

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 13, 2017



Tellurian Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation)

001-5507

(Commission File Number)

06-0842255

(I.R.S. Employer
Identification No.)

1201 Louisiana Street, Suite 3100, Houston, TX

(Address of principal executive offices)

77002

(Zip Code)

Registrant's telephone number, including area code: (832) 962-4000

(Former name or former address, if changed since last report)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 4.01 Change in Registrant's Independent Accountant.

As previously disclosed, on February 10, 2017, Tellurian Inc., a Delaware corporation, which was, until February 10, 2017, known as Magellan Petroleum Corporation ("Tellurian" or the "Company"), completed the merger whereby River Merger Sub, Inc., a Delaware corporation and a direct wholly owned subsidiary of Magellan Petroleum Corporation ("Merger Sub"), merged with and into Tellurian Investments Inc., a Delaware corporation ("Tellurian Investments"), and Tellurian Investments continued as the surviving corporation and a subsidiary of the Company (the "Merger").

EKS&H LLLP ("EKS&H") served as the independent registered public accounting firm for the Company (and its subsidiaries) as of and for the fiscal years ended June 30, 2015 and 2016. Deloitte & Touche LLP ("Deloitte") served as the independent registered public accounting firm for Tellurian Investments. Upon closing of the Merger, it was determined that EKS&H would be dismissed and that Deloitte would serve as the independent registered public accounting firm for the Company. The decision to engage Deloitte was made by the audit committee of the Company's board of directors (the "Board") on February 10, 2017 and is effective immediately.

During the fiscal years ended June 30, 2015 and 2016, EKS&H's reports on the Company's financial statements did not contain an adverse opinion or disclaimer of opinion, and were not qualified or modified as to uncertainty, audit scope or accounting principles, except that each report contained a modification to the effect that there was substantial doubt as to the Company's ability to continue as a going concern.

During the fiscal years ended June 30, 2015 and 2016 and the subsequent periods through the date of this report, (i) there were no disagreements between the Company and EKS&H on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure which, if not resolved to the satisfaction of EKS&H, would have caused EKS&H to make reference to the subject matter of the disagreement in connection with its reports on the Company's financial statements, and (ii) there were no reportable events as that term is described in Item 304(a)(1)(v) of Regulation S-K.

The Company provided EKS&H with a copy of this Current Report on Form 8-K prior to its filing with the Securities and Exchange Commission (the "SEC") and requested that EKS&H furnish the Company with a letter addressed to the SEC stating whether or not it agrees with the above statement. A copy of EKS&H's letter, dated February 13, 2017 is filed as Exhibit 16.1 to this Current Report on Form 8-K.

During the fiscal years ended June 30, 2015 and 2016 and the subsequent interim period through the date of this report, the Company did not consult with Deloitte regarding either (i) the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered on the Company's financial statements or (ii) any matter that was either the subject of a disagreement (as defined in paragraph (a)(1)(iv) of Item 304 of Regulation S-K and the related instructions thereto) or a reportable event (as described in paragraph (a)(1)(v) of Item 304 of Regulation S-K).

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.*Employment Agreement with Antoine Lafargue*

On February 9, 2017, Tellurian Services LLC, a subsidiary of Tellurian Investments ("Tellurian Services"), entered into an employment agreement with Antoine Lafargue, Senior Vice

President and Chief Financial Officer of the Company (the “Employment Agreement”). The term of the Employment Agreement commenced on the closing date of the Merger (the “Effective Date”). The Employment Agreement superseded and replaced in its entirety Mr. Lafargue’s existing employment agreement with the Company, dated as of October 31, 2014, and amended as of October 12, 2015, and the portion of any agreements with the Company that provides for any type of compensation or benefits other than those related to vested equity.

The term of the Employment Agreement begins on the Effective Date and extends for three years (the “Stated Term”), unless earlier terminated in accordance with the terms of the Employment Agreement. Under the Employment Agreement, Mr. Lafargue will receive an annual base salary of \$350,000, and will be eligible for annual merit-based increases in the sole discretion of the compensation committee of the Board (the “Compensation Committee”) beginning on January 1, 2018. Mr. Lafargue will be eligible to receive an annual discretionary bonus based on company and performance milestones with a target value of 150% of base salary and a stretch target of 200% of base salary. Pursuant to the Employment Agreement, Mr. Lafargue is also entitled to a lump-sum, cash, sign-on bonus of \$990,000, payable promptly after the Effective Date.

Under the Employment Agreement, Mr. Lafargue is eligible to receive a grant of 800,000 shares of restricted stock under the Company’s 2016 Omnibus Incentive Compensation Plan. On February 13, 2017, Mr. Lafargue entered into a restricted stock award agreement in connection with the grant (the “Award Agreement”). The restricted stock award consists of (i) 150,000 shares that vest in equal quarterly installments over the 18-month period starting on the grant date, subject to continued employment through each applicable vesting date and (ii) 650,000 shares that vest upon the affirmative final investment decision by the Board with respect to the Driftwood LNG project, subject to continued employment through such date.

If Mr. Lafargue’s employment is terminated by Tellurian Services without Cause (as defined in the Employment Agreement) (other than for disability) during the Stated Term, then he would be entitled to receive continued payment of his current base salary at the time of termination for the remainder of the Stated Term, payable in equal monthly installments over the remainder of the Stated Term, subject to the execution and non-revocation of a general release of claims in favor of Tellurian Services.

The Employment Agreement is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference. The Award Agreement is filed as Exhibit 10.2 to this Current Report on Form 8-K and is incorporated herein by reference. The foregoing summary is qualified in its entirety by the terms of the actual Employment Agreement and Award Agreement.

Amendment to Outstanding Restricted Stock Grants for Legacy Tellurian Investments Awards

On February 7, 2017, the Compensation Committee approved amendments to all restricted stock award agreements and notices of grant for all outstanding restricted stock awards made under the Amended and Restated Tellurian Investments Inc. 2016 Omnibus Incentive Plan and/or its predecessor plan (the “Legacy Plan”) to provide that, notwithstanding anything contained in the Legacy Plan or the existing award agreements and/or notices of grant, if a participant’s services terminates due to a termination by the Company without Cause (as defined in the Legacy Plan), or due to the participant’s death or Disability (as defined in the Legacy Plan), (i) all unvested shares of restricted stock that vest solely based on continuous service shall become fully vested as of the date of such termination and (ii) all unvested shares of restricted stock that vest based on performance conditions shall remain open and continue to vest based on such performance conditions as if the participant’s continuous service had not been terminated, provided that the Compensation Committee will have the ability, in its sole discretion, to accelerate the vesting of any performance-based restricted stock as of the date of termination. All unvested shares of restricted stock will continue to be forfeited in connection with any other type of termination of employment or service.

The Company communicated this amendment to participants who hold outstanding restricted stock awards through a form of amendment letter (the “Form Restricted Stock Amendment Letter”). The Form Restricted Stock Amendment Letter, a form of notice of grant and restricted stock award agreement (the “Form Notice of Grant and Restricted Stock Award Agreement”), and the Legacy Plan are filed as Exhibit 10.3, Exhibit 10.4, and Exhibit 10.5, respectively, to this Current Report on Form 8-K and are incorporated herein by reference. The foregoing summary is qualified in its entirety by the terms of the actual Form Restricted Stock Amendment Letter, Form Notice of Grand and Restricted Stock Award Agreement, and Legacy Plan.

2016 Omnibus Incentive Compensation Plan

Based on the final voting results at the special meeting of stockholders held on February 9, 2017, the Company’s stockholders have approved the Company’s 2016 Omnibus Incentive Compensation Plan (the “2016 Plan”). In summary, the 2016 Plan provides for the granting of stock options, stock appreciation rights, restricted stock and/or restricted stock units, performance shares and/or performance units, incentive awards, cash awards, and other stock-based awards to employees (including officers), directors, and consultants of the Company (or subsidiaries of the Company) who are selected by the Compensation Committee to receive incentive compensation awards under the 2016 Plan. The stated maximum number of shares of common stock of the Company (“Common Stock”) authorized for awards under the 2016 Plan is 40,000,000 shares, and the maximum term of the 2016 Plan is ten years. During any calendar year, no employee may be granted more than 10,000,000 shares of Common Stock, or with respect to a grant of cash, an amount equal to the value of 10,000,000 shares of Common Stock at the time of settlement.

On February 10, 2017, the Board amended the 2016 Plan to reflect the recent change in the Company’s name from “Magellan Petroleum Corporation” to “Tellurian Inc.” and the division of the compensation, nominating and governance committee of the Board into two separate committees, including the Compensation Committee.

The 2016 Plan is filed as Exhibit 10.6 to this Current Report on Form 8-K and is incorporated herein by reference. The foregoing summary is qualified in its entirety by the terms of the actual 2016 Plan.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

See Exhibit Index.

SIGNATURES

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

TELLURIAN INC.

By: /s/ Meg A. Gentle

Meg A. Gentle, President and Chief Executive Officer
(as Principal Executive Officer)

Date: February 13, 2017

EXHIBIT INDEX

Exhibit No.	Description
10.1*+	Employment Agreement, by and between Tellurian Services LLC and Antoine Lafargue, dated as of February 9, 2017
10.2*+	Restricted Stock Agreement, by and between Tellurian Inc. and Antoine Lafargue, dated as of February 13, 2017
10.3*+	Form Restricted Stock Amendment Letter
10.4*+	Form Notice of Grant and Restricted Stock Award Agreement
10.5*+	Amended and Restated Tellurian Investments Inc. 2016 Omnibus Incentive Plan
10.6+	Tellurian Inc. 2016 Omnibus Incentive Compensation Plan (filed as Exhibit 99.1 to the Registration Statement on Form S-8, filed with the SEC on February 10, 2017 and incorporated herein by reference)
16.1*	Letter of EKS&H LLLP, dated February 13, 2017 regarding change in independent registered public accounting firm

* Filed herewith

+ Management contract or compensatory plan or arrangement



February 9, 2017

Antoine Lafargue
21073 Sky Meadow Lane
Golden, CO 80401

VIA EMAIL: alafargue@magellanpetroleum.com

Dear Antoine,

On behalf of Tellurian Services LLC (the "Company"), I am very pleased to offer you employment with us in accordance with the terms of this letter agreement (this "Agreement"). This is an exempt position under the FLSA. Your title will be Senior Vice President and Chief Financial Officer of Tellurian Inc. ("Tellurian"). You will have duties, authority and responsibilities consistent with your title, along with such other duties and authority that are assigned to you from time to time by the CEO of Tellurian or by Tellurian's board of directors. During the Employment Term (as defined below), you shall devote all of your working time to the business and affairs of Tellurian; provided that, you may manage your personal investments and be involved in charitable activities and, with the prior consent of the board of directors of Tellurian, serve on not for profit and for profit boards, so long as such activities do not interfere with your duties for Tellurian or create any conflict. This Agreement shall become effective as of the Closing Date, as such term is defined in the Agreement and Plan of Merger by and among Magellan Petroleum Corporation ("Magellan"), Tellurian Investments Inc., and River Merger Sub, Inc., dated as of August 2, 2016 (the "Merger Agreement"). In the event that the Closing (as such term is defined in the Merger Agreement) does not occur, this Agreement shall be void and of no force or effect.

As of the Closing Date (as defined in the Merger Agreement) (for purposes of this Agreement, the "Effective Date"), this Agreement shall supersede and replace in its entirety your existing employment agreement with Magellan, dated as of October 31, 2014, and amended as of October 12, 2015, and the portion of any agreements with Magellan that provides for any type of compensation or benefits other than those related to vested equity (collectively, your "Existing Compensation Agreements").

The terms of your employment are as follows:

Work Location and Supervisor

You will be based in Houston, Texas, subject to reasonable business travel in the course of your employment. You will report to the CEO of Tellurian, Meg Gentle.



Term

The Company agrees to employ you pursuant to the terms of this Agreement, and you agree to be so employed, for a period of three years commencing on the Effective Date (the “Stated Term”). If you remain employed after the end of the Stated Term, your employment shall continue to be “at-will” but you shall have no rights to any of the compensation and benefits under this Agreement. Notwithstanding the foregoing, your employment may be earlier terminated during the Stated Term in accordance with the terms of this Agreement. The period of time between the Effective Date and the termination of your employment hereunder shall be referred to herein as the “Employment Term.”

Compensation and Benefits

- Salary** Your annual base salary will be \$350,000, payable in accordance with Company payroll. You will be eligible for annual merit-based increases in the sole discretion of the Compensation Committee of Tellurian beginning on January 1, 2018.
- Sign-on Bonus** You will receive a lump sum cash sign-on bonus of \$990,000, payable promptly after the Effective Date (the “Sign-on Bonus”).
- Bonus** For each year during your employment (beginning in 2017), you will be eligible to receive an annual discretionary bonus under the Company’s annual bonus plan. Your annual target bonus will be 150% of your base salary, with a stretch target of 200% of your base salary. This is a purely discretionary bonus, and will be based on company and personal performance milestones over the course of the year, as agreed between you and the CEO (or the board of directors or a committee thereof, as the case may be) within one month of the Effective Date, or as soon as reasonably practicable thereafter (and to occur at approximately the same time for future years during your Employment Term). You must be employed on the date on which the annual bonus payment is paid in order to be eligible to receive the annual bonus, except as otherwise provided under the annual bonus plan.
- Benefits** You will be eligible to receive employee benefits commensurate with those made available generally to similarly situated employees of the Company. Details of these benefits programs will be provided to you in separate documents. Currently, the Company offers a benefits plan at no cost to its employees that includes health, dental, vision, short-term and long-term disability coverage and 6% 401(k) matching. The Company’s benefit offerings are subject to change, we reserve the right to amend, suspend or terminate any such benefits or benefit plans, and the applicable benefit plan documents shall control in all cases.



