on the certificates evidencing such shares. The Committee may require the Optionee to give the Company prompt notice of any disposition of shares of Common Stock acquired by exercise of an Incentive Stock Option within (i) two years from the date of granting such Option to such Optionee or (ii) one year after the transfer of such shares to such Optionee. The Committee may direct that the certificates evidencing shares acquired by exercise of an Option refer to such requirement to give prompt notice of disposition.

ARTICLE VI AWARD OF RESTRICTED STOCK

6.1 *Award of Restricted Stock*

- (a) The Committee shall from time to time, in its absolute discretion:
 - (i) Select from among the Employees, Directors or consultants (including Employees, Directors or consultants who have previously received other awards under this Plan) such of them as in its opinion should be awarded Restricted Stock; and
 - (ii) Determine the terms and conditions applicable to such Restricted Stock, consistent with this Plan, which may include the achievement of Performance Objectives.
- (b) Upon the selection of an Employee, Director or consultant to be awarded Restricted Stock, the Committee shall instruct the Secretary of the Company to issue such Restricted Stock and may impose such conditions on the issuance of such Restricted Stock as it deems appropriate.

6.2 *Restricted Stock Agreement.* Restricted Stock shall be issued only pursuant to a Restricted Stock Agreement, which shall be executed by the selected Employee, Director or consultant and an authorized officer of the Company and which shall contain such terms and conditions as the Committee shall determine, consistent with this Plan.

6.3 *Rights as Stockholders.* Upon delivery of the shares of Restricted Stock to the escrow holder, the Restricted Stockholder shall have, unless otherwise provided by the Committee, all the rights of a stockholder with respect to said shares, subject to the restrictions in a Restricted Stock Agreement, including the right to receive all dividends and other distributions paid

or made with respect to the shares; provided, however, that in the discretion of the Committee, any extraordinary distributions with respect to the Common Stock shall be subject to the restrictions set forth in Section 6.4.

6.4 *Restriction.* All shares of Restricted Stock issued under this Plan (including any shares received by holders thereof with respect to shares of Restricted Stock as a result of stock dividends, stock splits or any other form of recapitalization) shall, in the terms of each individual Restricted Stock Agreement, be subject to such restrictions as the Committee shall provide, which restrictions may include, without limitation, restrictions concerning voting rights and transferability and restrictions based on duration of employment with the Company, Company performance and individual performance; provided, however, that, by action taken after the Restricted Stock is issued, the Committee may, on such terms and conditions as it may determine to be appropriate, remove any or all of the restrictions imposed by the terms of the Restricted Stock Agreement. Restricted Stock may not be sold or encumbered until all restrictions are terminated or expire.

6.5 *Escrow.* The Secretary of the Company or such other escrow holder as the Committee may appoint shall retain physical custody of each certificate representing Restricted Stock until all of the restrictions imposed under the Restricted Stock Agreement with respect to the shares evidenced by such certificate expire or shall have been removed.

6.6 *Legend.* In order to enforce the restrictions imposed upon shares of Restricted Stock hereunder, the Committee shall cause a legend or legends to be placed on certificates representing all shares of Restricted Stock that are still subject to restrictions under Restricted Stock Agreements, which legend or legends shall make appropriate reference to the conditions imposed thereby.

ARTICLE VII PERFORMANCE AWARDS, DIVIDEND EQUIVALENTS, DEFERRED STOCK, STOCK PAYMENTS

7.1 *Performance Awards.* Any Employee, Director or consultant selected by the Committee may be granted one or more Performance Awards. The value of such Performance Awards may be linked to the achievement of such specific Performance Objectives determined appropriate by the Committee over any period or periods determined by the Committee. In making such determinations, the Committee shall consider (among such other factors as it deems relevant in light of the specific type of award) the contributions, responsibilities and other compensation of the particular Employee, Director or consultant.

7.2 *Dividend Equivalents.* Any Employee, Director or consultant selected by the Committee may be granted Dividend Equivalents based on the dividends declared on Common Stock, to be credited as of dividend payment dates, during the period between the date, Deferred Stock or a Performance Award is granted, and the date such Deferred Stock or Performance Award vests or expires, as determined by the Committee. Such Dividend Equivalents shall be converted to cash or additional shares of Common Stock by such formula and at such time and subject to such limitations as may be determined by the Committee. Dividend Equivalents shall not be paid out prior to the time the underlying Deferred Stock or Performance Award vests.

7.3 *Stock Payments.* Any Employee, Director or consultant selected by the Committee may receive Stock Payments in the manner determined from time to time by the Committee. The number of shares shall be determined by the Committee and may be based upon the Fair Market Value, book value, net profits or other measure of the value of Common Stock or other specific performance criteria determined appropriate by the Committee, determined on the date such Stock Payment is made or on any date thereafter.

7.4 *Deferred Stock.* Any Employee, Director or consultant selected by the Committee may be granted an award of Deferred Stock in the manner determined from time to time by the Committee. The number of shares of Deferred Stock shall be determined by the Committee and may be linked to the achievement of such specific Performance Objectives determined to be appropriate by the Committee over any period or periods determined by the Committee. Common Stock underlying a Deferred Stock award will not be issued until the Deferred Stock award has vested, pursuant to a vesting schedule or Performance Objectives set by the Committee, as the case may be. Unless otherwise provided by the Committee, a Grantee of Deferred Stock shall have no rights as a Company stockholder with respect to such Deferred Stock until such time as the award has vested and the Common Stock underlying the award has been issued.

7.5 *Performance Award Agreement, Dividend Equivalent Agreement, Deferred Stock Agreement, Stock Payment Agreement.* Each Performance Award, Dividend Equivalent, award of Deferred Stock and/or Stock Payment shall be evidenced by an agreement, which shall be executed by the Grantee and an authorized Officer of the Company and which shall contain such terms and conditions as the Committee shall determine, consistent with this Plan.

7.6 *Term.* The term of a Performance Award, Dividend Equivalent, award of Deferred Stock and/or Stock Payment shall be set by the Committee in its discretion.

7.7 *Payment Upon Termination of Employment.* A Performance Award, Dividend Equivalent, award of Deferred Stock and/or Stock Payment is payable only while the Grantee is an Employee, Director or consultant; provided that the Committee may determine that the Performance Award, Dividend Equivalent, award of Deferred Stock and/or Stock Payment may be paid subsequent to termination of employment or termination of directorship or consultancy without cause, or following a Change of Control of the Company, or because of the Grantee's retirement, death or disability, or otherwise.

7.8 *Payment.* Payment of the amount determined under Section 7.1 or 7.2 above shall be in cash, in Common Stock or a combination of both, as determined by the Committee. To the extent any payment under this Article VII is effected in Common Stock, it shall be made subject to satisfaction of all provisions of Section 5.3.

ARTICLE VIII ADMINISTRATION

8.1 *Committee.* The Committee members shall be appointed by and hold office at the pleasure of the Board. Appointment of Committee members shall be effective upon acceptance of appointment. Committee members may resign at any time by delivering written notice to the Board. Vacancies in the Committee may be filled by the Board.

8.2 *Duties and Powers of Committee.* It shall be the duty of the Committee to conduct the general administration of this Plan in accordance with its provisions. The Committee shall have the power to interpret this Plan and the agreements pursuant to which Options, awards of Restricted Stock or Deferred Stock, Performance Awards, Dividend Equivalents or Stock Payments are granted or awarded, and to adopt such rules for the administration, interpretation, and application of this Plan as are consistent therewith and to interpret, amend or revoke any such rules. Any such grant or award under this Plan need not be the same with respect to each Optionee, Grantee or Restricted Stockholder. Any such interpretations and rules with respect to Incentive Stock Options shall be consistent with the provisions of Section 422 of the Code. In its absolute discretion, the Board may at any time and from time to time exercise any and all rights and duties of the Committee under this Plan except with respect to matters which under Rule 16b-3 or any regulations or rules issued thereunder, are required to be determined in the sole discretion of the Committee.

8.3 *Majority Rule; Unanimous Written Consent.* The Committee shall act by a majority of its members in attendance at a meeting at which a quorum is present or by a memorandum or other written instrument signed by all members of the Committee.

8.4 *Compensation; Professional Assistance, Good Faith Actions.* Members of the Committee shall receive such compensation for their services as members as may be determined by the Board. All expenses and liabilities which members of the Committee incur in connection with the administration of this Plan shall be borne by the Company. The Committee may employ attorneys, consultants, accountants, appraisers, brokers, or other persons. The Committee, the Company and the Company's officers and Directors shall be entitled to rely upon the advice, opinions or valuations of any such persons. All actions taken and all interpretations and determinations made by the Committee or the Board in good faith shall be final and binding upon all Optionees, Grantees, Restricted Stockholders, the Company and all other interested persons. No members of the Committee or Board shall be personally liable for any action, determination or interpretation made in good faith with respect to this Plan, Options, awards of Restricted Stock or Deferred Stock, Performance Awards, Dividend Equivalents or Stock Payments, and all members of the Committee and the Board shall be fully protected by the Company in respect of any such action, determination or interpretation.

8.5 *Delegation of Authority by the Committee.* Notwithstanding the preceding provisions of this Article VIII or any other provision of the Plan to the contrary, subject to the constraints of applicable law, the Committee may from time to time, in its sole discretion, delegate to the Chief Executive Officer of the Company the right to grant Awards under the Plan, insofar as such power to grant Awards relates to any person who is not then subject to Section 16 of the Exchange Act (including any successor section to the same or similar effect). Any such delegation may be effective only so long as the Chief Executive Officer of the Company is a member of the Board, and the Committee may revoke such delegation at any time. The Committee may put any conditions and restrictions on the powers that may be exercised by the Chief Executive Officer of the Company upon such delegation as the Committee determines in its sole discretion.

ARTICLE IX
MISCELLANEOUS PROVISIONS

9.1 *Not Transferable.* Except as provided below, Options, Restricted Stock awards, Deferred Stock awards, Performance Awards, Dividend Equivalents or Stock Payments under this Plan may not be sold, pledged, assigned, or transferred in any manner other than by will or the laws of descent and distribution or pursuant to a QDRO, unless and until such rights or awards have been exercised, or the shares underlying such rights or awards have been issued, and all restrictions applicable to such shares have lapsed. No Option, Restricted Stock award, Deferred Stock award, Performance Award, Dividend Equivalent or Stock Payment or interest or right therein shall be liable for the debts, contracts or engagements of the Optionee, Grantee or Restricted Stockholder or his successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence. An Optionee may, with the consent of the Committee, transfer a Nonqualified Stock Option to such family members and persons as may be permitted by this Committee, subject to such restrictions and limitations, if any, that the Committee, in its discretion, may impose on such transfer.

During the lifetime of the Optionee or Grantee, only they may exercise an Option or other right or award (or any portion thereof) granted to them under the Plan unless it has been disposed of pursuant to a QDRO. After the death of the Optionee or Grantee, any exercisable portion of an Option or other right or award may, prior to the time when such portion becomes unexercisable under the Plan or the applicable Stock Option Agreement or other agreement, be exercised by their personal representative or by any person empowered to do so under the deceased Optionee's or Grantee's will or under the then applicable laws of descent and distribution.

9.2 *Amendment, Suspension or Termination of this Plan.* This Plan may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Board or the Committee. However, without approval of the Company's stockholders given within twelve months before or after the action by the Committee, no action of the Committee may, except as provided in Section 9.3, increase the limits imposed in Section 2.1 on the maximum number of shares which may be issued under this Plan or reduce the exercise price of an Option, and no action of the Committee may be taken that would otherwise require stockholder approval as a matter of applicable law, regulation or rule. No amendment, suspension or termination of this Plan shall, without the consent of the holder of Options, Restricted Stock awards, Deferred Stock awards, Performance Awards, Dividend Equivalents or Stock Payments, materially alter or impair any rights or obligations under any Options, Restricted Stock awards, Deferred Stock awards, Performance Awards, Dividend Equivalents or Stock Payments theretofore granted or awarded, unless the award itself otherwise expressly so provides. No Options, Restricted Stock, Deferred Stock, Performance Awards, Dividend Equivalents or Stock Payments may be granted or awarded during any period of suspension or after termination of this Plan, and in no event may any Incentive Stock Option be granted under this Plan after the first to occur of the following events:

- (a) The expiration of ten years from the date the Plan is adopted by the Board; or
- (b) The expiration of ten years from the date the Plan is approved by the Company's stockholders under Section 9.4.

9.3 *Changes in Common Stock or Assets of the Company; Acquisition or Liquidation of the Company and Other Corporate Events.*

(a) Subject to Section 9.3(e), in the event that the Committee determines that any dividend or other distribution (whether in the form of cash, Common Stock, other securities, or other property), recapitalization, reclassification, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, liquidation, dissolution, or sale, transfer, exchange or other disposition of all or substantially all of the assets of the Company, or exchange of Common Stock or other securities of the Company, issuance of warrants or other rights to purchase Common Stock or other securities of the Company, or other similar corporate transaction or event, in the Committee's sole discretion, affects the Common Stock such that an adjustment is determined by the Committee to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan or with respect to an Option, Restricted Stock award, Performance Award, Dividend Equivalent, Deferred Stock award or Stock Payment, then the Committee shall, in such manner as it may deem equitable, adjust any or all of

- (i) the number and kind of shares of Common Stock (or other securities or property) with respect to which Options, Performance Awards, Dividend Equivalents or Stock Payments may be granted under the Plan, or which may be granted as Restricted Stock or Deferred Stock (including, but not limited to, adjustments

of the limitations in Section 2.1 on the maximum number and kind of shares which may be issued and adjustments of the Award Limit),

(ii) the number and kind of shares of Common Stock (or other securities or property) subject to outstanding Options, Performance Awards, Dividend Equivalents, or Stock Payments, and in the number and kind of shares of outstanding Restricted Stock or Deferred Stock, and

(iii) the grant or exercise price with respect to any Option, Performance Award, Dividend Equivalent or Stock Payment.

(b) Subject to Section 9.3(e), in the event of any corporate transaction or other event described in Section 9.3(a) which results in shares of Common Stock being exchanged for or converted into cash, securities (including securities of another corporation) or other property, the Committee will have the right to terminate this Plan as of the date of the event or transaction, in which case all options, rights and other awards granted under this Plan shall become the right to receive such cash, securities or other property, net of any applicable exercise price.

(c) Subject to Section 9.3(e), in the event of any corporate transaction or other event described in Section 9.3(a) or any unusual or nonrecurring transactions or events affecting the Company, any affiliate of the Company, or the financial statements of the Company or any affiliate, or of changes in applicable laws, regulations, or accounting principles, the Committee in its discretion is hereby authorized to take any one or more of the following actions whenever the Committee determines that such action is appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan or with respect to any option, right or other award under this Plan, to facilitate such transactions or events or to give effect to such changes in laws, regulations or principles:

(i) In its discretion, and on such terms and conditions as it deems appropriate, the Committee may provide, either automatically or upon the Optionee's request, for either the purchase of any such Option, Performance Award, Dividend Equivalent, or Stock Payment, or any Restricted Stock or Deferred Stock for an amount of cash equal to the amount that could have been attained upon the exercise of such option, right or award or realization of the Optionee's rights had such option, right or award been currently exercisable or payable or the replacement of such option, right or award with other rights or property selected by the Committee in its sole discretion;

(ii) In its sole and absolute discretion, the Committee may provide, either by the terms of such Option, Performance Award, Dividend Equivalent, or Stock Payment, or Restricted Stock or Deferred Stock or by action taken prior to the occurrence of such transaction or event that it cannot be exercised after such event;

(iii) In its sole and absolute discretion, and on such terms and conditions as it deems appropriate, the Committee may provide, either by the terms of such Option, Performance Award, Dividend Equivalent, or Stock Payment, or Restricted Stock or Deferred Stock or by action taken prior to the occurrence of such transaction or event, that, for a specified period of time prior to such transaction or event, such option, right or award shall be exercisable as to all shares covered thereby, notwithstanding anything to the contrary in (1) Section 4.4 or (2) the provisions of such Option, Performance Award, Dividend Equivalent, or Stock Payment, or Restricted Stock or Deferred Stock;

(iv) In its discretion, and on such terms and conditions as it deems appropriate, the Committee may provide, either by the terms of such Option, Performance Award, Dividend Equivalent, or Stock Payment, or Restricted Stock or Deferred Stock or by action taken prior to the occurrence of such transaction or event, that upon such event, such option, right or award be assumed by the successor corporation, or a parent or subsidiary thereof, or shall be substituted for by similar options, rights or awards covering the stock of the successor corporation, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and prices;

(v) In its discretion, and on such terms and conditions as it deems appropriate, the Committee may make adjustments in the number and type of shares of Common Stock (or other securities or property) subject to outstanding Options, Performance Awards, Dividend Equivalents, or Stock Payments, and in the number and kind of outstanding Restricted Stock or Deferred Stock and/or in the terms and conditions of (including the grant or exercise price), and the criteria included in, outstanding options, rights and awards and options, rights and awards which may be granted in the future;

(vi) In its discretion, and on such terms and conditions as it deems appropriate, the Committee may provide either by the terms of a Restricted Stock award or Deferred Stock award or by action taken prior to the occurrence of such event that, for a specified period of time prior to such event, the restrictions imposed under a Restricted Stock Agreement or a Deferred Stock Agreement upon some or all shares of Restricted Stock or Deferred Stock may be terminated; and

(vii) In its discretion, and on such terms and conditions as it deems appropriate, the Committee may make adjustments to the Performance Objectives of any outstanding award.