Relocation	The Company will reimburse you for reasonable relocation expenses (as determined by the CEO) associated with moving your family from Denver, Colorado to Houston, Texas, including, but not limited to, at reasonable levels, temporary housing in the Houston, Texas metropolitan area for up to 6 months, packing, moving and storage costs for the relocation of the non-special item personal property of you and your immediate family, and house-hunting and travel expenses for you and your immediate family.
Business Expenses	You will be entitled to reimbursement from the Company for the reasonable business expenses incurred by you in the performance of your duties for the Company in accordance with the terms of the Company's policies.
Vacation	You will be entitled to vacation in accordance with the terms of the Company's policy in effect from time to time. For 2017, you will be entitled to 5 weeks of vacation, which shall accrue to you at a rate of 50 hours per calendar quarter.
Annual Review	You will have a performance review during each year of your employment with the Company, at which time the Company will review your salary, bonus structure and other Company and performance issues; provided that, your salary and target bonus percentages shall not be decreased below the amounts as provided herein without your written consent.
Equity Incentives	<p>You will be eligible to receive a grant of 800,000 shares of restricted stock under the Tellurian Inc. (f/k/a Magellan Petroleum Corporation) 2016 Omnibus Incentive Compensation Plan (the "<u>Plan</u>") on or as soon as reasonably practicable after the Effective Date. The terms and conditions applicable to such shares, including vesting and forfeiture, shall be governed by the terms of the Plan and an award agreement. Vesting of the restricted stock award will be as follows:</p> <ul style="list-style-type: none">• 150,000 shares vest in equal quarterly installments over the 18-month period starting on the grant date; and• 650,000 shares vest upon the affirmative final investment decision by the board of directors of Tellurian with respect to the Driftwood LNG project (the "<u>FID</u>"), subject to your continued employment through the FID. <p>You may also be eligible for future equity awards under the Plan from time to time.</p>



Termination

Your employment and the Employment Term shall terminate on the first of the following to occur:

1. **Disability**: Upon 10 days' prior written notice by the Company to you of termination due to Disability while you remain Disabled. For purposes of this Agreement, "**Disability**" shall mean you are unable to adequately perform the essential functions of your position, with or without reasonable accommodation, due to a physical or mental impairment that is expected to last for more than three (3) months.
2. **Death**: Automatically upon your death.
3. **Cause**: Immediately upon written notice by the Company to you of a termination for Cause. For purposes of this Agreement, "**Cause**" shall have the meaning provided in the Plan.
4. **Without Cause**: Immediately upon written notice by the Company to you of an involuntary termination without Cause (other than for death or Disability) or such later date as provided in the written notice.

Consequences of Termination

If your employment terminates at any time, the Company shall pay you (or your estate, as applicable) the following:

1. any unpaid base salary through the date of termination;
2. reimbursement for any unreimbursed business expenses incurred through the date of termination to the extent covered under the Company's policy; and
3. all other payments, benefits or fringe benefits to which you shall be entitled under the terms of any welfare, pension, benefit, equity or fringe benefit plan or program or grant or this Agreement, provided for clarity that no amounts of unpaid annual bonus will be paid (collectively, the "**Accrued Benefits**").

In addition, if your employment is terminated by the Company without Cause (other than for Disability) during the Stated Term, the Company shall pay or provide you with the following:

1. continued payment of your current base salary at the time of termination for the remainder of the Stated Term, payable in equal monthly installments over the remainder of the Stated Term (the "**Severance Payment**"); **provided** that to the extent that the payment of any amount constitutes "nonqualified deferred compensation" for purposes of Section 409A of the Internal Revenue Code of 1986, as amended (the "**Code**"), any such payment scheduled to occur during the first 60 days following the termination of employment shall not be paid until the first regularly scheduled pay period following the 60th day following such termination and shall include payment



of any amount that was otherwise scheduled to be paid prior thereto and, to the extent not covered by this proviso, shall be delayed until the effective date of the release discussed directly below.

Release

Any and all amounts payable and benefits or additional rights provided pursuant to this Agreement in connection with a termination of employment, other than the Accrued Benefits, shall only be payable if you deliver to the Company and do not revoke a general release of claims in favor of the Company in the form generally used by the Company at the time of termination. Such release shall be executed and delivered (and no longer subject to revocation, if applicable) within 60 days following termination.

Code Section 409A

To the extent that any provision of this Agreement or action by the Company would subject you to liability for interest or additional taxes under Code Section 409A, it shall be deemed null and void, to the extent permitted by law and deemed advisable by the Company. It is intended that this Agreement will be exempt from, or comply with, Code Section 409A, and this Agreement shall be administered accordingly and interpreted and construed on a basis consistent with that intent. Anything to the contrary herein notwithstanding, no severance or similar payments or benefits shall be payable hereunder on account of your termination unless such termination constitutes a "separation from service" within the meaning of Code Section 409A. For purposes of Code Section 409A, all installment payments of deferred compensation made hereunder, or pursuant to another plan or arrangement, shall be deemed to be separate payments. To the extent any reimbursements or in-kind benefit payments under this agreement are subject to Code Section 409A, such reimbursements and in-kind payments shall be made in accordance with Treasury Regulation Section 1.409A-3(i)(1)(iv). This Agreement may be amended to the extent necessary (including retroactively) by the Company to avoid application of taxes or interest under Code Section 409A, while maintaining to the maximum extent practicable the original intent of the Agreement. This section shall not be construed as a guarantee of any particular tax effect for your benefits under this Agreement and the Company does not guarantee that any such benefits will satisfy the provisions of Code Section 409A. In no event whatsoever shall the Company or its affiliates or their respective officers, directors, employees or agents be liable for any additional tax, interest or penalties that may be imposed on you by Code Section 409A or damages for failing to comply with Code Section 409A.

Anything to the contrary herein notwithstanding, if you are determined to be a "specified employee" under Code Section 409A as of your termination date, then, to the extent required by Code Section 409A, payments due under this Agreement that are determined to be deferred compensation shall be subject to a six-month delay following your termination date; and all delayed payments shall be accumulated and paid in a single lump sum payment as of the first day of the seventh month following your termination date (or if earlier, your date of death). Any portion of the benefits hereunder that were not otherwise due to be paid during the six-month period following your termination shall be paid in accordance with their original payment schedule.



Other Terms and Conditions

This offer of employment is contingent on your presenting proof of your identity and employment eligibility in the United States within three days of the Effective Date.

You acknowledge that you will be required and hereby agree to sign a separate confidentiality and proprietary rights agreement in the form provided by the Company, which agreement shall remain in full force and effect after it is executed and following termination of your employment for any reason with the Company or any of its affiliates.

By signing this Agreement, you are confirming that your employment with us will not conflict with any existing agreements to which you are subject and you are not subject to any non-competition agreements.

The Company and its affiliates shall be entitled to deduct or withhold from any amounts owing from the Company or any of its affiliates to you any federal, state, local or foreign withholding taxes, excise taxes or employment taxes imposed with respect to your compensation or other payments from the Company or any of its affiliates.

This Agreement constitutes the terms of your employment and supersedes any prior discussion or employment contract with the Company or any of its affiliates, including, without limitation, your Existing Compensation Agreements. By signing this Agreement, you hereby acknowledge and agree that, to the extent provided above, your Existing Compensation Agreements are terminated and void and of no further force and effect, and you hereby waive any and all rights that you may have under your Existing Compensation Agreements or otherwise including, but not limited to, any payments or benefits owing to you as a result of your services as an officer, director, agent or employee of Magellan, except for any accrued base salary for the last pay period and rights of indemnification and insurance as provided in the Merger Agreement.

This is a Texas contract and shall be governed and construed in accordance with the laws of the state of Texas, without regard to any conflict of laws principles that would result in the application of the laws of any other jurisdiction, except that any equity or equity-based awards granted to you shall be governed by and construed in accordance with the governing law provisions set forth in the agreements evidencing such awards. You and the Company agree to submit to the exclusive jurisdiction of the courts of the state of Texas in connection with any dispute arising out of this Agreement or your employment with the Company.

If any portion or provision of this Agreement shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.



Any notices provided for in this Agreement shall be in writing and shall be effective when delivered in person or deposited in the United States mail, postage prepaid, and addressed to you at your last known address on the books of the Company or, in the case of the Company, to it at its principal place of business, attention of the Chair of the Board, or to such other address as either party may specify by notice to the other actually received.

Neither you nor the Company may make any assignment of this Agreement or any interest in it, by operation of law or otherwise, without the prior written consent of the other; provided, however, the Company may assign its rights and obligations under this Agreement without your consent to an affiliate or an entity with which the Company shall hereafter effect a reorganization, consolidate with, or merge into or to which it transfers all or substantially all of its properties or assets. This Agreement shall inure to the benefit of and be binding upon you and the Company, and each of your and the Company's respective successors, executors, administrators, heirs and permitted assigns.

The Company retains the sole right to terminate your employment for any reason at any time, and nothing in this Agreement is meant to imply that the Company is relinquishing any of those rights.

Antoine, we look forward to you joining our team and participating in this unique opportunity.

Please indicate your acceptance by signing below and returning a copy by close of business on February 9, 2017. Please don't hesitate to contact me if you have any questions.

/s/ Lisa Aimone

Lisa Aimone

Director of Talent of Tellurian Services LLC

Agreed and Accepted:

/s/ Antoine Lafargue

Antoine Lafargue

02/09/2017

Date

TELLURIAN INC.
RESTRICTED STOCK AGREEMENT
PURSUANT TO THE
TELLURIAN INC.
2016 OMNIBUS INCENTIVE COMPENSATION PLAN

This RESTRICTED STOCK AGREEMENT (“**Agreement**”) is effective as of February 13, 2017 (the “**Grant Date**”), between Tellurian Inc. (f/k/a Magellan Petroleum Corporation), a Delaware corporation (the “**Company**”), and Antoine Lafargue (the “**Participant**”).

Terms and Conditions

The Participant is hereby granted, as an eligible Employee of the Company or a Subsidiary, as of the Grant Date, pursuant to the Tellurian Inc. 2016 Omnibus Incentive Compensation Plan, as it may be amended from time to time (the “**Plan**”), the number of shares of the Company’s Common Stock set forth in Section 1 below. Except as otherwise indicated, any capitalized term used but not defined herein shall have the meaning ascribed to such term in the Plan. A copy of the Plan and the prospectus with regard to the shares under an effective registration on Form S-8 have been delivered or made available to the Participant. By signing and returning this Agreement, the Participant acknowledges having received and read a copy of the Plan and the prospectus and agrees to comply with the Plan, this Agreement and all applicable laws and regulations.

Accordingly, the parties hereto agree as follows:

1. **Grant of Shares.** Subject in all respects to the Plan and the terms and conditions set forth herein and therein, effective as of the Grant Date, the Company hereby awards to the Participant 800,000 shares of its Common Stock (the “**Shares**”). Such Shares are subject to certain restrictions set forth in Section 2 hereof, which restrictions shall lapse at the times provided under Section 2 hereof. For the period during which such restrictions are in effect, the Shares subject to such restrictions are referred to herein as the “**Restricted Stock**.” The Restricted Stock, in the sole discretion of the Plan Administrator, shall be evidenced by a certificate or be credited to a book entry account maintained by the Company (or its designee) on behalf of the Participant and such certificate or book entry (as applicable) shall be noted appropriately to record the restrictions on the Restricted Stock imposed hereby.

2. **Restricted Stock.**

(a) **Rights as a Stockholder.** The Participant shall have the rights of a stockholder with respect to the shares of Restricted Stock as, and only as, set forth in Section 10.4 of the Plan and herein. Solely with respect to unvested shares of Restricted Stock, (i) dividends or other distributions (collectively, “dividends”) on such unvested shares of Restricted Stock shall be withheld, in each case, while such unvested shares of Restricted Stock are subject to restrictions, and (ii) in no event shall dividends or other distributions payable thereunder be paid unless and until such unvested shares of Restricted Stock to which they relate no longer are subject to a risk of forfeiture hereunder. Dividends that are not paid currently shall be credited to bookkeeping accounts on the Company’s records for purposes of the Plan and shall not accrue interest. Such dividends shall be paid to the Participant in the same form as paid on the Common Stock promptly upon the lapse of the restrictions.