(d) Notwithstanding anything in Sections 9.3(a), 9.3(c) or 9.3(e) to the contrary, except to the extent an award agreement expressly provides to the contrary, in the event of a Change of Control of the Company, all outstanding awards automatically shall become fully vested immediately prior to such Change of Control (or such earlier time as set by the Committee), all restrictions, if any, with respect to such awards shall lapse, and all performance criteria, if any, with respect to such awards shall be deemed to have been met at their target level.

9.4 *Approval of Plan by Stockholders.* The Plan will be submitted for the approval of the Company's stockholders within twelve months after the Effective Date. Options, Performance Awards, Dividend Equivalents, Stock Payments or Deferred Stock may be granted or awarded prior to such stockholder approval with respect to the shares of Common Stock authorized for awards under Section 2.1, provided that such Options, Performance Awards, Dividend Equivalents, Stock Payments or Deferred Stock shall not be exercisable and/or shall not vest prior to the time when the Plan is approved by the stockholders, and provided further that if such approval has not been obtained at the end of said twelve-month period, all such Options, Performance Awards, Dividend Equivalents, Stock Payments or Deferred Stock previously granted or awarded under this Plan, shall thereupon be canceled and become null and void.

9.5 *Tax Withholding.* The Company shall be entitled to require payment in cash or deduction from other compensation payable to each Optionee, Grantee or Restricted Stockholder of any sums required by applicable tax law to be withheld with respect to the issuance, vesting or exercise of any Option, Restricted Stock, Deferred Stock, Performance Award, Dividend Equivalent or Stock Payment. Subject to the timing requirements of Section 5.3, the Committee may, in its discretion and in satisfaction of the foregoing requirement, allow such Optionee, Grantee or Restricted Stockholder to elect to have the Company withhold shares of Common Stock otherwise issuable under such Option or afterward (or allow the return of shares of Common Stock) having a Fair Market Value not to exceed withholding determined by the maximum individual statutory tax rate in the applicable jurisdiction. Notwithstanding the foregoing, any such person who is subject to Section 16b with respect to Company Stock may direct that the Company's tax withholding obligation be satisfied by withholding the appropriate number of shares from such award and/or the "constructive" tender of already-owned shares of Common Stock.

9.6 *Limitations Applicable to Section 16 Persons.* Notwithstanding any other provision of this Plan, this Plan, and any Option, Performance Award, Dividend Equivalent or Stock Payment granted, or Restricted Stock or Deferred Stock awarded, to any individual who is then subject to Section 16 of the Exchange Act, shall be subject to any limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by applicable law, the Plan, Options, Performance Awards, Dividend Equivalents, Stock Payments, Restricted Stock and Deferred Stock granted or awarded hereunder shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

9.7 *Limitations Applicable to Awards.* Provisions of Article VI and Article VII to the contrary notwithstanding, and subject to the exceptions provided below, awards of Restricted Stock, stock-based Performance Awards, full value Stock Payments and Deferred Stock shall be subject to a minimum one-year vesting period if performance-based and shall be subject to a minimum three-year vesting period (1/3 each year) if solely tenure-based. Notwithstanding the foregoing, (i) vesting may be accelerated upon death, disability, retirement or Change of Control (of the Company, or a division of the Company respecting divisional Grantees) and (ii) vesting may occur earlier than the minimums set forth above with respect to a number of shares from awards or grants which shares in the aggregate do not exceed the result of multiplying 5% times the total cumulative number of shares authorized under the Plan commencing with the Plan's inception. The calculation of the number of shares which are not Otherwise Exempt Shares and which are covered by the exception in clause (ii) immediately above shall be made at the time of award except in the case of an acceleration of the vesting period in which case the calculation shall be made at the time of acceleration. "Otherwise Exempt Shares" are shares which meet the minimum vesting requirements of the first sentence of this Section 9.7; or are entitled to the benefit of clause (i) of this Section 9.7. Provisions of the Plan to the contrary notwithstanding, discretionary awards to Directors, specifically excluding awards to directors related to their annual retainer, shall be determined solely by the independent Compensation Committee.

9.8 *Stock Ownership and Retention Guidelines.* Common Stock issued pursuant to awards under the Plan shall be subject to the provisions of any applicable stock ownership and retention guidelines adopted by the Company. Notwithstanding any provision of the Plan or any award agreement to the contrary, the Company reserves the right, without the consent of any recipient of any award under the Plan, to adopt any such stock ownership and retention guidelines, including such guidelines applicable to the Plan or any award agreement.

9.9 *Effect of Plan Upon Options and Compensation Plans.* This Plan amendment and restatement shall not affect any other compensation or incentive plans in effect for the Company or any Subsidiary. Nothing in this Plan shall be construed to limit the right of the Company (i) to establish any other forms of incentives or compensation for Employees, Directors or consultants of the Company or any Subsidiary or (ii) to grant or assume options or other rights otherwise than under this Plan in connection with any proper corporate purpose including but not by way of limitation, the grant or assumption of options in connection with the acquisition by purchase, lease, merger, consolidation or otherwise, of the business, stock or assets of any corporation, partnership, entity or association.

9.10 *Compliance with Laws.* This Plan, the granting and vesting of Options, Restricted Stock awards, Deferred Stock awards, Performance Awards, Dividend Equivalents or Stock Payments under this Plan and the issuance and delivery of shares of Common Stock and the payment of money under this Plan or under Options, Performance Awards, Dividend Equivalents or Stock Payments granted or Restricted Stock or Deferred Stock awarded hereunder are subject to compliance with all applicable federal and state laws, rules and regulations (including but not limited to state and federal securities law and federal margin requirements) and to such approvals by any listing, regulatory or governmental authority as may, in the opinion of counsel for the Company, be necessary or advisable in connection therewith. Any securities delivered under this Plan shall be subject to such restrictions, and the person acquiring such securities shall, if requested by the Company, provide such assurances and representations to the Company as the Company may deem necessary or desirable to assure compliance with all applicable legal requirements. To the extent permitted by applicable law, the Plan, Options, Restricted Stock awards, Deferred Stock awards, Performance Awards, Dividend Equivalents or Stock Payments granted or awarded hereunder shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

9.11 *Clawback Policy.* To the extent required by applicable law or any applicable securities exchange listing standards, or as otherwise determined by the Committee, awards and amounts paid or payable pursuant to or with respect to awards shall be subject to the provisions of any applicable clawback policies or procedures adopted by the Company which clawback policies or procedures may provide for forfeiture, repurchase and/or recoupment of awards and amounts paid or payable pursuant to or with respect to awards. Notwithstanding any provision of the Plan or any award agreement to the contrary, the Company reserves the right, without the consent of any recipient of any award under the Plan, to adopt any such clawback policies and procedures, including such policies and procedures applicable to the Plan or any award agreement with retroactive effect.

9.12 *Compliance with Section 409A.* Notwithstanding anything in this Plan to the contrary, if any provision of the Plan or any award document would result in the imposition of the additional tax under Section 409A of the Code ("Section 409A"), that Plan or award provision may be reformed, to the extent permitted by Section 409A, to avoid imposition of the additional tax and no action taken by the Company to have the award comply with Section 409A shall be deemed to materially adversely affect the recipient's rights with respect to the award. Further, if any payment or benefit provided for under an award would be subject to additional taxes and interest under Section 409A if the recipient's receipt of such payment or benefit is not delayed in accordance with the requirements of Section 409A(a)(2)(B)(i) of the Code, then such payment or benefit shall not be provided to the recipient (or the recipient's estate, if applicable) until the earlier of (i) the date of the recipient's death or (ii) the date that is six months after the date of the recipient's separation from service with the Company.

9.13 *Titles.* Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Plan.

9.14 *Governing Law.* This Plan and any agreements hereunder shall be administered, interpreted and enforced under the internal laws of the State of Texas without regard to conflicts of laws thereof.

RESTRICTED STOCK AGREEMENT

THIS AGREEMENT is made as of _____ (the "Effective Date") between Oil States International, Inc., a Delaware corporation (the "Company"), and _____ ("Employee").

To carry out the purposes of The Amended and Restated Equity Participation Plan of Oil States International, Inc. (as amended from time to time, the "Plan"), by affording Employee the opportunity to acquire shares of common stock of the Company ("Stock"), and in consideration of the mutual agreements and other matters set forth herein and in the Plan, the Company and Employee hereby agree as follows:

1. **Award of Shares.** Upon execution of this Agreement, the Company shall issue _____ shares of Stock to Employee. Employee acknowledges receipt of a copy of the Plan, and agrees that this award of Stock shall be subject to all of the terms and conditions set forth herein and in the Plan, including future amendments thereto, if any, pursuant to the terms thereof, which Plan is incorporated herein by reference as a part of this Agreement. In the event of any conflict between the terms of this Agreement and the Plan, the terms of the Plan shall govern.

2. **Forfeiture Restrictions.** The Stock issued to Employee pursuant to this Agreement may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of to the extent then subject to the Forfeiture Restrictions (as hereinafter defined), and in the event of termination of Employee's employment with the Company for any reason (other than as provided below), automatically upon such termination Employee shall, for no consideration, forfeit to the Company all Stock to the extent then subject to the Forfeiture Restrictions. The prohibition against transfer and the obligation to forfeit and surrender Stock to the Company upon termination of employment are herein referred to as "Forfeiture Restrictions," and the shares which are then subject to the Forfeiture Restrictions are herein sometimes referred to as "Restricted Shares." The Forfeiture Restrictions shall be binding upon and enforceable against any transferee of the Stock. The Forfeiture Restrictions shall lapse as to Stock issued to Employee pursuant to this Agreement as follows: (a) with respect to 33% of the Restricted Shares, on the first anniversary of the Effective Date, (b) with respect to 67% of the Restricted Shares, on the second anniversary of the Effective Date, (c) with respect to 100% of the Restricted Shares, on the third anniversary of the Effective Date. Notwithstanding the foregoing, the Forfeiture Restrictions shall lapse as to all of the Stock on (i) the date a Change of Control occurs or (ii) the termination of Employee's employment due to his death or a disability that entitles Employee to receive benefits under a long term disability plan of the Company.

3. **Certificates.** A certificate evidencing the Restricted Shares shall be issued by the Company in Employee's name, pursuant to which Employee shall have voting rights and shall be entitled to receive dividends and other distributions (provided, however, that dividends or other distributions paid in any form other than cash shall be subject to the Forfeiture Restrictions). The certificate shall bear the following legend:

The shares evidenced by this certificate have been issued pursuant to an agreement made as of _____, a copy of which is attached hereto and incorporated herein, between the Company and the registered holder of the shares, and are subject to forfeiture to the Company under certain circumstances described in such agreement. The sale, assignment, pledge or other transfer of the shares of stock evidenced by this certificate is prohibited under the terms and conditions of such agreement, and such shares may not be sold, assigned, pledged or otherwise transferred except as provided in such agreement.

The Company may cause the certificate to be delivered upon issuance to the Secretary of the Company as a depository for safekeeping until the forfeiture occurs or the Forfeiture Restrictions lapse pursuant to the terms of this Agreement. Upon request of the Company, Employee shall deliver to the Company a stock power, endorsed in blank, relating to the Restricted Shares then subject to the Forfeiture Restrictions. Upon the lapse of the Forfeiture Restrictions without forfeiture, the Company shall cause a new certificate or certificates to be issued for the remaining Stock after the Company's tax withholding obligation has been satisfied pursuant to paragraph 5, without legend in the name of Employee in exchange for the certificate evidencing the Restricted Shares.

4. **Consideration.** It is understood that the consideration for the issuance of Restricted Shares shall be Employee's agreement to render future services to the Company, which services shall have a value not less than the par value of such Restricted Shares.

5. **Withholding of Tax.** To the extent that a tax election by Employee or the receipt of Stock by Employee results in compensation income to Employee for federal or state tax purposes, Employee shall deliver to the Company at the time of such

event, such amount of money or shares of Stock as the Company may require to meet its withholding obligation under applicable tax laws or regulations, and, if Employee fails to do so, the Company is authorized to withhold from any cash or Stock remuneration then or thereafter payable to Employee any tax required to be withheld by reason of such resulting compensation income. To the extent that the lapse of any Forfeiture Restrictions results in compensation income to Employee for federal or state tax purposes and Employee has not otherwise made arrangements to satisfy its withholding obligation, the Company shall withhold from the prior Restricted Shares such shares of Stock as the Company may require to meet its withholding obligations under applicable tax laws or regulations. Notwithstanding the foregoing, in satisfaction of the preceding obligations where Employee is to receive distribution of Stock, Employee may elect to have the Company withhold shares of Stock otherwise payable pursuant to this Agreement with a value in excess of minimum tax withholding obligations, but not in excess of the withholding determined by the maximum individual statutory rate in the applicable jurisdiction.

6. **Status of Stock.** Employee agrees that the Restricted Shares will not be sold or otherwise disposed of in any manner that would constitute a violation of any applicable federal or state securities laws. Employee also agrees (i) that the certificates representing the Restricted Shares may bear such legend or legends as the Committee deems appropriate in order to ensure compliance with applicable securities laws, (ii) that the Company may refuse to register the transfer of the Restricted Shares on the stock transfer records of the Company if such proposed transfer would in the opinion of counsel satisfactory to the Company constitute a violation of any applicable securities law and (iii) that the Company may give related instructions to its transfer agent, if any, to stop registration of the transfer of the Restricted Shares.

7. **Employment Relationship.** For purposes of this Agreement, Employee shall be considered to be in the employment of the Company as long as Employee remains an employee of the Company, any parent or subsidiary entity of the Company or any successor to any of the foregoing. Any question as to whether and when there has been a termination of such employment, and the cause of such termination, shall be determined by the Committee, and its determination shall be final.

8. **Committee's Powers.** No provision contained in this Agreement shall in any way terminate, modify or alter, or be construed or interpreted as terminating, modifying or altering any of the powers, rights or authority vested in the Committee pursuant to the terms of the Plan, including, without limitation, the Committee's rights to make certain determinations and elections with respect to the Restricted Shares.

9. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under Employee.

10. **Non-Alienation.** Employee shall not have any right to pledge, hypothecate, anticipate or assign this Agreement or the rights hereunder, except by will or the laws of descent and distribution.

11. **Not a Contract of Employment.** This Agreement shall not be deemed to constitute a contract of employment, nor shall any provision hereof affect (a) the right of the Company to discharge Employee at will or (b) the terms and conditions of any other agreement between the Company and Employee except as expressly provided herein.

12. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same Agreement.

13. **Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by an officer thereunto duly authorized, and Employee has executed this Agreement, all effective as of the Effective Date.

Oil States International, Inc.

By

Cindy B. Taylor
President and Chief Executive Officer

**DIRECTOR
RESTRICTED STOCK AGREEMENT**

THIS AGREEMENT is made as of the _____, (the "Effective Date") between Oil States International, Inc., a Delaware corporation (the "Company"), and _____ ("Director").

To carry out the purposes of The Amended and Restated Equity Participation Plan of Oil States International, Inc. (the "Plan"), by affording Director the opportunity to acquire shares of common stock of the Company ("Stock"), and in consideration of the mutual agreements and other matters set forth herein and in the Plan, the Company and Director hereby agree as follows:

1. **Award of Shares.** Upon execution of this Agreement, the Company shall issue _____ shares of Stock to Director. Director acknowledges receipt of a copy of the Plan, and agrees that this award of Stock shall be subject to all of the terms and conditions set forth herein and in the Plan, including future amendments thereto, if any, pursuant to the terms thereof, which Plan is incorporated herein by reference as a part of this Agreement. In the event of any conflict between the terms of this Agreement and the Plan, the terms of the Plan shall govern.