(b) **Vesting.** Subject to Section 2(c) below, the Restricted Stock shall only vest as follows (and there shall be no proportionate or partial vesting in the periods prior to the applicable vesting date(s) and all vesting shall occur only on the applicable vesting date(s)):

(i) **Time-Based Restricted Stock.** 150,000 shares of the Restricted Stock shall vest and cease to be Restricted Stock (but will remain subject to the terms of this Agreement and the Plan) in equal quarterly installments commencing on the Grant Date and ending on the 18-month anniversary of the Grant Date (the “**Time-Based Restricted Stock**”); provided, however, that the Participant has not experienced a Termination of Service prior to each applicable vesting date.

(ii) **Performance-Based Restricted Stock.** 650,000 shares of the Restricted Stock (the “**Performance-Based Restricted Stock**”) shall vest upon the affirmative final investment decision by the Board with respect to the Driftwood LNG project (“**FID**”); provided, however, that the Participant has not experienced a Termination of Service prior to the vesting date.

(c) **Terminations without Cause or due to Death or Disability.** In the event the Participant is terminated by the Company without Cause, or due to his death or Disability (with the terms “Cause” and “Disability” having the meanings ascribed to such terms in that certain employment letter agreement between Tellurian Services LLC and Participant dated February 9, 2017):

(i) **Time-Based Restricted Stock.** All unvested shares of Time-Based Restricted Stock shall become fully vested as of the date of the Participant’s Termination of Service.

(ii) **Performance-Based Restricted Stock.** All unvested shares of Performance-Based Restricted Stock shall remain open and continue to vest on the FID as if the Participant had not experienced a Termination of Service; provided, however, that the Plan Administrator will have the ability, in its sole discretion, to accelerate the vesting of the Performance-Based Restricted Stock even if the FID has not yet occurred.

(d) **Terminations for all other Reasons.** In the event the Participant experiences a Termination of Service for any reason other than those set forth in Section 2(c), the Participant shall forfeit to the Company, without compensation, any Restricted Stock that is unvested and that cannot vest in accordance with Section 2(b) immediately upon the Participant’s Termination of Service.

(e) **Section 83(b).** If the Participant properly elects (as permitted by Section 83(b) of the Code) within thirty (30) days after the issuance of the Restricted Stock to include in gross income for federal income tax purposes in the year of issuance the fair market value of such Restricted Stock, the Participant shall deliver to the Company a signed copy of such election within 10 days after the making of such election, and shall pay to the Company or make arrangements satisfactory to the Company to pay to the Company upon such election, any federal, state, local or other taxes of any kind that the Company is required to withhold with respect to the Restricted Stock. **The Participant acknowledges that it is his or her sole responsibility, and not the Company’s, to file timely and properly the election under Section 83(b) of the Code and any corresponding provisions of state tax laws if he or she elects to utilize such election.**

(f) **Certificates.** If, after the Grant Date, certificates are issued with respect to the shares of Restricted Stock, such issuance and delivery of certificates shall be made in accordance with the applicable terms of the Plan.

3. **Delivery Delay.** The delivery of any certificate representing the Restricted Stock may be postponed by the Company for such period as may be required for it to comply with any applicable foreign, federal, state or provincial securities law, or any national securities exchange listing requirements and the Company is not obligated to issue or deliver any securities if, in the opinion of counsel for the Company, the issuance of such Shares shall constitute a violation by the Participant or the Company of any provisions of any applicable foreign, federal, state or provincial law or of any regulations of any governmental authority or any national securities exchange. If the Participant is currently a resident or is likely to become a resident in the United Kingdom at any time during the period that the Shares are subject to restriction, the Participant acknowledges and understands that the Company intends to meet its delivery obligations in Common Stock with respect to the shares of Restricted Stock, except as may be prohibited by law or described in this Agreement or supplementary materials.

4. **Certain Legal Restrictions.** The Plan, this Agreement, the granting and vesting of the Restricted Stock, and any obligations of the Company under the Plan and this Agreement, shall be subject to all applicable federal, state and local laws, rules and regulations, and to such approvals by any regulatory or governmental agency as may be required, and to any rules or regulations of any exchange on which the Common Stock is listed.

5. **Change of Control.** The provisions in the Plan regarding Change of Control shall apply to the Restricted Stock.

6. **Withholding of Taxes.** The Company shall have the right to deduct from any payment to be made pursuant to this Agreement and the Plan, or to otherwise require, prior to the issuance, delivery or vesting of any shares of Common Stock, payment by the Participant of, any federal, state or local taxes required by law to be withheld.

7. **Provisions of Plan Control.** This Agreement is subject to all the terms, conditions and provisions of the Plan, including, without limitation, the amendment provisions thereof, and to such rules, regulations and interpretations relating to the Plan as may be adopted by the Plan Administrator and as may be in effect from time to time. The Plan is incorporated herein by reference. If and to the extent that any provision of this Agreement conflicts or is inconsistent with the terms set forth in the Plan, the Plan shall control, and this Agreement shall be deemed to be modified accordingly.

8. **Restrictions on Transfer.** The Participant shall not sell, transfer, pledge, hypothecate, assign or otherwise dispose of the Shares, except as permitted in the Plan or Agreement. Any attempted sale, transfer, pledge, hypothecation, assignment or other disposition of the Shares in violation of the Plan or this Agreement shall be void and of no effect and the Company shall have the right to disregard the same on its books and records and to issue "stop transfer" instructions to its transfer agent.

9. **Recoupment Policy.** The Participant acknowledges and agrees that the Restricted Stock shall be subject to the terms and provisions of any "clawback" or recoupment policy that may be adopted by the Company from time to time or as may be required by any applicable law (including, without limitation, the Dodd-Frank Wall Street Reform and Consumer Protection Act and rules and regulations thereunder).

10. **No Right to Employment or Consultancy Service.** This Agreement is not an agreement of employment or to provide consultancy services. None of this Agreement, the Plan or the grant of the Restricted Stock hereunder shall (a) guarantee that the Company will employ or retain the Participant as an employee or consultant for any specific time period or (b) modify or limit in any

respect the Company's right to terminate or modify the Participant's employment, consultancy arrangement or compensation. Moreover, this Agreement is not intended to and does not amend any existing employment or consulting contract between the Participant and the Company or any of its Affiliates; to the extent there is a conflict between this Agreement and such an employment or consulting contract, the employment or consulting contract shall govern and take priority.

11. **Section 409A.** Section 20.2 of the Plan with regard to Code Section 409A shall apply to this Award Agreement.

12. **Notices.** Any notice or communication given hereunder shall be in writing or by electronic means and, if in writing, shall be deemed to have been duly given: (i) when delivered in person or by electronic means; (ii) three days after being sent by United States mail; or (iii) on the first business day following the date of deposit if delivered by a nationally recognized overnight delivery service, to the appropriate party at the following address (or such other address as the party shall from time to time specify): (i) if to the Company, to Tellurian Inc. at its then current headquarters; and (ii) if to the Participant, to the address on file with the Company.

13. **Mode of Communications.** The Participant agrees, to the fullest extent permitted by applicable law, in lieu of receiving documents in paper format, to accept electronic delivery of any documents that the Company or any of its Affiliates may deliver in connection with this grant of Restricted Stock and any other grants offered by the Company, including, without limitation, prospectuses, grant notifications, account statements, annual or quarterly reports, and other communications. The Participant further agrees that electronic delivery of a document may be made via the Company's email system or by reference to a location on the Company's intranet or website or the online brokerage account system.

14. **Governing Law.** All matters arising out of or relating to this Agreement and the transactions contemplated hereby, including its validity, interpretation, construction, performance and enforcement, shall be governed by and construed in accordance with the internal laws of the State of Delaware, without giving effect to principles of conflict of laws which would result in the application of the laws of any other jurisdiction.

15. **Successors.** The Company will require any successors or assigns to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession or assignment had taken place. The terms of this Agreement and all of the rights of the parties hereunder will be binding upon, inure to the benefit of, and be enforceable by, the Participant's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

16. **WAIVER OF JURY TRIAL. EACH PARTY TO THIS AGREEMENT, FOR ITSELF AND ITS AFFILIATES, HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THE ACTIONS OF THE PARTIES HERETO OR THEIR RESPECTIVE AFFILIATES PURSUANT TO THIS AGREEMENT OR IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE OR ENFORCEMENT OF THIS AGREEMENT.**

17. **Construction.** All section titles and captions in this Agreement are for convenience only, shall not be deemed part of this Agreement, and in no way shall define, limit, extend or describe

the scope or intent of any provisions of this Agreement. Wherever any words are used in this Agreement in the masculine gender they shall be construed as though they were also used in the feminine gender in all cases where they would so apply. As used herein, (i) "or" shall mean "and/or" and (ii) "including" or "include" shall mean "including, without limitation." Any reference herein to an agreement in writing shall be deemed to include an electronic writing to the extent permitted by applicable law.

18. **Severability of Provisions.** If at any time any of the provisions of this Agreement shall be held invalid or unenforceable, or are prohibited by the laws of the jurisdiction where they are to be performed or enforced, by reason of being vague or unreasonable as to duration or geographic scope or scope of the activities restricted, or for any other reason, such provisions shall be considered divisible and shall become and be immediately amended to include only such restrictions and to such extent as shall be deemed to be reasonable and enforceable by the court or other body having jurisdiction over this Agreement, and the Company and the Participant agree that the provisions of this Agreement, as so amended, shall be valid and binding as though any invalid or unenforceable provisions had not been included.

19. **No Waiver.** No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach or any other covenant, duty, agreement or condition.

20. **Entire Agreement.** This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and supersedes any prior agreements between the Company and the Participant with respect to the subject matter hereof.

21. **Counterparts.** This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one instrument. Execution and delivery of this Agreement by facsimile or other electronic signature is legal, valid and binding for all purposes.

[Remainder of Page Left Intentionally Blank]

IN WITNESS WHEREOF, the parties have executed this Agreement on the date and year first above written.

TELLURIAN INC.

By: /s/ Lisa Aimone

Name: Lisa Aimone

Title: Director of Talent

PARTICIPANT

By: /s/ Antoine Lafargue

Name: Antoine Lafargue

[Signature Page to Restricted Stock Agreement]



February , 2017

[NAME]

VIA EMAIL: [EMAIL]

Dear [NAME],

Reference is made to the Restricted Stock grant made to you on [INSERT DATE] pursuant to an award agreement and notice of grant (the "Award Agreement") under the Amended and Restated Tellurian Investments Inc. 2016 Omnibus Incentive Plan and/or its predecessor plan (the "Plan"), which shares of Restricted Stock will be converted into shares of Restricted Stock of Tellurian Inc. (f/k/a Magellan Petroleum Corporation) pursuant to the terms of the Agreement and Plan of Merger, dated as of August 2, 2016, by and among Magellan Petroleum Corporation, Tellurian Investments Inc., and River Merger Sub, Inc., as amended. Capitalized terms used but not defined herein shall have the meanings provided in the Plan.

We are pleased to notify you that, pursuant to the Committees' rights under Sections 3.1 and 15.4 of the Plan, the Committee has approved an amendment to your existing Award Agreement and notice of grant provided in connection with the Award to provide that, notwithstanding anything contained in the Plan or your Award Agreement or notice of grant, if your Continuous Service terminates due to a termination by the Company without Cause, or due to your death or Disability, (i) all unvested shares of Restricted Stock granted pursuant to the Award Agreement and notice of grant that vest solely based on your Continuous Service shall become fully vested as of the date of such termination and (ii) all unvested shares of Restricted Stock granted pursuant to the Award Agreement and notice of grant that vest based on performance conditions shall remain open and continue to vest based on such performance conditions as if your Continuous Service had not been terminated; provided, however, that the Committee will have the ability, in its sole discretion, to accelerate the vesting of any performance-based Restricted Stock in the event that your Continuous Service terminates due to a termination by the Company without Cause, or due to your death or Disability. For the avoidance of doubt, all unvested shares of Restricted Stock will continue to be forfeited in connection with any other type of termination of your Continuous Service including, without limitation, terminations by the Company for Cause or any resignation by you of your employment or service with the Company or its Affiliates.

Please indicate your acknowledgment and acceptance of the terms of this letter and amendment to your Award Agreement and notice of grant by signing below and returning a copy by close of business on [INSERT DATE]. Please don't hesitate to contact me if you have any questions.



Lisa Aimone
Director of Talent

Acknowledged and Accepted:

[NAME]

DATE



NOTICE OF GRANT OF RESTRICTED STOCK

Pursuant to the terms and conditions of the Tellurian Investments Inc. 2016 Omnibus Incentive Plan, attached as Appendix A (the "**Plan**"), and the associated Restricted Stock Agreement, attached as Appendix B (the "**Agreement**"), you are hereby issued shares of Restricted Common Stock in Tellurian Investments Inc. (the "**Company**"), subject to certain restrictions thereon and under the conditions set forth below, in the Agreement, and in the Plan (the "**Restricted Shares**"). Capitalized terms used but not defined herein shall have the meanings set forth in the Plan.