2. **Forfeiture Restrictions.** The Stock issued to Director pursuant to this Agreement may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of to the extent then subject to the Forfeiture Restrictions (as hereinafter defined), and in the event of termination of Director's service on the Board of Directors of the Company (the "Board") for any reason (other than as provided below), automatically upon such termination Director shall, for no consideration, forfeit to the Company all such Stock to the extent then subject to the Forfeiture Restrictions. The prohibition against transfer and the obligation to forfeit and surrender Stock to the Company upon termination of service on the Board are herein referred to as "Forfeiture Restrictions," and the shares which are then subject to the Forfeiture Restrictions are herein sometimes referred to as "Restricted Shares." The Forfeiture Restrictions shall be binding upon and enforceable against any transferee of such Stock. The Forfeiture Restrictions shall lapse as to the Restricted Shares on the earlier of (i) the date immediately preceding the date of the next Annual Meeting of Stockholders of the Company following the Effective Date provided that Director has continuously served as a member of the Board from the Effective Date through the date immediately preceding the date of such Annual Meeting of Stockholders of the Company, (ii) the date upon which a Change of Control (as such term is defined in the Plan) occurs if such Change of Control occurs while Director is serving as a member of the Board, or (iii) the date of termination of Director's service on the Board due to his death or due to disability such that Director is incapable of serving on the Board for physical or mental reasons, as shall be determined by the Committee in its sole discretion, and its determination shall be final.

3. **Certificates.** A certificate evidencing the Restricted Shares shall be issued by the Company in Director's name, pursuant to which Director shall have voting rights and shall be entitled to receive dividends and other distributions (provided, however, that dividends or other distributions paid in any form other than cash shall be subject to the Forfeiture Restrictions). The certificate shall bear the following legend:

The shares evidenced by this certificate have been issued pursuant to an agreement made as of _____, a copy of which is attached hereto and incorporated herein, between the Company and the registered holder of the shares. The shares are subject to forfeiture to the Company under certain circumstances described in such agreement. The sale, assignment, pledge or other transfer of the shares evidenced by this certificate is prohibited under the terms and conditions of such agreement, and such shares may not be sold, assigned, pledged or otherwise transferred except as provided in such agreement.

Notwithstanding the foregoing, the Company may, in its discretion, elect to complete the delivery of the Restricted Shares by means of electronic, book-entry statement, rather than issuing physical share certificates. The Company may cause the certificate, if any, to be delivered upon issuance to the Secretary of the Company as a depository for safekeeping until the forfeiture occurs or the Forfeiture Restrictions lapse pursuant to the terms of this Agreement. Upon request of the Company, Director shall deliver to the Company a stock power, endorsed in blank, relating to the Restricted Shares then subject to the Forfeiture Restrictions. Upon the lapse of the Forfeiture Restrictions without forfeiture, the Company shall cause a new certificate to be issued without legend (except for any legend required pursuant to applicable securities laws or any other agreement to which Director is a party) in the name of Director for the Stock issued to Director pursuant to this Agreement in exchange for the certificate evidencing the Forfeiture Restrictions or, as may be the case, the Company shall issue appropriate instructions to the transfer agent if the electronic, book-entry method is utilized.

4. **Consideration.** It is understood that the consideration for the issuance of Restricted Shares shall be Director's agreement to render future services on the Board, which services shall have a value not less than the par value of such Restricted Shares.

5. **Status of Stock.** Director agrees that the Restricted Shares will not be sold or otherwise disposed of in any manner that would constitute a violation of any applicable federal or state securities laws. Director also agrees (i) that the certificates, if any, representing the Restricted Shares may bear such legend or legends as the Committee deems appropriate in order to ensure compliance with applicable securities laws, (ii) that the Company may refuse to register the transfer of the Restricted Shares on the stock transfer records of the Company if such proposed transfer would in the opinion of counsel satisfactory to the Company constitute a violation of any applicable securities laws and (iii) that the Company may give related instructions to its transfer agent, if any, to stop registration of the transfer of the Restricted Shares.

6. **Service Relationship.** For purposes of this Agreement, Director shall be considered to be in service on the Board as long as Director remains a Director of the Company, or any successor thereto. Any question as to whether and when there has been a termination of such service, and the cause of such termination, shall be determined by the Committee in its sole discretion, and its determination shall be final.

7. **Committee's Powers.** No provision contained in this Agreement shall in any way terminate, modify or alter, or be construed or interpreted as terminating, modifying or altering any of the powers, rights or authority vested in the Committee pursuant to the terms of the Plan, including, without limitation, the Committee's rights to make certain determinations and elections with respect to the Restricted Shares.

8. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under Director.

9. **Non-Alienation.** Director shall not have any right to pledge, hypothecate, anticipate or assign this Agreement or the rights hereunder, except by will or the laws of descent and distribution.

10. **Not a Service Contract.** This Agreement shall not be deemed to constitute a service contract, nor shall any provision hereof affect (a) the right to terminate Director's service on the Board in accordance with the Company's by-laws and applicable law or (b) the terms and conditions of any other agreement between the Company and Director except as expressly provided herein.

11. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same Agreement.

12. **Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by an officer thereunto duly authorized, and Director has executed this Agreement, all effective as of the Effective Date.

Oil States International, Inc.

By _____

Cindy B. Taylor
President and Chief Executive Officer

Director

NONQUALIFIED STOCK OPTION AGREEMENT

AGREEMENT made this _____, between **OIL STATES INTERNATIONAL, INC.**, a Delaware corporation (the “Company”), and _____ (“Employee”).

To carry out the purposes of **THE AMENDED AND RESTATED EQUITY PARTICIPATION PLAN OF OIL STATES INTERNATIONAL, INC.** (as amended from time to time, the “Plan”), by affording Employee the opportunity to purchase shares of the common stock of the Company, par value \$.01 per share (“Stock”), and in consideration of the mutual agreements and other matters set forth herein and in the Plan, the Company and Employee hereby agree as follows:

1. **Grant of Option.** The Company hereby irrevocably grants to Employee the right and option (“Option”) to purchase all or any part of an aggregate of _____ shares of Stock, on the terms and conditions set forth herein and in the Plan, which Plan is incorporated herein by reference as a part of this Agreement. In the event of any conflict between the terms of this Agreement and the Plan, the Plan shall control. Capitalized terms used but not defined in this Agreement, shall have the meaning attributed to such terms under the Plan, unless the context requires otherwise. This Option shall not be treated as an incentive stock option, within the meaning of section 422(b) of the Internal Revenue Code of 1986, as amended (the “Code”).

2. **Purchase Price.** The purchase price of Stock purchased pursuant to the exercise of this Option shall be _____ per share, which has been determined to be not less than the fair market value of the Stock at the date of grant of this Option. For all purposes of this Agreement, fair market value of Stock shall be determined in accordance with the provisions of the Plan.

3. **Exercise of Option.** Subject to the earlier expiration of this Option as herein provided, this Option may be exercised, by written notice to the Company at its principal executive office addressed to the attention of its Corporate Secretary at any time and from time to time after the date of grant hereof, but, except as otherwise provided below, this Option shall not be exercisable for more than a percentage of the aggregate number of shares offered by this Option determined by the number of full years from the date of grant hereof to the date of such exercise, in accordance with the following schedule:

<u>Number of Full Years</u>	<u>Percentage of Shares That May Be Purchased</u>
Less than 1 year	0%
1 year	25%
2 years	50%
3 years	75%
4 years or more	100%

Notwithstanding the foregoing, in the event of a Change of Control of the Company, so long as Employee continues to be employed by the Company through the date of such occurrence, this Option shall be exercisable in full.

This Option will terminate and cease to be exercisable upon Employee’s termination of employment with the Company, except that:

(a) If Employee’s employment with the Company terminates by reason of disability (within the meaning of section 22(e)(3) of the Code) or retirement, this Option may be exercised in full by Employee at any time during the period of one year following such termination, or by Employee’s estate (or the person who acquires this Option by will or the laws of descent and distribution or otherwise by reason of the death of Employee) during a one year period following Employee’s death if Employee dies during the one year period following such termination. As used in this paragraph, “retirement” shall mean the termination of Employee’s employment with the Company for reasons other than cause (as defined in (c) below) on or after attainment of age 65 or, with the express written consent of the Committee, on or after the age of 55.

(b) If Employee dies while in the employ of the Company, Employee’s estate, or the person who acquires this Option by will or the laws of descent and distribution or otherwise by reason of the death of Employee, may exercise this Option in full at any time during the period of one year following the date of Employee’s death.

(c) If Employee's employment with the Company terminates for any reason other than as described in (a) or (b) above, unless such employment is terminated for cause, this Option may be exercised by Employee at any time during the period of three months following such termination, or by Employee's estate (or the person who acquires this Option by will or the laws of descent and distribution or otherwise by reason of the death of Employee) during a period of one year following Employee's death if Employee dies during such three-month period, but in each case only as to the number of shares Employee was entitled to purchase hereunder as of the date Employee's employment so terminates. As used in this paragraph, the term "cause" shall mean Employee (i) has been convicted of a misdemeanor involving moral turpitude or of a felony, (ii) has engaged in gross negligence or willful misconduct in the performance of the duties of Employee's employment, (iii) has willfully disregarded any written corporate policies established by the Company, or (iv) has materially breached any material provision of any written agreement between Employee and the Company or any of its Affiliates.

This Option shall not be exercisable in any event after the expiration of ten years from the date of grant hereof. The purchase price of shares as to which this Option is exercised shall be paid in full at the time of exercise (a) in cash (including check, bank draft or money order payable to the order of the Company), (b) by constructively tendering to the Company shares of Stock having a fair market value equal to the purchase price and which shares, if acquired pursuant to a Company granted option, have been held by Employee for more than six months, (c) if the Stock is readily tradeable on a national securities market, through a "cashless-broker" exercise in accordance with a Company-established policy or program for the same, or (d) any combination of the foregoing. No fraction of a share of Stock shall be issued by the Company upon exercise of an Option or accepted by the Company in payment of the exercise price thereof; rather, Employee shall provide a cash payment for such amount as is necessary to affect the issuance and acceptance of only whole shares of Stock. Unless and until a certificate or certificates representing such shares shall have been issued by the Company to Employee, Employee (or the person permitted to exercise this Option in the event of Employee's death) shall not be or have any of the rights or privileges of a shareholder of the Company with respect to shares acquirable upon an exercise of this Option.

4. **Withholding of Tax.** To the extent that the exercise of this Option or the disposition of shares of Stock acquired by exercise of this Option results in compensation income to Employee for federal or state income tax purposes, Employee shall deliver to the Company at the time of such exercise or disposition such amount of money or, with the consent of the Committee, shares of Stock as the Company may require to meet its minimum withholding obligations under applicable tax laws or regulations, provided that if, when the Option is exercised, Employee is subject to Section 16(b) of the Securities Exchange Act of 1934, as amended, by reason of being a current or former officer or director of the Company or an Affiliate, Employee may direct the Company to withhold a number of Option shares for the exercise sufficient to satisfy such minimum tax withholding obligations. Notwithstanding the foregoing, in satisfaction of the preceding obligations, Employee may elect to have the Company withhold shares of Stock otherwise issuable under this Option with a value in excess of such minimum tax withholding obligations, but not in excess of the withholding determined by the maximum individual statutory tax rate in the applicable jurisdiction. No exercise of this Option shall be effective until Employee (or the person entitled to exercise the option, as applicable) has made arrangements approved by the Company to satisfy all applicable tax withholding obligations of the Company.

5. **Status of Stock.** The Company has registered for issuance under the Securities Act of 1933, as amended (the "Act"), the shares of Stock acquirable upon exercise of this Option, and intends to keep such registration effective throughout the period this Option is exercisable. In the absence of such effective registration or an available exemption from registration under the Act, issuance of shares of Stock acquirable upon exercise of this Option will be delayed until registration of such shares is effective or an exemption from registration under the Act is available. The Company intends to use its reasonable best efforts to ensure that no such delay will occur. In the event exemption from registration under the Act is available upon an exercise of this Option, Employee (or the person permitted to exercise this Option in the event of Employee's death or incapacity), if requested by the Company to do so, will execute and deliver to the Company in writing an agreement containing such provisions as the Company may require to assure compliance with applicable securities laws.

Employee agrees that the shares of Stock which Employee may acquire by exercising this Option will not be sold or otherwise disposed of in any manner which would constitute a violation of any applicable securities laws, whether federal or state. Employee also agrees (i) that the certificates representing the shares of Stock purchased under this Option may bear such legend or legends as the Committee deems appropriate in order to assure compliance with applicable securities laws, and (ii) that the Company may refuse to register the transfer of the shares of Stock purchased under this Option on the stock transfer records of the Company if such proposed transfer would in the opinion of counsel satisfactory to the Company constitute a violation of any applicable securities laws and (iii) that the Company may give related instructions to its transfer agent, if any, to stop registration of the transfer of the shares of Stock purchased under this Option.

6. **Employment Relationship.** Employee shall be considered to be in the employment of the Company as long as Employee remains an Employee, Director or consultant of the Company or any of its Affiliates. Any question as to whether and when there has been a termination of such employment, and the cause of such termination, shall be determined by the Committee and its determination shall be final.

7. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under Employee.

8. **Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas, without regard to conflicts of law principles thereof.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by its officer thereunto duly authorized, and Employee has executed this Agreement, all as of the day and year first above written.

Oil States International, Inc.

By

Cindy B. Taylor
President and Chief Executive Officer

PERFORMANCE AWARD AGREEMENT

THIS AGREEMENT is made on _____ (“Grant Date”) between Oil States International, Inc., a Delaware corporation (the “Company”), and _____ (“Employee”).

To carry out the purposes of The Amended and Restated Equity Participation Plan of Oil States International, Inc. (as amended from time to time, the “Plan”), by affording Employee the opportunity to acquire cash and shares of common stock of the Company (“Stock”), and in consideration of the mutual agreements and other matters set forth herein and in the Plan, the Company and Employee hereby agree as follows:

1. **Grant of Award.** The Company grants to Employee on the Grant Date a performance award (“Performance Award”) comprised of two separate components: (a) a target cash award, the payout of which is based on relative total shareholder return (the “TSR Component”); and (b) a target number of deferred Stock units equal to a target number of shares of Stock, the payout of which is based on the Company’s three year cumulative EBITDA (the “EBITDA Component”), each as set forth in the Notice of Performance Award Conditions (“Notice”), attached as Exhibit A, which Notice is incorporated herein by reference as a part of this Agreement. Subject to Section 2, the maximum amount of such cash award and the maximum number of such shares of Stock that Employee may earn pursuant to this Performance Award is determined by the applicable schedule set forth in the Notice. Employee acknowledges receipt of a copy of the Plan, and agrees that this Performance Award shall be subject to all of the terms and conditions set forth herein and in the Plan, including future amendments thereto, if any, pursuant to the terms thereof, which Plan is incorporated herein by reference as a part of this Agreement. In the event of any conflict between the terms of this Agreement and the Plan, the terms of the Plan shall govern.

2. **Vesting.**

(a) If Employee remains continuously employed by the Company from the Grant Date through December 31, 2023, this Performance Award shall vest in Employee on such date at the levels set forth in the Notice based upon achievement of the Company performance objectives set forth in the Notice (“Performance Objectives”) during the period commencing on January 1, 2021 and ending December 31, 2023 (the “Performance Period”). As soon as administratively practicable after the end of the Performance Period (or such earlier date as set forth in Sections 2(b), (c), (d) or (e)), the Compensation Committee of the Board (“Committee”) shall affirm in writing the extent to which the Performance Objectives have been achieved and the cash and the number of units of deferred Stock that are vested in Employee as a result of such achievement.

(b) If on or after the eighteen-month anniversary of the Grant Date and prior to the end of the Performance Period (i) a “Change of Control” (as defined in Treasury Regulation Section 1.409A-3(i)(5) that also meets the definition of “Change of Control” under the Plan) of the Company occurs, (ii) Employee incurs a “Disability” (as defined in Treasury Regulation Section 1.409A-3(i)(4) that also meets the definition of “disability” under the Company’s long-term disability plan), or (iii) Employee’s employment terminates due to Employee’s death, this Performance Award shall vest on the earliest of such events at the greater of the “Determined Percentage” (as defined below) and the “target” levels of performance as set forth in the Notice. For this purpose, the “Determined Percentage” means the percentage of vesting that would have occurred respecting the Performance Award pursuant to the Notice as if (1) the last day of the Performance Period was the Determination Date (as defined below) and the Performance Objectives were measured as of such date and (2) the dollar amount levels for “entry,” “target” and “overachievement” with respect to the Performance Objectives relating to the EBITDA Component set forth in the Notice were each prorated by multiplying the applicable dollar amount level by a fraction, the numerator of which is the number of calendar quarters during the period beginning on January 1, 2021 and ending on the Determination Date, and the denominator of which is 12 (such prorated levels being referred to herein as the “Prorated EBITDA Objectives”). As soon as administratively practicable after the date of the applicable vesting event described in clauses (b)(i), (b)(ii) or (b)(iii) above, the Committee shall affirm in writing the extent to which the Performance Objectives have been achieved and the cash and the number of units of deferred Stock that vest as a result of such achievement. As used in this Agreement, the term “Determination Date” means (A) with respect to the TSR Component of the Performance Award, the date of the applicable vesting event, and (B) with respect to the EBITDA Component of the Performance Award, the most recently completed fiscal quarter of the Company coincident with or next preceding the date of the applicable vesting event.