Grantee: [Insert Employee/Director/Consultant]

Date of Grant: [Insert Date] ("**Date of Grant**")

Number of Shares: [Insert number of shares]

Vesting Schedule: The restrictions on all of the Restricted Shares granted pursuant to the Agreement will expire and the Restricted Shares will become transferable, except to the extent provided in Sections 10 and 11 of the Agreement, and nonforfeitable upon the FID (as defined below); *provided, however*, that such restrictions will expire on such dates only if you maintain Continuous Service from the Date of Grant through the applicable vesting date; it being acknowledged and agreed by the Grantee that Grantee's employment is at the will of the Company and nothing in this Notice of Grant, the Agreement, nor in the Plan, shall confer upon the Grantee any right with respect to continuation as an Employee, Consultant or Director with the Company or any Affiliate, nor shall it interfere with or restrict in any way the right of the Company or any Affiliate, which is hereby expressly reserved, to remove, terminate or discharge the Grantee at any time for any reason whatsoever, with or without cause and with or without advance notice.

For purposes of this Award, "**FID**" means the affirmative final investment decision by the Company's Board of Directors to move forward with a project, the project site and construction thereon, following (i) determination by the Company that such site has met the appropriate suitability criteria, (ii) the Company securing a long-term option on such site, (iii) the Company securing financing deemed sufficient by the Board of Directors and (iv) the completion of the front-end engineering and design process.

By your signature and the signature of the Company's representative below, you and the Company hereby acknowledge receipt of the Restricted Shares issued on the Date of Grant

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indicated above, which have been issued under the terms and conditions of the Plan and the Agreement. Alternatively, you acknowledge your agreement to be bound to the terms of this Notice, the Agreement and the Plan in connection with your acceptance of the Restricted Shares issued hereby through procedures, including electronic procedures, provided by or on behalf of the Company.

You acknowledge and agree that (a) you are not relying upon any determination by the Company, its affiliates, or any of their respective employees, directors, officers, attorneys or agents (collectively, the “*Company Parties*”) of the Fair Market Value of the Restricted Shares on the Date of Grant, (b) you are not relying upon any written or oral statement or representation of the Company Parties regarding the tax effects associated with your execution of this Agreement and your receipt, holding and vesting of the Restricted Shares, and (c) in deciding to enter into this Agreement, you are relying on your own judgment and the judgment of the professionals of your choice with whom you have consulted. You hereby release, acquit and forever discharge the Company Parties from all actions, causes of actions, suits, debts, obligations, liabilities, claims, damages, losses, costs and expenses of any nature whatsoever, known or unknown, on account of, arising out of, or in any way related to the tax effects associated with your execution of the Agreement and your receipt, holding and exercise of the Restricted Shares.

Furthermore, you understand and acknowledge that you should consult with your tax advisor regarding the advisability of filing with the Internal Revenue Service an election under section 83(b) of the Code with respect to the Restricted Shares for which the restrictions have not lapsed. This election must be filed no later than 30 days after Date of Grant set forth in this Notice of Grant of Restricted Stock. This time period cannot be extended. You acknowledge (a) that you have been advised to consult with a tax advisor regarding the tax consequences of the award of the Restricted Shares and (b) that timely filing of a section 83(b) election is your sole responsibility, even if you request the Company or its representative to file such election on your behalf.

You further acknowledge receipt of a copy of the Plan and the Agreement and agree to all of the terms and conditions of the Plan and the Agreement, which are incorporated herein by reference.

Note: To accept the Restricted Shares, execute this form and return an executed copy to Lisa Aimone, Director of Talent of Tellurian Investments Inc. (the “Designated Recipient”) by [Insert thirty days from Date of Grant]. Failure to return the executed copy to the Designated Recipient by such date will render this issuance invalid.

Tellurian Investments Inc.,
a Delaware corporation

By: _____
Name: Bowe Daniels
Title: Corporate Secretary

Accepted by:

[Insert Employee/Director/Consultant]

Date: _____

Received By:

Lisa Aimone

Date

Received: _____

Attachments: Appendix A – Tellurian Investments Inc. 2016 Omnibus Incentive Plan
Appendix B – Restricted Stock Agreement

Appendix A
Tellurian Investments Inc. 2016 Omnibus Incentive Plan

A-1

Appendix B
Restricted Stock Agreement

B-1

SECTION 83(b) ELECTION

This statement is made under Section 83(b) of the Internal Revenue Code of 1986, as amended, pursuant to Treasury Regulations Section 1.83-2.

- (1) The taxpayer who performed the services is:

Name: [Insert Employee/Director/Consultant]

Address: _____

Social Security No.: _____

- (2) The property with respect to which the election is made is 900,000 shares of the common stock (the “*Shares*”) of Tellurian Investments Inc. (the “*Company*”).
- (3) The property was transferred on _____ (the “*Date of Grant*”).
- (4) The taxable year for which the election is made is the calendar year 2016.
- (5) Pursuant to the terms of a Restricted Stock Award Agreement (the “*Agreement*”) between the Company and the taxpayer, the Shares will not be transferable and will be subject to a substantial risk of forfeiture as set forth in the Agreement. The restrictions on all of the Shares will expire and the Shares will become transferable, except to the extent provided in Sections 10 and 11 of the Agreement, and nonforfeitable upon the satisfaction of certain company-wide business objective; *provided, however*, that such restrictions will expire on such dates only if the taxpayer remains in the employ of or a service provider to the Company or its subsidiaries continuously from the Date of Grant through the applicable vesting date. Except as otherwise described in the immediately preceding sentence, all Shares for which the restrictions have not terminated shall be forfeited upon the termination of the taxpayer’s employment or service relationship with the Company or its subsidiaries.
- (6) The fair market value of such property at the time of transfer (determined without regard to any restriction other than a restriction which by its terms will never lapse) is \$ _____ per share.
- (7) The amount paid for such property is \$0.00 per share.
- (8) A copy of this statement was furnished to Tellurian Services LLC, for whom taxpayer rendered the services underlying the transfer of such property.

(9) This statement is executed on _____, 2016.

Signature of Spouse (if any)

Signature of Taxpayer

This election must be filed with the Internal Revenue Service Center with which the taxpayer files his or her federal income tax returns and must be filed within 30 days after the Date of Grant. This filing should be made by registered or certified mail, return receipt requested. The taxpayer must retain two copies of the completed form for filing with his or her federal and state tax returns for the current tax year and an additional copy for his or her records.

**AMENDED AND RESTATED TELLURIAN INVESTMENTS INC.
2016 OMNIBUS INCENTIVE PLAN**

FORM OF RESTRICTED STOCK AGREEMENT

This Agreement is made and entered into as of the Date of Grant set forth in the Notice of Grant of Restricted Stock ("*Notice of Grant*") by and between Tellurian Investments Inc., a Delaware corporation (the "*Company*"), and you;

WHEREAS, the Company in order to induce you to enter into and to continue and dedicate service to the Company and to materially contribute to the success of the Company agrees to grant you this restricted stock award;

WHEREAS, the Company adopted the Amended and Restated Tellurian Investments Inc. 2016 Omnibus Incentive Plan as it may be amended from time to time (the "*Plan*"), under which the Company is authorized to grant restricted stock awards to certain employees and service providers of the Company;

WHEREAS, a copy of the Plan has been furnished to you and shall be deemed a part of this restricted stock award agreement ("*Agreement*") as if fully set forth herein and the terms capitalized but not defined herein shall have the meanings set forth in the Plan; and

WHEREAS, you desire to accept the restricted stock award made pursuant to this Agreement.

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

1. **The Grant.** Subject to the conditions set forth below, the Company hereby grants you effective as of the Date of Grant set forth in the Notice of Grant, as a matter of separate inducement but not in lieu of any salary or other compensation for your services for the Company, an award (the "*Award*") consisting of the aggregate number of Restricted Shares set forth in the Notice of Grant in accordance with the terms and conditions set forth herein and in the Plan.
2. **Escrow of Restricted Shares.** The Company shall evidence the Restricted Shares in the manner that it deems appropriate. The Company may issue in your name a certificate or certificates representing the Restricted Shares and retain that certificate or those certificates until the restrictions on such Restricted Shares expire as contemplated in Section 5 of this Agreement and described in the Notice of Grant or the Restricted Shares are forfeited as described in Sections 4 and 6 of this Agreement. If the Company certifies the Restricted Shares, you shall execute one or more stock powers in blank for those certificates and deliver those stock powers to the Company. The Company shall hold the Restricted Shares and the related stock powers pursuant to the terms of this Agreement, if applicable, until such time as (a) a certificate or certificates for the Restricted Shares are delivered to you, (b) the Restricted Shares are otherwise transferred to you free of restrictions, or (c) the Restricted Shares are canceled and forfeited pursuant to this Agreement.

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3. Ownership of Restricted Shares. From and after the time the Restricted Shares are issued in your name, you will be entitled to all the rights of absolute ownership of the Restricted Shares, including the right to vote those shares and to receive dividends thereon if, as, and when declared by the Company's Board of Directors ("**Board**"), subject, however, to the terms, conditions and restrictions set forth in this Agreement; *provided, however*, that each dividend payment will be made no later than the 30th day following the date such dividend payment is made to stockholders generally.
 4. Restrictions; Forfeiture. The Restricted Shares are restricted in that they may not be sold, transferred or otherwise alienated or hypothecated until these restrictions are removed or expire as contemplated in Section 5 of this Agreement and as described in the Notice of Grant. The Restricted Shares are also restricted in the sense that they may be forfeited to the Company (the "**Forfeiture Restrictions**"). You hereby agree that if the Restricted Shares are forfeited, as provided in Section 6, the Company shall have the right to deliver the Restricted Shares to the Company's transfer agent for, at the Company's election, cancellation or transfer to the Company.
 5. Expiration of Restrictions and Risk of Forfeiture. The restrictions on the Restricted Shares granted pursuant to this Agreement will expire and the Restricted Shares will become transferable, except to the extent provided in Sections 10 and 11 of this Agreement, and nonforfeitable as set forth in the Notice of Grant, provided that you remain in the employ of, or a service provider to, the Company or its Subsidiaries until the applicable dates set forth therein.
 6. Termination of Services. Except as otherwise provided in the Notice of Grant, if your service relationship with the Company or any of its Subsidiaries is terminated for any reason, then those Restricted Shares for which the restrictions have not lapsed as of the date of termination shall become null and void and those Restricted Shares shall be forfeited to the Company. The Restricted Shares for which the restrictions have lapsed as of the date of such termination shall not be forfeited to the Company.
 7. Leave of Absence. With respect to the Award, the Company may, in its sole discretion, determine that if you are on leave of absence for any reason you will be considered to still be in the employ of, or providing services for, the Company, provided that rights to the Restricted Shares during a leave of absence will be limited to the extent to which those rights were earned or vested when the leave of absence began.
 8. Delivery of Stock. Promptly following the expiration of the restrictions on the Restricted Shares as contemplated in Section 5 of this Agreement, the Company shall cause to be issued and delivered to you or your designee a certificate or other evidence of the number of Restricted Shares as to which restrictions have lapsed, free of any restrictive legend relating to the lapsed restrictions, upon receipt by the Company of any tax withholding as may be requested pursuant to Section 9. The value of such Restricted Shares shall not bear any interest owing to the passage of time.

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9. Payment of Taxes. The Company may require you to pay to the Company (or the Company's Subsidiary if you are an employee of a Subsidiary of the Company), an amount the Company deems necessary to satisfy its (or its Subsidiary's) current or future obligation to withhold federal, state or local income or other taxes that you incur as a result of the Award. With respect to any required tax withholding, you may (a) direct the Company to withhold from the Restricted Shares to be issued to you under this Agreement the number of shares necessary to satisfy the Company's obligation to withhold taxes; which determination will be based on the shares' Fair Market Value at the time such determination is made; (b) deliver to the Company Restricted Shares sufficient to satisfy the Company's tax withholding obligations, based on the shares' Fair Market Value at the time such determination is made; (c) deliver cash to the Company sufficient to satisfy its tax withholding obligations; or (d) satisfy such tax withholding through any combination of (a), (b) and (c). If you desire to elect to use the stock withholding option described in subparagraph (a), you must make the election at the time and in the manner the Company prescribes. The Company, in its discretion, may deny your request to satisfy its tax withholding obligations using a method described under subparagraph (a) or (b). In the event the Company determines that the aggregate Fair Market Value of the Restricted Shares withheld as payment of any tax withholding obligation is insufficient to discharge that tax withholding obligation, then you must pay to the Company, in cash, the amount of that deficiency immediately upon the Company's request.
10. Compliance with Securities Laws; Company Policies. Notwithstanding any provision of this Agreement to the contrary, the issuance of stock (including Restricted Shares) will be subject to compliance with all applicable requirements of federal, state, or foreign law with respect to such securities and with the requirements of any stock exchange or market system upon which the stock may then be listed. No stock will be issued hereunder if such issuance would constitute a violation of any applicable federal, state, or foreign securities laws or other law or regulations or the requirements of any stock exchange or market system upon which the stock may then be listed. In addition, stock will not be issued hereunder unless (a) a registration statement under the Securities Act of 1933, as amended (the "*Act*"), is at the time of issuance in effect with respect to the shares issued or (b) in the opinion of legal counsel to the Company, the shares issued may be issued in accordance with the terms of an applicable exemption from the registration requirements of the Act. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance and sale of any shares subject to the Award will relieve the Company of any liability in respect of the failure to issue such shares as to which such requisite authority has not been obtained. As a condition to any issuance hereunder, the Company may require you to satisfy any qualifications that may be necessary or appropriate to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect to such compliance as may be requested by the Company. From time to time, the Board and appropriate officers of the Company are authorized to take the actions necessary and appropriate to file required documents with governmental authorities, stock exchanges, and other appropriate Persons to make shares of stock available for issuance. You agree not to sell any Restricted Shares acquired pursuant to this Award in violation of the Company's securities trading policy, to the extent applicable.