(c) If on or after the Grant Date and prior to the end of the Performance Period Employee terminates employment with the Company on or after age fifty-eight for a reason other than death or Disability (“Retirement”), this Performance Award shall vest on the date of such termination due to Retirement (the “Retirement Date”) at the “Determined Percentage” (as defined below). For this purpose, the “Determined Percentage” means the percentage of vesting that would have occurred respecting the Performance Award pursuant to the Notice as if (1) the last day of the Performance Period was the Determination Date and the Performance Objectives were measured as of such date and (2) the dollar amount levels for “entry,” “target” and “overachievement” with respect to the Performance Objectives relating to the EBITDA Component set forth in the Notice were

each equal to the Prorated EBITDA Objectives; provided, however, that if the Retirement Date occurs prior to the eighteen-month anniversary of the Grant Date, then the amount determined pursuant to the preceding provisions of this sentence shall be multiplied by a fraction, the numerator of which is equal to the number of Employee's actual days of employment from the Grant Date to Employee's Retirement Date, and the denominator of which is equal to the total number of days in the Performance Period (determined without regard to Employee's Retirement). As soon as administratively practicable after the Retirement Date, the Committee shall affirm in writing the extent to which the Performance Objectives have been achieved and the cash and the number of units of deferred Stock that are vested in Employee as a result of such achievement.

(d) If prior to the eighteen-month anniversary of the Grant Date (i) a Change of Control occurs, (ii) Employee incurs a "Disability", or (iii) Employee's employment terminates due to Employee's death, this Performance Award shall vest on the earliest of such events at the greater of the "Determined Percentage" (as defined below) and the percentage attributable to the "target" levels of performance as set forth in the Notice. For this purpose, the "Determined Percentage" means the percentage of vesting that would have occurred respecting the Performance Award pursuant to the Notice as if (1) the last day of the Performance Period was the Determination Date and the Performance Objectives were measured as of such date and (2) the dollar amount levels for "entry," "target" and "overachievement" with respect to the Performance Objectives relating to the EBITDA Component set forth in the Notice were each equal to the Prorated EBITDA Objectives. Notwithstanding the foregoing, if the vesting event is as a result of (ii) or (iii) above, then both the percentage attributable to the "target" levels of performance as set forth in the Notice and the Determined Percentage shall be multiplied by a fraction, the numerator of which is equal to the number of Employee's actual days of employment from the Grant Date to the date of Disability or death, as applicable, and the denominator of which is equal to the total number of days in the Performance Period (determined without regard to the occurrence of the applicable vesting date). As soon as administratively practicable after the date of the applicable vesting event, the Committee shall affirm in writing the extent to which the Performance Objectives have been achieved and the cash and the number of units of deferred Stock that vest as a result of such achievement.

(e) If on or after the Grant Date and prior to the end of the Performance Period the Company terminates Employee's employment with the Company for a reason other than "Cause" (as defined below), and not by reason of Employee's death or Disability, this Performance Award shall vest on the date of such termination (the "Involuntary Termination Date") at the "Determined Percentage" (as defined below). For this purpose, the "Determined Percentage" means the percentage of vesting that would have occurred respecting the Performance Award pursuant to the Notice as if (1) the last day of the Performance Period was the Determination Date and the Performance Objectives were measured as of such date and (2) the dollar amount levels for "entry," "target" and "overachievement" with respect to the Performance Objectives relating to the EBITDA Component set forth in the Notice were each equal to the Prorated EBITDA Objectives; provided, however, that if the Involuntary Termination Date occurs prior to the eighteen-month anniversary of the Grant Date, then the amount determined pursuant to the preceding provisions of this sentence shall be multiplied by a fraction, the numerator of which is equal to the number of Employee's actual days of employment from the Grant Date to Employee's Involuntary Termination Date, and the denominator of which is equal to the total number of days in the Performance Period (determined without regard to Employee's termination of employment). As soon as administratively practicable after the Involuntary Termination Date, the Committee shall affirm in writing the extent to which the Performance Objectives have been achieved and the cash and the number of units of deferred Stock that are vested in Employee as a result of such achievement. For purposes of this Agreement, "Cause" means "cause" (or a term of like import) as defined in Employee's individual employment or severance agreement with the Company or an affiliate in effect at the time of Employee's termination of employment or, in the absence of such an agreement or definition, shall mean (i) Employee's conviction of (or plea of nolo contendere to) a felony, dishonesty or a breach of trust as regards the Company or any subsidiary; (ii) Employee's commission of any act of theft, fraud, embezzlement or misappropriation against the Company or any subsidiary that is materially injurious to the Company or such subsidiary regardless of whether a criminal conviction is obtained; (iii) Employee's willful and continued failure to devote substantially all of Employee's business time to the Company's business affairs (excluding failures due to illness, incapacity, vacations, incidental civic activities and incidental personal time) which failure is not remedied within a reasonable time after written demand is delivered by the Company, which demand specifically identifies the manner in which the Company believes that Employee has failed to devote substantially all of his business time to the Company's business affairs; or (iv) Employee's unauthorized disclosure of confidential information of the Company or any subsidiary that is materially injurious to the Company or such subsidiary. For purposes of the preceding sentence, no act, or failure to act, on Employee's part shall be deemed "willful" unless done, or omitted to be done, by Employee not in good faith and without reasonable belief that Employee's action or omission was in the best interest of the Company.

(f) If Employee's employment with the Company is terminated prior to the end of the Performance Period, and neither (b), (c), (d) nor (e) above apply, this Performance Award automatically shall be forfeited in full, without payment, on such termination.

3. **Payment.** As soon as administratively practicable after, and in no event later than 2 ½ months following the end of the calendar year in which occurs, the earliest of the applicable vesting events pursuant to Section 2(a), (b), (c), (d) or (e), Employee shall receive from the Company, subject to satisfying the tax withholding obligations of Section 6, (a) with respect to the TSR Component, the vested cash, and (b) with respect to the EBITDA Component, the shares of Stock represented by the vested units of deferred Stock, an amount of cash equal to the Fair Market Value (as defined in the Plan) on the vesting date of a number of shares of Stock equal to the number of shares of Stock represented by the vested units of deferred Stock, or a combination thereof, as determined by the Committee in its sole discretion. It is understood that the consideration for the issuance of such Stock is Employee's services to the Company, which services shall have a value not less than the par value of such Stock.

4. **Community Interest of Spouse.** The community interest, if any, of any spouse of Employee in this Performance Award shall be subject to all the terms, conditions and restrictions in the Plan, this Agreement and the Notice.

5. **No Shareholder Rights.** Neither Employee, nor anyone lawfully claiming under Employee, shall have any right to vote, receive dividends or any other privileges or rights of a shareholder of the Company with respect to the units of deferred Stock subject to this Performance Award, unless and until actual shares of Stock are delivered to Employee following the vesting of such deferred Stock units.

6. **Withholding of Tax.** To the extent that payment of this Performance Award results in compensation income to Employee for federal, state or other tax purposes, Employee, in Employee's discretion, shall (a) deliver to the Company, at the time of such payment, such amount of cash or shares of Stock, (b) direct the Company to withhold or "net" cash or such amount of Stock otherwise payable pursuant to this Agreement, or (c) provide any combination of (a) or (b), as required for the Company to meet its statutory minimum withholding obligations under applicable tax laws or regulations. Notwithstanding the foregoing, in satisfaction of the proceeding obligations, Employee may elect, in Employee's discretion, to have the Company withhold or "net" cash or shares of Stock otherwise payable pursuant to this Agreement with a value in excess of such minimum tax withholding obligations, but not in excess of the allowable withholding determined by the maximum individual statutory rate in the applicable jurisdiction.