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11. Lock-Up Period. You hereby agree that, if so requested by the Company or any representative of the underwriters (the “*Managing Underwriter*”) in connection with any registration of the offering of any securities of the Company under the Act, you will not sell or otherwise transfer any Restricted Shares acquired hereunder or other securities of the Company during the 180-day period (or such other period as may be requested in writing by the Managing Underwriter and agreed to in writing by the Company) (the “*Market Standoff Period*”) following the effective date of a registration statement of the Company filed under the Act. Such restriction will apply only to the first registration statement of the Company to become effective under the Act that includes securities to be sold on behalf of the Company to the public in an underwritten public offering under the Act. The Company may impose stop-transfer instructions with respect to securities subject to the foregoing restrictions until the end of such Market Standoff Period.
 12. Legends. The Company may at any time place legends referencing any restrictions imposed on the shares pursuant to Sections 4, 10, and 11 of this Agreement on all certificates representing shares issued with respect to this Award.
 13. Right of the Company and Subsidiaries to Terminate Services. Nothing in this Agreement confers upon you the right to continue in the employ of or performing services for the Company or any Subsidiary, or interfere in any way with the rights of the Company or any Subsidiary to terminate your employment or service relationship at any time.
 14. Furnish Information. You agree to furnish to the Company all information requested by the Company to enable it to comply with any reporting or other requirements imposed upon the Company by or under any applicable statute or regulation.
 15. Remedies. The parties to this Agreement shall be entitled to recover from each other reasonable attorneys’ fees incurred in connection with the successful enforcement of the terms and provisions of this Agreement whether by an action to enforce specific performance or for damages for its breach or otherwise.
 16. No Liability for Good Faith Determinations. The Company and the members of the Board shall not be liable for any act, omission or determination taken or made in good faith with respect to this Agreement or the Restricted Shares granted hereunder.
 17. Execution of Receipts and Releases. Any payment of cash or any issuance or transfer of Restricted Shares or other property to you, or to your legal representative, heir, legatee or distributee, in accordance with the provisions hereof, shall, to the extent thereof, be in full satisfaction of all claims of such Persons hereunder. The Company may require you or your legal representative, heir, legatee or distributee, as a condition precedent to such payment or issuance, to execute a release and receipt therefor in such form as it shall determine.
 18. No Guarantee of Interests. The Board and the Company do not guarantee the Restricted Shares of the Company from loss or depreciation.

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19. No Guarantee of Tax Consequences. You shall be solely responsible for and liable for any tax consequences (including but not limited to any interest or penalties) as a result of participation in the Plan. Neither the Board, the Company, its Affiliates nor the Committee (as such term is defined in the Plan) makes any commitment or guarantee that any federal, state or local tax treatment will (or will not) apply or be available to you (or any person claiming through or on behalf of you) and assumes no liability or responsibility whatsoever for the tax consequences to you (or any person claiming through or on behalf of you). You understand and agree that the Company is not providing any tax or legal advice. To confirm the foregoing, please sign and return one copy of this Award Agreement immediately
 20. Company Records. Records of the Company or its Subsidiaries regarding your period of service, termination of service and the reason(s) therefor, leaves of absence, re-employment, and other matters shall be conclusive for all purposes hereunder, unless determined by the Company to be incorrect.
 21. Notice. All notices required or permitted under this Agreement must be in writing and personally delivered or sent by mail and shall be deemed to be delivered on the date on which it is actually received by the person to whom it is properly addressed or if earlier the date it is sent via certified United States mail or reputable overnight delivery service (charges prepaid).
 22. Waiver of Notice. Any person entitled to notice hereunder may waive such notice in writing.
 23. Information Confidential. As partial consideration for the granting of the Award hereunder, you hereby agree to keep confidential all information and knowledge, except that which has been disclosed in any public filings required by law, that you have relating to the terms and conditions of this Agreement; *provided, however*, that such information may be disclosed as required by law and may be given in confidence to your spouse and tax and financial advisors. In the event any breach of this promise comes to the attention of the Company, it shall take into consideration that breach in determining whether to recommend the grant of any future similar award to you, as a factor weighing against the advisability of granting any such future award to you.
 24. Successors. This Agreement shall be binding upon you, your legal representatives, heirs, legatees and distributees, and upon the Company, its successors and assigns.
 25. Severability. If any provision of this Agreement is held to be illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions hereof, but such provision shall be fully severable and this Agreement shall be construed and enforced as if the illegal or invalid provision had never been included herein.
 26. Company Action. Any action required of the Company shall be by resolution of the Board or by a person or entity authorized to act by resolution of the Board.
 27. Headings. The titles and headings of Sections are included for convenience of reference only and are not to be considered in construction of the provisions hereof.

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28. Governing Law. All questions arising with respect to the provisions of this Agreement shall be determined by application of the laws of Delaware, without giving any effect to any conflict of law provisions thereof, except to the extent Delaware state law is preempted by federal law. The obligation of the Company to sell and deliver Restricted Shares hereunder is subject to applicable laws and to the approval of any governmental authority required in connection with the authorization, issuance, sale, or delivery of such Restricted Shares.
 29. Consent to Texas Jurisdiction and Venue. You hereby consent and agree that state courts located in Harris County, Texas and the United States District Court for the Southern District of Texas each shall have personal jurisdiction and proper venue with respect to any dispute between you and the Company arising in connection with the Award or this Agreement. In any dispute with the Company, you will not raise, and you hereby expressly waive, any objection or defense to any such jurisdiction as an inconvenient forum.
 30. Amendment. This Agreement may be amended by the Board or by the Committee at any time (a) if the Board or the Committee determines, in its sole discretion, that amendment is necessary or advisable in light of any addition to or change in any federal or state, tax or securities law or other law or regulation, which change occurs after the Date of Grant and by its terms applies to the Award; or (b) other than in the circumstances described in clause (a) or provided in the Plan, with your consent.
 31. The Plan. This Agreement is subject to all the terms, conditions, limitations and restrictions contained in the Plan.

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**AMENDED AND RESTATED
TELLURIAN INVESTMENTS INC.
2016 OMNIBUS INCENTIVE PLAN**

Effective as of June 14, 2016

1. Purpose: Eligibility.

1.1 General Purpose. The name of this plan is the Amended and Restated Tellurian Investments Inc. 2016 Omnibus Incentive Plan (the “**Plan**”), which amends and restates the original Tellurian Investments Inc. 2016 Omnibus Incentive Plan that was adopted by the Board of Directors (the “**Board**”) of Tellurian Investments Inc., a Delaware corporation (the “**Company**”) on March 3, 2016. The purposes of the Plan are to (a) enable the Company and its Affiliates to attract and retain the types of Employees, Consultants and Directors who will contribute to the Company’s long-term success; (b) provide incentives that align the interests of Employees, Consultants and Directors with those of the stockholders of the Company; and (c) promote the success of the Company’s business.

1.2 Eligible Award Recipients. The Persons eligible to receive Awards are the Employees, Consultants and Directors.

1.3 Available Awards. Awards that may be granted under the Plan are: (a) Incentive Stock Options, (b) Non-qualified Stock Options, (c) Restricted Stock, (d) Phantom Stock, (e) Vested Stock, and (f) Other Stock-Based Awards.

2. Definitions.

“**Affiliate**” means a corporation or other entity that, directly or through one or more intermediaries, controls, is controlled by or is under common control with, the Company; provided, however, that with respect to Incentive Stock Options, the term “Affiliate” means only a “parent corporation” of the Company or a “subsidiary corporation” of the Company (as such terms are defined in Sections 424(e) and (f) of the Code and determined in accordance with Section 421 of the Code); and provided further, that with respect to grants of Non-Qualified Options that are intended to be exempt from Section 409A of the Code pursuant to Treasury Regulation Section 1.409A-1(b)(5)(i)(A), the term “Affiliate” means only a corporation or other entity in a chain of corporations and/or other entities in which the Company has a “controlling interest” within the meaning of Treasury Regulation Section 1.414(c)-2(b)(2)(i), but using the threshold of 50% ownership wherever 80% appears.

“**Award**” means any Incentive Stock Option, Non-qualified Stock Option, Restricted Stock, Phantom Stock, Vested Stock and Other Stock-Based Awards granted under the Plan.

“**Award Agreement**” means a written agreement, contract, certificate or other instrument or document evidencing the terms and conditions of an individual Award granted under the Plan which may, in the discretion of the Company, be transmitted electronically to any Participant. Each Award Agreement shall be subject to the terms and conditions of the Plan and, to the extent of any conflict between the terms of the Plan and the terms of any Award Agreement, the terms of the Plan shall control.

“**Board**” means the Board of Directors of the Company, as constituted at any time.

“**Cause**” means, unless the applicable Award Agreement provides otherwise:

With respect to any Employee or Consultant: (a) If the Employee or Consultant is a party to a then-effective written employment or service agreement with the Company or an Affiliate and such agreement provides for a definition of Cause (or words of like import), the definition contained therein; or (b) If no such agreement exists or is then-effective, or if such agreement does not define Cause (or words of like import): (i) failure by such Employee or Consultant to perform such duties as are reasonably requested by the Board; (ii) material breach by such Employee or Consultant of any agreement with the Company or an Affiliate, or a material violation of the Company’s or an Affiliate’s code of conduct or other written policy; (iii) commission of, or plea of guilty or no contest to, by such Employee or Consultant a crime involving moral turpitude or a felony, or the commission by such Employee or Consultant of any other act involving willful malfeasance or material fiduciary breach with respect to the Company or an Affiliate; (iv) use by such Employee or Consultant of illegal drugs or abuse of alcohol that materially impairs the Participant’s ability to perform his or her duties to the Company or an Affiliate; or (v) gross negligence or willful misconduct by such Employee or Consultant with respect to the Company or an Affiliate.

With respect to any Director, a determination by a majority of the disinterested Board members that the Director has engaged in any of the following: (a) malfeasance in office; (b) gross misconduct or neglect; (c) false or fraudulent misrepresentation inducing the Director’s appointment; (d) willful conversion of corporate funds; or (e) repeated failure to participate in Board meetings on a regular basis despite having received proper notice of the meetings in advance.

The Committee, in its absolute discretion, shall determine the effect of all matters and questions relating to whether a Participant has been discharged for Cause.

“**Change in Control**” means:

(a) The acquisition (whether by purchase, merger, consolidation, combination or other similar transaction) by any Person of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of more than 50% (on a fully diluted basis) of the combined voting power of the then outstanding voting securities of the Company; *provided, however*, that for purposes of this Plan, the following acquisitions shall not constitute a Change in Control: (i) any acquisition by the Company or any Affiliate, (ii) any acquisition by any employee benefit plan sponsored or maintained by the Company or any subsidiary, (iii) in

respect of an Award held by a particular Participant, any acquisition by the Participant or any group of persons including the Participant (or any entity controlled by the Participant or any group of persons including the Participant); or (iv) the acquisition of securities pursuant to an offer made to the general public through a registration statement filed with the Securities and Exchange Commission;

(b) The sale, transfer or other disposition of all or substantially all of the assets of the Company to any Person other than an Affiliate; or

(c) A change in the composition of the Board occurring within a one-year period as a result of which fewer than a majority of the Directors are Incumbent Directors. “**Incumbent Directors**” are Directors who either (i) are members of the Board as of the effective date of the Plan, or (ii) are elected, or nominated for election, to the Board with the affirmative votes of at least a majority of the Incumbent Directors at the time of such election or nomination.

Notwithstanding the foregoing, in any circumstance or transaction in which compensation payable pursuant to this Plan or an Award Agreement would be subject to the tax under Section 409A of the Code if the foregoing definition of “Change in Control” were to apply, but would not be so subject if the term “Change in Control” were defined herein to mean a “change in control event” within the meaning of Treasury Regulation § 1.409A-3(i)(5), then “Change in Control” means, but only with respect to the applicable Participant and only to the extent necessary to prevent such compensation from becoming subject to the tax under Section 409A of the Code, a transaction or circumstance that satisfies the requirements of both (1) a Change in Control under the applicable clause (a) through (c) above, and (2) a “change in control event” within the meaning of Treasury Regulation § 1.409A-3(i)(5).

“**Code**” means the Internal Revenue Code of 1986, as amended, and the Treasury Regulations and administrative guidance promulgated thereunder.

“**Committee**” means the Board or, if the Board so appoints, a committee of one or more Persons appointed by the Board to administer the Plan.

“**Common Stock**” means the common stock, \$.001 par value per share, of the Company.

“**Company**” means Tellurian Investments Inc., a Delaware corporation, and any successor thereto.

“**Consultant**” means any individual who is engaged by the Company or by any Affiliate to render consulting or advisory services for compensation.