7. **Employment Relationship.** For purposes of this Agreement, Employee shall be considered to be in the employment of the Company as long as Employee remains an employee of the Company, any parent or subsidiary entity of the Company or any successor to any of the foregoing. Any question as to whether and when there has been a termination of such employment, and the cause of such termination, shall be determined by the Committee in its sole discretion, and its determination shall be final. For purposes of this Agreement, termination of Employee's employment with the Company shall be interpreted consistent with the meaning of the term "separation from service" in Section 409A(a)(2)(A)(i) of the Internal Revenue Code of 1986, as amended ("Code").

8. **Committee's Powers.** No provision contained in this Agreement shall in any way terminate, modify or alter, or be construed or interpreted as terminating, modifying or altering any of the powers, rights or authority vested in the Committee pursuant to the terms of the Plan, including, without limitation, the Committee's rights to make certain determinations and elections with respect to the Performance Award. Specifically, but not by way of limitation, the Committee's determinations respecting the attainment of the Performance Objectives shall be made in its sole discretion, shall be subject to such adjustments consistent with the intent of this Agreement as the Committee deems appropriate and shall not be subject to challenge by Employee or any other person.

9. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under Employee.

10. **Non-Alienation.** Employee shall not have any right to pledge, hypothecate, anticipate or assign this Agreement or any rights hereunder, except by will or the laws of descent and distribution.

11. **Not a Contract of Employment.** This Agreement shall not be deemed to constitute a contract of employment, nor shall any provision hereof affect (a) the right of the Company to terminate Employee anytime, with or without reason, or (b) the terms and conditions of any other written agreement between the Company and Employee, except as expressly provided therein.

12. **Code Section 409A.** Each payment under this Agreement is intended to be a short-term deferral under Treasury Regulation Section 1.409A-1(b)(4). Each payment under this Agreement, and each payment or benefit payable pursuant to the terms of the benefit plans, programs and policies of the Company, shall be considered a separate payment for purposes of Section 409A of the Code. Notwithstanding any provision in the Plan or this Agreement to the contrary, if any payment or benefit provided for under this Agreement would be subject to additional taxes and interest under section 409A of the Code if Employee's receipt of such payment or benefit is not delayed in accordance with the requirements of section 409A(a)(2)(B)(i) of

the Code, then such payment or benefit shall not be provided to Employee (or Employee's estate, if applicable) until the earlier of (i) the date of Employee's death or (ii) the date that is six months after the date of Employee's "separation from service" with the Company within the meaning of the Section 409A of the Code and the regulations promulgated thereunder.

13. **Clawback.** Employee's receipt of this Performance Award is expressly conditioned on Employee's agreement to the terms and provisions of this Section, and Employee acknowledges that Employee would not have received this Performance Award in the absence of such agreement. By accepting this Performance Award, Employee acknowledges and agrees that:

(a) the compensation (inclusive of Stock) payable pursuant to this Performance Award and any other award granted to Employee under the Plan (whether granted before, on or after the Grant Date) shall not be deemed fully earned or vested, even if paid or distributed to Employee, if such compensation or any portion thereof is subject to recovery, revocation, recoupment or "clawback" by the Company or any of its affiliates pursuant to (i) the provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"), (ii) any rules or regulations promulgated under the Act or by any stock exchange on which the Company's Stock is listed (collectively, the "Rules"), or (iii) any compensation recoupment or clawback policies or procedures adopted by the Company or any of its affiliates, in each case with respect to clauses (i), (ii) and (iii) above as such provisions, rules, regulations, policies and procedures may be adopted and amended from time to time (including with retroactive effect); and

(b) any other compensation or benefit (inclusive of Stock) payable to or on behalf of Employee from the Company or any of its affiliates (whether payable before, on or after the Grant Date, but excluding any compensation or benefit payable pursuant to a Performance Award granted under the Plan) shall not be deemed fully earned or vested, even if paid or distributed to Employee, if such compensation, benefit or any portion thereof is subject to recovery, revocation, recoupment or clawback by the Company or any of its affiliates pursuant to the Act, the Rules or any compensation recoupment or clawback policies or procedures adopted by the Company or any of its affiliates, in each case as the Act, the Rules and such policies and procedures may be adopted and amended from time to time (including with retroactive effect).

In addition, Employee hereby agrees (on behalf of Employee and any other individual, entity or other person claiming under or through Employee) that: (x) compensation payable pursuant to this Performance Award (inclusive of stock) and any other compensation or benefit payable to or on behalf of Employee (whether under the Plan or otherwise) shall be subject to recovery, revocation, recoupment or clawback as provided in the preceding provisions of this Section; and (y) Employee (or any such individual, entity or other person) shall not seek indemnification or contribution from the Company or any of its affiliates with respect to any amount so recovered, revoked, recouped or clawed back. This Section shall survive the termination of this Agreement.

14. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same Agreement.

15. **Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by an officer thereunto duly authorized, and Employee has executed this Agreement, all effective on the Grant Date.

Oil States International, Inc.

By

Cindy B. Taylor
President and Chief Executive Officer

Employee

May 27, 2021

Oil States International, Inc.
333 Clay Street, Suite 4620
Houston, Texas 77002

Ladies and Gentlemen:

We have acted as counsel for Oil States International, Inc., a Delaware corporation (the “Company”), in connection with the Company’s registration under the Securities Act of 1933, as amended (the “Act”), of the offer and sale of an aggregate of up to 4,950,000 shares of the Company’s Common Stock, par value \$0.01 per share (the “Shares”), pursuant to the Company’s registration statement on Form S-8 (the “Registration Statement”) to be filed with the Securities and Exchange Commission on May 27, 2021, which Shares may be issued from time to time in accordance with the terms of the Amended and Restated Equity Participation Plan of Oil States International, Inc. (as amended from time to time, the “Plan”).

In reaching the opinions set forth herein, we have examined and are familiar with originals or copies, certified or otherwise identified to our satisfaction, of such documents and records of the Company and such statutes, regulations and other instruments as we deemed necessary or advisable for purposes of this opinion, including (i) the Registration Statement, (ii) certain resolutions adopted by the board of directors of the Company, (iii) the Plan, and (iv) such other certificates, instruments, and documents as we have considered necessary for purposes of this opinion letter. As to any facts material to our opinions, we have made no independent investigation or verification of such facts and have relied, to the extent that we deem such reliance proper, upon certificates of public officials and officers or other representatives of the Company.

We have assumed (i) the legal capacity of all natural persons, (ii) the genuineness of all signatures, (iii) the authority of all persons signing all documents submitted to us on behalf of the parties to such documents, (iv) the authenticity of all documents submitted to us as originals, (v) the conformity to authentic original documents of all documents submitted to us as copies, (vi) that all information contained in all documents reviewed by us is true, correct and complete, and (vii) that the Shares will be issued in accordance with the terms of the Plan.

Based on the foregoing and subject to the limitations set forth herein, and having due regard for the legal considerations we deem relevant, we are of the opinion that the Shares have been duly authorized and, when the Shares are issued by the Company in accordance with the terms of the Plan and the instruments executed pursuant to the Plan, as applicable, that govern the awards to which any Share relates, the Shares will be validly issued, fully paid and non-assessable.

This opinion is limited in all respects to the General Corporation Law of the State of Delaware. We express no opinion as to any other law or any matter other than as expressly set forth above, and no opinion as to any other law or matter may be inferred or implied herefrom. The opinions expressed herein are rendered as of the date hereof and we expressly disclaim any obligation to update this letter or advise you of any change in any matter after the date hereof.

This opinion may be filed as an exhibit to the Registration Statement. In giving this consent, we do not thereby admit that we come within the category of persons whose consent is required under Section 7 of the Act.

Very truly yours,

/s/ Vinson & Elkins L.L.P.
Vinson & Elkins L.L.P.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Registration Statement on Form S-8 pertaining to the Amended and Restated Equity Participation Plan of Oil States International, Inc. of our reports dated February 22, 2021, with respect to the consolidated financial statements of Oil States International, Inc. and subsidiaries and the effectiveness of internal control over financial reporting of Oil States International, Inc. and subsidiaries, included in its Annual Report (Form 10-K) for the year ended December 31, 2020, filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP

Houston, Texas
May 27, 2021