“**Continuous Service**” means that the Participant’s service with the Company or an Affiliate, whether as an Employee, Consultant or Director, is not interrupted or terminated. Subject to Section 409A of the Code, the Participant’s Continuous Service shall not be deemed to have terminated merely because of a change in the capacity in which the Participant renders service to the Company or an Affiliate as an Employee, Consultant or Director or a change in the entity for which the Participant renders such service, *provided that* there is no interruption or termination

of the Participant's Continuous Service. The Committee or its delegate, in its sole discretion, may determine whether Continuous Service shall be considered interrupted in the case of any leave of absence approved by that party, including sick leave, military leave or any other personal or family leave of absence.

"Detrimental Activity" means any of the following: (i) unauthorized disclosure of any confidential or proprietary information of the Company or any of its Affiliates; (ii) any activity that would be grounds to terminate the Participant's employment or service with the Company or any Affiliate for Cause; (iii) the breach of any non-competition, non-solicitation, non-disparagement or other agreement containing restrictive covenants, with the Company or its Affiliates; (iv) fraud or conduct contributing to any financial restatements or irregularities, as determined by the Committee in its sole discretion; or (v) any other conduct or act determined to be materially injurious, detrimental or prejudicial to any interest of the Company or any of its Affiliates, as determined by the Committee in its sole discretion.

"Director" means an individual who is a member of the Board or of the board of any Affiliate.

"Disability" means that the Participant has experienced a "permanent and total disability" within the meaning of Section 22(e)(3) of the Code. The determination of whether a Participant has experienced a Disability shall be determined under procedures established by the Committee. Notwithstanding the foregoing, in any circumstance or transaction in which compensation payable pursuant to this Plan or an Award Agreement would be subject to the tax under Section 409A of the Code if the foregoing definition of "Disability" were to apply, then "Disability" means (i) the inability of the Participant to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months or (ii) the receipt of income replacements by the Participant, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, for a period of not less than three (3) months under the Company's or applicable Affiliate's accident and health plan.

"Disqualifying Disposition" has the meaning set forth in **Section 16.10**.

"Effective Date" shall mean June 14, 2016.

"Employee" means any individual, including an officer or Director, employed by the Company or by an Affiliate. Mere service as a Director or payment of a director's fee by the Company or by an Affiliate shall not be sufficient to constitute "employment" by the Company or by an Affiliate.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and any successor law thereto.

“Fair Market Value” means, on a given date, (i) if there is a public market for the shares of Common Stock on such date, the closing price of the shares as reported on such date on the principal national securities exchange on which the shares are listed or, if no sales of shares have been reported on any national securities exchange, then the immediately preceding date on which sales of the shares have been so reported or quoted, (ii) if there is no public market for the shares of Common Stock on such date, then the fair market value shall be determined by the Committee in good faith after taking into consideration all factors which it deems appropriate, including, without limitation, Sections 409A and 422 of the Code and (iii) in the case of any property other than shares of Common Stock, the value determined in accordance with the foregoing.

“Grant Date” means the date on which the Committee adopts a resolution, or takes other appropriate action, expressly granting an Award to a Participant that specifies the key terms and conditions of the Award or, if a later date is set forth in such resolution, then such date as is set forth in such resolution.

“Incentive Stock Option” means an option to purchase Common Stock that qualifies as an incentive stock option within the meaning of Section 422 of the Code and that is granted pursuant to the Plan.

“Non-qualified Stock Option” means an option to purchase Common Stock that is not an Incentive Stock Option and that is granted pursuant to the Plan.

“Option” means an Incentive Stock Option or a Non-qualified Stock Option.

“Optionholder” means a Participant to whom an Option is granted and who holds such Option.

“Option Exercise Price” means the price at which a share of Common Stock may be purchased upon the exercise of an Option.

“Participant” means an Employee, Consultant or Director to whom an Award is granted and who holds such Award as an outstanding Award or, if applicable, such other person who holds an outstanding Award.

“Permitted Transferee” means: (a) a member of the Optionholder’s immediate family (child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including adoptive relationships), any person sharing the Optionholder’s household (other than a tenant or employee), a trust in which these persons have more than 50% of the beneficial interest, a foundation in which these persons (or the Optionholder) control the management of assets, and any other entity in which these persons (or the Optionholder) own more than 50% of the voting interests; or (b) such other transferees as may be permitted by the Committee in its sole discretion.

“**Person**” means any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act).

“**Phantom Stock**” means an unfunded and unsecured promise to deliver shares of Common Stock, cash, other securities or other property, subject to such terms, conditions and restrictions (including, without limitation, a requirement that the Participant provide Continuous Service for a specified period of time), if any, as set forth in the Plan and in the applicable Award Agreement and granted under **Section 7** of the Plan.

“**Plan**” means the Amended and Restated Tellurian Investments Inc. 2016 Omnibus Incentive Plan, as amended from time to time.

“**Restricted Stock**” means a grant of Common Stock that is subject to certain specified terms, conditions and restrictions (including, without limitation, a requirement that the Participant provide Continuous Service for a specified period of time) and that is granted under **Section 7** of the Plan.

“**Ten Percent Stockholder**” means a person who owns (or is deemed to own pursuant to Section 424(d) of the Code) stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or of any Affiliate.

“**Vested Stock**” means a grant of Common Stock that is not subject to a “substantial risk of forfeiture” (within the meaning of Section 83 of the Code) at the time of grant but that may be subject to certain specified restrictions as set forth in the Plan and the applicable Award Agreement and that is granted under **Section 8** of the Plan.

3. Administration.

3.1 Authority of Committee. The Plan shall be administered by the Committee. Subject to the terms of the Plan, the Committee’s charter, if any, and applicable laws, and in addition to other express powers and authorization conferred by the Plan, the Committee shall have the authority, rights and powers:

- (a) to construe and interpret the Plan and apply its provisions;
- (b) to promulgate, amend, modify, rescind and terminate rules and regulations relating to the administration of the Plan;
- (c) to authorize any person to execute, on behalf of the Company, any instrument required to carry out the purposes of the Plan;
- (d) to delegate its authority to one or more officers of the Company;
- (e) to determine who are Employees, Consultants and Directors;

(f) to select, subject to the limitations set forth in this Plan, those Employees, Consultants and Directors to whom Awards shall be granted;

(g) to determine when Awards are to be granted under the Plan and the applicable Grant Date;

(h) to determine the type of Award to be granted to an Employee, Consultant or Director and the number of shares of Common Stock to be made subject to such Award;

(i) to determine, subject to the limitations set forth in this Plan, whether each Option is to be an Incentive Stock Option or a Non-qualified Stock Option;

(j) to prescribe the terms and conditions of each Award, including, without limitation, the exercise price and medium of payment and vesting provisions (including vesting upon attainment of specified performance goals and/or metrics), and to specify the provisions of the Award Agreement relating to such grant;

(k) to amend any outstanding Awards or Award Agreements, including for the purpose of modifying the time or manner of vesting, or the term of any outstanding Award; *provided, however,* that if any such amendment materially impairs a Participant's rights or increases a Participant's obligations under his or her Award, such amendment shall also be subject to the Participant's consent;

(l) to determine the duration and purpose of leaves of absences which may be granted to a Participant without constituting termination of their employment for purposes of the Plan, which periods shall be no shorter than the periods generally applicable to Employees under the Company's employment policies;

(m) to make decisions with respect to outstanding Awards that may become necessary upon a change in corporate control or an event that triggers anti-dilution adjustments;

(n) to interpret, administer, reconcile any inconsistency in, correct any defect in and/or supply any omission in the Plan and any Award Agreement, instrument or agreement relating to, or Award granted under, the Plan; and

(o) to make any and all other determinations and to take any and all other actions which it determines to be necessary, desirable or advisable for the administration of the Plan.

3.2 Acquisitions and Other Transactions. The Committee may, from time to time, assume outstanding awards granted by another entity, whether in connection with an acquisition of such other entity or otherwise, by either (i) granting an Award under the Plan in replacement of or in substitution for the award assumed by the Company, or (ii) treating the assumed award as if it had been granted under the Plan if the terms of such assumed award could be applied to an Award granted under the Plan. Such assumed award shall be permissible if the holder of the assumed award would have been eligible to be granted an Award hereunder if the other entity

had applied the rules of this Plan to such grant. The Committee may also grant Awards under the Plan in settlement of or in substitution for outstanding awards or obligations to grant future awards in connection with the Company or an Affiliate acquiring another entity, an interest in another entity, or an additional interest in an Affiliate whether by merger, stock purchase, asset purchase or other form of transaction.

3.3 Committee Decisions Final. All designations, determinations, interpretations and other decisions made by the Committee pursuant to the provisions of the Plan shall be within the sole discretion of the Committee, may be made at any time and shall be final, conclusive and binding on the Company, the Participants and all other Persons.

3.4 Indemnification. In addition to such other rights of indemnification as they may have as Directors or members of the Committee, and to the extent allowed by applicable laws, the Committee shall be indemnified by the Company against the reasonable expenses, including attorney's fees, actually incurred in connection with any action, suit or proceeding or in connection with any appeal therein, to which the Committee may be party by reason of any action taken or failure to act under or in connection with the Plan or any Award granted under the Plan, and against all amounts paid by the Committee in settlement thereof (*provided, however*, that the settlement has been approved by the Company, which approval shall not be unreasonably withheld) or paid by the Committee in satisfaction of a judgment in any such action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such Committee did not act in good faith and in a manner which such person reasonably believed to be in the best interests of the Company, or in the case of a criminal proceeding, had no reason to believe that the conduct complained of was unlawful; *provided, however*, that within 60 days after institution of any such action, suit or proceeding, such Committee shall, in writing, offer the Company the opportunity at its own expense to handle and defend such action, suit or proceeding.

4. Shares Subject to the Plan.

4.1 Subject to adjustment in accordance with **Section 13**, a total of 30,000,000 shares of Common Stock shall be available with respect to the grant of Awards under the Plan, all of which may be granted as Incentive Stock Options. During the terms of the Awards, the Company shall keep available at all times the number of shares of Common Stock required to satisfy such Awards.

4.2 Shares of Common Stock available for distribution under the Plan may consist, in whole or in part, of authorized and unissued shares, treasury shares, shares previously issued and reacquired by the Company or otherwise.

4.3 Any shares of Common Stock subject to an Award that is canceled, forfeited or expires prior to exercise or realization, either in full or in part, shall again become available for issuance under the Plan. In addition, shares of Common Stock subject to an Award under the Plan shall also again be made available for issuance or delivery under the Plan if such shares are (a) shares of Common Stock retained by the Company in payment of an Option or (b) shares of Common Stock withheld by the Company to satisfy any tax withholding obligation.

4.4 If the Committee authorizes the assumption of awards pursuant to **Section 3.2** or **Section 14.1** hereof, the assumption will reduce the number of shares of Common Stock available with respect to grant of Awards under the Plan in the same manner as if the assumed awards had been granted under the Plan.

5. Eligibility.

5.1 Eligibility for Specific Awards. Incentive Stock Options may be granted to Employees only. Awards other than Incentive Stock Options may be granted to Employees, Consultants and Directors.

5.2 Ten Percent Stockholders. A Ten Percent Stockholder shall not be granted an Incentive Stock Option unless the Option Exercise Price is at least 110% of the Fair Market Value of the Common Stock at the Grant Date and the Option is not exercisable after the expiration of five years from the Grant Date.

6. Option Provisions. Each Option granted under the Plan shall be evidenced by an Award Agreement. Each Option so granted shall be subject to the conditions set forth in this **Section 6**, and to such other conditions not inconsistent with the Plan as may be reflected in the applicable Award Agreement. All Options shall be separately designated Incentive Stock Options or Non-qualified Stock Options at the time of grant, and, if certificates are issued, a separate certificate or certificates will be issued for shares of Common Stock purchased on exercise of each type of Option. Notwithstanding the foregoing, the Company shall have no liability to any Participant or any other person if an Option designated as an Incentive Stock Option fails to qualify as such at any time or if an Option is determined to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code and the terms of such Option do not satisfy the requirements of Section 409A of the Code. The provisions of separate Options need not be identical, but each Option shall include (through incorporation of provisions hereof by reference in the Option or otherwise) the substance of each of the following provisions:

6.1 Term. Subject to the provisions of **Section 5.2** regarding Ten Percent Stockholders, no Incentive Stock Option shall be exercisable after the expiration of 10 years from the Grant Date. The term of a Non-qualified Stock Option granted under the Plan shall be determined by the Committee; *provided, however*, no Non-qualified Stock Option shall be exercisable after the expiration of 10 years from the Grant Date.

6.2 Exercise Price of An Incentive Stock Option. Subject to the provisions of **Section 5.2** regarding Ten Percent Stockholders, the Option Exercise Price of each Incentive Stock Option shall be not less than 100% of the Fair Market Value of the Common Stock subject to the Option on the Grant Date. Notwithstanding the foregoing, an Incentive Stock Option may be granted with an Option Exercise Price lower than that set forth in the preceding sentence if such Option is granted pursuant to an assumption or substitution for another option in a manner satisfying the provisions of Section 424(a) of the Code.

6.3 Exercise Price of a Non-qualified Stock Option. The Option Exercise Price of each Non-qualified Stock Option shall be not less than 100% of the Fair Market Value of the Common Stock subject to the Option on the Grant Date. Notwithstanding the foregoing, a Non-qualified Stock Option may be granted with an Option Exercise Price lower than that set forth in the preceding sentence if such Option is granted pursuant to an assumption or substitution for another option in a manner satisfying the provisions of Section 409A of the Code.

6.4 Method of Exercise. The Option Exercise Price shall be paid, to the extent permitted by applicable laws, either (a) in cash or by certified or bank check (acceptable to the Company) at the time the Option is exercised or (b) in the discretion of the Committee, upon such terms as the Committee shall approve: (i) by delivery to the Company of other shares of Common Stock, duly endorsed for transfer to the Company, with a Fair Market Value on the date of delivery equal to the Option Exercise Price (or portion thereof) due for the number of shares being acquired; (ii) by a "net exercise" procedure effected by withholding the minimum number of shares of Common Stock otherwise issuable in respect of an Option that are needed to pay the Option Exercise Price; (iii) by any combination of the foregoing methods; or (iv) in any other form of legal consideration that may be acceptable to the Committee. Unless otherwise specifically provided in the Option, the Option Exercise Price that is paid by delivery to the Company of other Common Stock acquired, directly or indirectly from the Company, shall be paid only by shares of Common Stock that have been held for more than six months (or such longer or shorter period of time required to avoid a charge to earnings for financial accounting purposes).

6.5 Transferability of An Incentive Stock Option. An Incentive Stock Option shall not be transferable except by will or by the laws of descent and distribution and shall be exercisable during the lifetime of the Optionholder only by the Optionholder. Notwithstanding the foregoing, the Optionholder may, by delivering written notice to the Company, in a form satisfactory to the Company, designate a third party who, in the event of the death of the Optionholder, shall thereafter be entitled to exercise the Option.

6.6 Transferability of a Non-qualified Stock Option. A Non-qualified Stock Option may, in the sole discretion of the Committee, be transferable to a Permitted Transferee, upon written approval by the Committee to the extent provided in the Award Agreement. If the Non-qualified Stock Option does not provide for transferability, then the Non-qualified Stock Option shall not be transferable except by will or by the laws of descent and distribution and shall be exercisable during the lifetime of the Optionholder only by the Optionholder. Notwithstanding the foregoing, the Optionholder may, by delivering written notice to the Company, in a form satisfactory to the Company, designate a third party who, in the event of the death of the Optionholder, shall thereafter be entitled to exercise the Option.

6.7 Vesting of Options. Each Option may, but need not, vest and therefore become exercisable in periodic installments that may, but need not, be equal. The Option may be subject

to such other terms and conditions on the time or times when it may be exercised (which may be based on performance or other criteria) as the Committee may deem appropriate. The vesting provisions of individual Options may vary. No Option may be exercised for a fraction of a share of Common Stock. The Committee may, but shall not be required to, provide for an acceleration of vesting and exercisability in the terms of any Award Agreement upon the occurrence of a specified event.

6.8 Termination of Continuous Service. Unless otherwise provided in an Award Agreement or in a then-effective employment agreement between the Participant and the Company or applicable Affiliate, in the event an Optionholder's Continuous Service terminates (other than upon the Optionholder's death or Disability), the Optionholder may exercise his or her Option (to the extent that the Optionholder was entitled to exercise such Option as of the date of termination) but only within such period of time ending on the earlier of (a) the date three months following the termination of the Optionholder's Continuous Service or (b) the expiration of the term of the Option as set forth in the Award Agreement; *provided that*, if the termination of Continuous Service is by the Company for Cause, all outstanding Options (whether or not vested) shall immediately cease to be exercisable and terminate for no consideration. If, after termination, the Optionholder does not exercise his or her Option within the time specified in the Award Agreement, the Option shall immediately cease to be exercisable and terminate for no consideration.

6.9 Disability of Optionholder. Unless otherwise provided in an Award Agreement, in the event that an Optionholder's Continuous Service terminates as a result of the Optionholder's Disability, the Optionholder may exercise his or her Option (to the extent that the Optionholder was entitled to exercise such Option as of the date of termination), but only within such period of time ending on the earlier of (a) the date 12 months following such termination or (b) the expiration of the term of the Option as set forth in the Award Agreement. If, after termination, the Optionholder does not exercise his or her Option within the time specified herein or in the Award Agreement, the Option shall immediately cease to be exercisable and terminate for no consideration.

6.10 Death of Optionholder. Unless otherwise provided in an Award Agreement, in the event an Optionholder's Continuous Service terminates as a result of the Optionholder's death, then the Option may be exercised (to the extent the Optionholder was entitled to exercise such Option as of the date of death) by the Optionholder's estate, by a person who acquired the right to exercise the Option by bequest or inheritance or by a person designated to exercise the Option upon the Optionholder's death, but only within the period ending on the earlier of (a) the date 12 months following the date of death or (b) the expiration of the term of such Option as set forth in the Award Agreement. If, after the Optionholder's death, the Option is not exercised within the time specified herein or in the Award Agreement, the Option shall immediately cease to be exercisable and terminate for no consideration.

6.11 Incentive Stock Option \$100,000 Limitation. To the extent that the aggregate Fair Market Value (determined at the time of grant) of Common Stock with respect to which

Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company and its Affiliates) exceeds \$100,000, the Options or portions thereof which exceed such limit (according to the order in which they were granted) shall be treated as Non-qualified Stock Options.

6.12 Detrimental Activity. Unless otherwise provided in an Award Agreement, all outstanding Options (whether or not vested) shall immediately cease to be exercisable and terminate for no consideration on the date on which an Optionholder engages in Detrimental Activity.

7. Restricted Stock and Phantom Stock. Each grant of Restricted Stock or Phantom Stock under the Plan shall be evidenced by an Award Agreement. Each grant of Restricted Stock and of Phantom Stock shall be subject to the terms and conditions set forth in this **Section 7**, and to such restrictions and other terms and conditions not inconsistent with the Plan as may be reflected in the applicable Award Agreement.

7.1 Restricted Stock. Each Participant granted Restricted Stock shall execute and deliver to the Company an Award Agreement with respect to the Restricted Stock setting forth the restrictions and other terms and conditions applicable to such Restricted Stock, including the purchase price, if any, required to be paid by the Participant with respect to such Restricted Stock. If the Committee determines that the Restricted Stock shall be held by the Company or in escrow rather than delivered to the Participant pending the release of the applicable restrictions, the Committee may require the Participant to additionally execute and deliver to the Company (a) an escrow agreement satisfactory to the Committee, if applicable and (b) the appropriate blank stock power with respect to the Restricted Stock covered by such agreement. If a Participant fails to execute an agreement evidencing an Award of Restricted Stock and, if applicable, an escrow agreement and stock power, the Award shall be null and void. Subject to the restrictions set forth in the Award, the Participant generally shall have the rights and privileges of a stockholder as to such Restricted Stock, including the right to vote such Restricted Stock and the right to receive dividends; *provided that*, except as otherwise provided in the applicable Award Agreement, any dividends with respect to the Restricted Stock shall be withheld by the Company for the Participant's account and subject to such terms and conditions as determined by the Committee. Any dividends withheld by the Committee pursuant to the immediately preceding sentence and attributable to any particular share of Restricted Stock shall be distributed to the Participant in cash or, at the discretion of the Committee, in shares of Common Stock having a Fair Market Value equal to the amount of such dividends, if applicable, without interest upon the release of restrictions on such share and, if such share is forfeited, the Participant shall have no right to such dividends.

7.2 Phantom Stock. The terms and conditions of a grant of Phantom Stock shall be reflected in an Award Agreement. No shares of Common Stock shall be issued at the time Phantom Stock is granted, and the Company will not be required to set aside funds for the payment of any such Award. A Participant shall have no voting rights with respect to any Phantom Stock granted hereunder and Phantom Stock shall not constitute an equity interest in the Company or in any

Affiliate. To the extent provided in an Award Agreement, the holder of Phantom Stock shall be entitled to be credited with dividend equivalent payments (upon the payment by the Company of dividends on shares of Common Stock) either in cash or, at the sole discretion of the Committee, in shares of Common Stock having a Fair Market Value equal to the amount of such dividends, which accumulated dividend equivalents shall be payable, without interest, to the Participant upon the vesting of such Phantom Stock (or at such other time as provided in the applicable Award Agreement), and if such Phantom Stock forfeited, the Participant shall have no right to such dividend equivalent payments.

7.3 Restrictions.

(a) Restrictions on Restricted Stock. Restricted Stock awarded to a Participant shall be subject to the following restrictions until the expiration of such restrictions pursuant to the Plan or the applicable Award Agreement, and to such other terms and conditions as may be set forth in the applicable Award Agreement: (i) if an escrow arrangement is used, the Participant shall not be entitled to delivery of the stock certificate; (ii) the shares shall be subject to the restrictions on transferability set forth in the Award Agreement; (iii) the shares shall be subject to forfeiture to the extent provided in the applicable Award Agreement; and (iv) to the extent such shares are forfeited, the stock certificates, if any, shall be promptly returned to the Company, and all rights of the Participant to such shares and as a stockholder with respect to such shares shall terminate without further obligation on the part of the Company.

(b) Restrictions on Phantom Stock. Phantom Stock awarded to a Participant shall be subject to forfeiture until the expiration of the restrictions on the Phantom Stock and satisfaction of the terms and conditions set forth in the Plan and the applicable Award Agreement, and to the extent such Phantom Stock is forfeited, all rights of the Participant to such Phantom Stock shall automatically terminate for no consideration without further obligation on the part of the Company.

7.4 Delivery of Restricted Stock and Settlement of Phantom Stock. Upon the vesting of shares of Restricted Stock, the restrictions set forth in **Section 7.3(a)** and in the applicable Award Agreement shall be of no further force or effect with respect to such shares, except as set forth in the Plan or in the applicable Award Agreement. If an escrow arrangement is used, upon such expiration, the Company shall deliver to the Participant (or to his or her beneficiary in the event of Participant's death) the stock certificate evidencing the shares of Restricted Stock which have vested and any dividends credited to the Participant's account with respect to such shares of Restricted Stock. Upon the vesting of any outstanding Phantom Stock, the Company shall deliver to the Participant (or to his or her beneficiary in the event of Participant's death) one share of Common Stock for each vested share of Phantom Stock and any dividend equivalent payments credited to the Participant's account with respect to such shares of Phantom Stock; *provided, however,* that if explicitly provided in the Award Agreement, the Committee may, in its sole discretion, elect to settle vested portion of such Award in cash or settle partly in cash and partly Common Stock, in such percentages as determined by the Committee in its sole discretion, in lieu of delivering only shares of Common Stock for vested shares of Phantom Stock. If, with

respect to the vesting of Phantom Stock, a cash payment is made in lieu of delivering shares of Common Stock, the amount of such payment shall be equal to the Fair Market Value of the Common Stock as of the date on which the applicable shares of Phantom Stock vested, unless provided otherwise in the applicable Award Agreement. No Award of Restricted Stock or of Phantom Stock may be granted or settled for a fraction of a share of Common Stock.

7.5 Termination of Continuous Service. Unless otherwise provided in an Award Agreement, in the event a Participant's Continuous Service terminates, all of such Participant's unvested Restricted Stock and unvested Phantom Stock shall be immediately forfeited for no consideration.

8. Vested Stock. Each grant of Vested Stock under the Plan shall be evidenced by an Award Agreement and shall be subject to such terms and conditions, if any, not inconsistent with the Plan as may be reflected in the applicable Award Agreement, including the purchase price, if any, required to be paid by the Participant with respect to such Vested Stock.

9. Other Stock-Based Awards. Each grant of an Other Stock-Based Award, which shall consist of a right which is an Award denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, shares of Common Stock as is deemed by the Committee to be consistent with the purposes of the Plan. Subject to the terms of the Plan, the Committee shall determine the terms and conditions of any such Other Stock-Based Award, which shall be evidenced by an Award Agreement. Unless otherwise provided in an Award Agreement, in the event a Participant's Continuous Service terminates, all of such Participant's unvested Other Stock-Based Awards shall immediately be forfeited for no consideration.

10. Securities Law Compliance.

10.1 Securities Registration. No Awards shall be granted under the Plan and no shares of Common Stock shall be issued and delivered upon the exercise of Options or the vesting or settlement of other Awards granted under the Plan unless and until the Company and/or the Participant have complied with all applicable federal and state registration, listing and/or qualification requirements and all other requirements of law or of any regulatory agencies having jurisdiction.

10.2 Representations; Legends. The Committee may, as a condition to the grant of any Award or the exercise of any Option under the Plan, require a Participant to (i) represent in writing that the shares of Common Stock received in connection with such Award are being acquired for investment and not with a view to distribution and (ii) make such other representations and warranties as are deemed appropriate by counsel to the Company. Each certificate representing shares of Common Stock acquired under the Plan shall bear a legend in such form as the Company deems appropriate.

11. Use of Proceeds from Stock. Proceeds from the sale of Common Stock pursuant to Awards, or upon exercise thereof, shall constitute general funds of the Company.

12. Miscellaneous.

12.1 Acceleration of Exercisability and Vesting. The Committee shall have the power to accelerate the time at which an Award may first be exercised or the time during which an Award or any part thereof will vest in accordance with the Plan, notwithstanding the provisions in the Award stating the time at which it may first be exercised or the time during which it will vest.

12.2 Stockholder Rights. Except as provided in the Plan or an Award Agreement, no Participant shall be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares of Common Stock subject to an Award unless and until such Participant has satisfied all requirements for exercise or settlement of the Award pursuant to its terms and no adjustment shall be made for dividends (ordinary or extraordinary, whether in cash, securities or other property) or distributions of other rights for which the record date is prior to the date such Common Stock certificate is issued, except as provided in **Section 13** hereof.

12.3 No Employment or Other Service Rights. Nothing in the Plan or any Award Agreement or other instrument executed or Award granted pursuant thereto shall confer upon any Participant any right to continue to serve the Company or an Affiliate in any capacity as an Employee, Consultant or Director or shall affect the right of the Company or an Affiliate to terminate (a) the employment of an Employee or the service of a Consultant with or without notice and with or without Cause or (b) the service of a Director pursuant to the Bylaws of the Company or an Affiliate, and any applicable provisions of the corporate law of the state in which the Company or the Affiliate is incorporated, as the case may be.

12.4 Transfer; Approved Leave of Absence. For purposes of the Plan, no termination of employment by an Employee shall be deemed to result from either (a) a transfer of employment to the Company from an Affiliate or from the Company to an Affiliate, or from one Affiliate to another, or (b) an approved leave of absence for military service or sickness, or for any other purpose approved by the Company, if the Employee's right to reemployment is guaranteed either by a statute or by contract or under the policy pursuant to which the leave of absence was granted or if the Committee otherwise so provides in writing, in either case, except to the extent inconsistent with Section 409A of the Code if the applicable Award is subject thereto.

12.5 Withholding Obligations. The Company or any Affiliate is authorized to withhold from any Award, from any payment due or transfer made under any Award or under the Plan or from any compensation or other amount owing to a Participant the amount of any applicable taxes determined by the Company to be required to be withheld in respect of an Award. Subject to the discretion of the Committee, the Participant may satisfy any federal, state or local tax withholding obligation relating to the exercise or acquisition of Common Stock under an Award by any of the following means (in addition to the Company's right to withhold from any compensation paid to the Participant by the Company) or by a combination of such means: (a) tendering a cash payment; (b) authorizing the Company to withhold shares of Common Stock from the shares of Common Stock otherwise issuable to the Participant as a result of the exercise or acquisition of Common Stock under the Award, *provided, however*, that no shares of

Common Stock are withheld with a value exceeding the minimum amount of tax required to be withheld by law; or (c) delivering to the Company previously owned and unencumbered shares of Common Stock of the Company.

13. Adjustments Upon Changes in Stock. In the event of changes in the outstanding Common Stock or in the capital structure of the Company by reason of any stock or extraordinary cash dividend, stock split, reverse stock split, an extraordinary corporate transaction such as any recapitalization, reorganization, merger, consolidation, combination, exchange, or other relevant change in capitalization occurring after the Grant Date of any Award, Awards granted under the Plan and any Award Agreements, the exercise price of Options and the maximum number of shares of Common Stock subject to Awards stated in **Section 4** will be equitably adjusted or substituted, as to the number, price or kind of a share of Common Stock or other consideration subject to such Awards to the extent necessary to preserve the economic intent of such Award.

14. Effect of Change in Control.

14.1 In the event of a Change in Control, the Committee may, but shall not be obligated to:

(a) accelerate, vest or cause the restrictions to lapse with respect to all or any portion of any Award;

(b) cancel Awards and cause to be paid to the holders of vested Awards the value of such Awards, if any, as determined by the Committee, in its sole discretion, it being understood that in the case of any Option with an Option Exercise Price that equals or exceeds the price paid for a share of Common Stock in connection with the Change in Control, the Committee may cancel the Option without the payment of consideration therefor;

(c) provide for the issuance of substitute Awards or the assumption or replacement of such Awards; or

(d) provide written notice to Participants that for some period prior to the Change in Control, such Awards shall be exercisable, to the extent applicable, as to all shares of Common Stock subject thereto and upon the occurrence of the Change in Control, any Awards not so exercised shall terminate and be of no further force and effect.

14.2 The obligations of the Company under the Plan shall be binding upon any successor corporation or organization resulting from the merger, consolidation or other reorganization of the Company, or upon any successor corporation or organization succeeding to all or substantially all of the assets and business of the Company and its Affiliates, taken as a whole.

15. Amendment of the Plan and Awards.

15.1 Amendment of the Plan. The Board at any time, and from time to time, may amend or terminate the Plan. However, except as provided in **Section 13** relating to adjustments upon changes in Common Stock, no amendment shall be effective unless approved by the stockholders of the Company to the extent stockholder approval is necessary to satisfy any applicable laws.

15.2 Stockholder Approval. The Board may, in its sole discretion, submit any other amendment to the Plan for stockholder approval.

15.3 No Impairment of Rights. Rights under any Award granted before amendment of the Plan shall not be impaired by any amendment of the Plan unless the affected Participant consents.

15.4 Amendment of Awards. The Committee at any time, and from time to time, may amend the terms of any one or more Awards and the Award Agreements related thereto; *provided, however*, that the Committee may not affect any amendment which would otherwise constitute an impairment of the rights under any Award unless the Participant consents.

16. General Provisions.

16.1 Clawback; Forfeiture. Notwithstanding anything to the contrary contained herein, the Committee may, in its sole discretion, provide in an Award Agreement or otherwise that the Committee may cancel, terminate or cause to be forfeited of such Award for no consideration if the Participant has engaged in or engages in any Detrimental Activity. The Committee may, in its sole discretion, also provide in an Award Agreement or otherwise that (i) if the Participant has engaged in or engages in Detrimental Activity, the Participant will forfeit any gain realized on the vesting, exercise or settlement of any Award, and must promptly repay to the Company any gain thereon and (ii) if the Participant receives any amount in excess of what the Participant should have received under the terms of the Award for any reason (including, without limitation, by reason of a financial restatement, mistake in calculations or other administrative error), then the Participant shall be required to repay promptly to the Company any such excess amount. Without limiting the foregoing, all Awards shall be subject to reduction, cancellation, forfeiture or recoupment to the extent necessary to comply with applicable laws.

16.2 Sub-plans. The Committee may from time to time establish sub-plans under the Plan for purposes of satisfying blue sky, securities, tax or other laws of various jurisdictions in which the Company intends to grant Awards. Any sub-plans shall contain such limitations and other terms and conditions as the Committee determines are necessary or desirable. All sub-plans shall be deemed a part of the Plan, but each sub-plan shall apply only to the Participants in the jurisdiction for which the sub-plan was designed.

16.3 Unfunded Plan. The Plan shall be unfunded. Neither the Company, the Board nor the Committee shall be required to establish any special or separate trust or fund or to segregate any assets to assure the performance of its obligations under the Plan. To the extent that any Person acquires a right to receive payments from the Company or any Affiliate pursuant to an Award, such right shall be no greater than the right of any general unsecured creditor of the Company or any Affiliate.

16.4 Limits on Transfer of Awards.

(a) Except as provided in **Section 6** with respect to Options, each Award, and each right under any Award, shall be exercisable only by the Participant during the Participant's lifetime, or by the person to whom the Participant's rights shall pass by will, the laws of descent and distribution or domestic relations order entered or approved by a court of competent jurisdiction.

(b) Except as provided in **Section 6** with respect to Options, no Award and no right under any such Award may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Participant otherwise than by will, by the laws of descent and distribution (or, in the case of Restricted Stock, to the Company) or by domestic relations order entered or approved by a court of competent jurisdiction, and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company or any Affiliate.

16.5 Delivery. Upon exercise of a right granted under this Plan, the Company shall issue Common Stock or pay any amounts due within a reasonable period of time thereafter. Subject to any statutory or regulatory obligations the Company may otherwise have, for purposes of this Plan, 30 days shall be considered a reasonable period of time.

16.6 No Fractional Shares. No fractional shares of Common Stock shall be issued or delivered pursuant to the Plan. The Committee shall determine whether cash, additional Awards or other securities or property shall be issued or paid in lieu of fractional shares of Common Stock or whether any fractional shares should be rounded, forfeited or otherwise eliminated.

16.7 Other Provisions. The Award Agreements authorized under the Plan may contain such other provisions not inconsistent with this Plan, including, without limitation, restrictions upon the exercise of the Awards, as the Committee may deem advisable.

16.8 Section 409A. The Plan, all Awards and Award Agreements are intended to comply with or otherwise be exempt from Section 409A of the Code, and, accordingly, to the maximum extent permitted, the Plan shall be interpreted and administered in accordance with such intention. Notwithstanding anything to the contrary in the Plan, to the extent required to avoid the tax under Section 409A of the Code, if the Participant is a "specified employee" (as defined in Section 409A of the Code), amounts that as a result of a Participant's separation from service would be paid and benefits that would be provided pursuant to the Plan during the six (6) month period immediately following the Participant's separation from service and that are not otherwise exempt from Section 409A of the Code shall instead be paid or provided, in either case without interest, on the Company's or applicable Affiliate's first regular payroll date after the six-month anniversary of the Participant's separation from service (or the Participant's death, if earlier). For purposes of Section 409A of the Code, each payment or amount due under this Plan shall be considered a separate payment, and a Participant's entitlement to a series of payments under this Plan shall be treated as an entitlement to a series of separate payments. Notwithstanding the

foregoing, none of the Company, any Affiliate or the Committee shall have any obligation to take any action to prevent the assessment of any additional tax, penalty or interest on any Participant under Section 409A of the Code and none of the Company, any Affiliate or the Committee will have any liability to any Participant for such tax, penalty or interest.

16.9 No Guarantee of Tax Consequences. None of the Board, the Company, any Affiliate or the Committee (i) makes any commitment or guarantee that any federal, state, local or other tax treatment will (or will not) apply or be available to any Participant (or to any transferee of any Award or Person claiming through or on behalf of any Participant) or (ii) shall have any liability or responsibility with respect to any taxes, penalties or other amounts imposed on any Participant (or on any transferee of any Award or Person claiming through or on behalf of any Participant) as a result of the Plan or any Award or Award Agreement hereunder.

16.10 Disqualifying Dispositions. Any Participant or other Person who makes a “disposition” (as defined in Section 424 of the Code) of all or any portion of shares of Common Stock acquired upon exercise of an Incentive Stock Option within two years from the Grant Date of such Incentive Stock Option or within one year after the issuance of the shares of Common Stock acquired upon exercise of such Incentive Stock Option (a “**Disqualifying Disposition**”) shall be required to immediately advise the Company in writing as to the occurrence of the sale and the amount realized upon the disposition of such shares of Common Stock.

16.11 Beneficiary Designation. Each Participant under the Plan may from time to time name any beneficiary or beneficiaries by whom any right under the Plan is to be exercised in case of such Participant’s death. Each designation will revoke all prior designations by the same Participant, shall be in a written form acceptable to the Committee and shall be effective only when filed by the Participant in writing with and accepted by the Company during the Participant’s lifetime. In the absence of a valid beneficiary designation at the time a Participant’s death (or if all validly designated beneficiaries have predeceased such Participant), the Participant’s estate shall be deemed to be such Participant’s designated beneficiary.

16.12 Expenses. The costs of administering the Plan shall be paid by the Company.

16.13 Severability. If any of the provisions of the Plan or any Award Agreement is held to be invalid, illegal or unenforceable, whether in whole or in part, such provision shall be deemed modified to the extent, but only to the extent, of such invalidity, illegality or unenforceability and the remaining provisions shall not be affected thereby.

16.14 Plan Headings. The headings in the Plan are for purposes of convenience only and are not intended to define or limit the construction of the provisions hereof.

16.15 Non-Uniform Treatment. The Committee’s determinations under the Plan need not be uniform and may be made by it selectively among persons who are eligible to receive, or actually receive, Awards. Without limiting the generality of the foregoing, the Committee shall be entitled to make non-uniform and selective determinations, amendments and adjustments, and to enter into non-uniform and selective Award Agreements.

17. Termination or Suspension of the Plan. The Plan shall terminate automatically on the tenth (10th) anniversary of the date it is adopted by the Board. No Award shall be granted pursuant to the Plan after such date, but Awards theretofore granted may extend beyond that date. The Board may suspend or terminate the Plan at any earlier date pursuant to **Section 15.1** hereof. No Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

18. Choice of Law. The law of the State of Delaware shall govern all questions concerning the construction, validity and interpretation of this Plan, without regard to such state's conflict of law rules.

Originally adopted by the Board and approved by the stockholders of Tellurian Investments Inc. on March 3, 2016.

As amended and restated by the Board of Directors of Tellurian Investments Inc. on May 26, 2016

February 13, 2017

Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: Tellurian Inc.

Ladies and Gentlemen:

We have read Item 4.01 of Form 8-K dated February 13, 2017 of Tellurian Inc. and are in agreement with all statements made pertaining to EKS&H LLLP. We have no basis to agree or disagree with other statements of the registrant contained therein.

/s/ EKS&H LLLP