

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

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

National CineMedia, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

20-5665602
(I.R.S. employer
identification number)

**9110 E. Nichols Ave., Suite 200
Centennial, Colorado 80112-3405**
(Address, including zip code, of registrant's principal executive offices)

National CineMedia, Inc. 2016 Equity Incentive Plan
(Full title of the plan)

Ralph E. Hardy, Esq.
Executive Vice President and General Counsel
National CineMedia, Inc.
9110 E. Nichols Ave., Suite 200
Centennial, Colorado 80112-3405
(303) 792-3600
(Name, address, and telephone number, including area code, of agent for service)

Copies to:

Garth B. Jensen, Esq.
Sherman & Howard L.L.C.
633 Seventeenth Street, Suite 3000
Denver, CO 80202
(303) 297-2000

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

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

CALCULATION OF REGISTRATION FEE

Title of securities to be registered	Amount to be registered(1)	Proposed maximum offering price per share(2)	Proposed maximum aggregate offering price	Amount of registration fee
Common Stock, par value \$0.01 per share	4,400,000 shares	\$14.15	\$62,260,000	\$6,269.58

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

- (2) Estimated solely for the purposes of calculating the registration fee pursuant to Rule 457(c) and (h) under the Securities Act of 1933, as amended (the “Securities Act”), based upon the average of the high and low prices of the registrant’s common stock on the Nasdaq Global Select Market on April 22, 2016, which was \$14.15.
-
-

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents filed by National CineMedia, Inc. (the "Registrant") with the Securities and Exchange Commission (the "Commission") are incorporated by reference in this Registration Statement:

- (a) The Registrant's Annual Report on Form 10-K for its fiscal year ended December 31, 2015;
- (b) Our Current Reports on Form 8-K, filed with the SEC on January 5, 2016, January 26, 2016, February 25, 2016 (excluding portions furnished pursuant to Item 2.02) and March 21, 2016; and
- (c) The description of the Registrant's common stock, par value \$0.01 per share, contained in the Registrant's Registration Statement on Form 8-A filed with the Commission on February 5, 2007.

All reports and other documents subsequently filed with the Commission by the Registrant pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act, prior to the filing of a post-effective amendment which indicates that all securities offered herein have been sold or which deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference in this Registration Statement and to be a part hereof from the date of filing of such documents, excluding any information furnished under Item 7.01 or Item 2.02 of any Current Report on Form 8-K.

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

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts.

Not applicable.

Item 6. Indemnification of Directors and Officers.

Section 102 of the Delaware General Corporation Law (the “DGCL”) grants us the power to limit the personal liability of our directors or our stockholders for monetary damages for breach of a fiduciary duty. Article Sixth of our Amended and Restated Certificate of Incorporation eliminates the personal liability of directors for monetary damages for actions taken as a director, except for liability for breach of duty of loyalty; for acts or omissions not in good faith or involving intentional misconduct or knowing violation of law; under Section 174 of the DGCL (unlawful dividends); or for transactions from which the director derived improper personal benefit.

Under Section 145 of the DGCL, a corporation has the power to indemnify directors and officers under certain prescribed circumstances against certain costs and expenses, actually and reasonably incurred in connection with any action, suit or proceeding, whether civil, criminal, administrative or investigative, to which any of them is a party by reason of his being a director or officer of the corporation if it is determined that he acted in accordance with the applicable standard of conduct set forth in such statutory provision. Article VI of our Amended and Restated Bylaws requires us to indemnify any current or former directors or officers to the fullest extent permitted by the DGCL, and to pay expenses incurred in defending any such proceeding in advance of its final disposition upon delivery to us of an undertaking, by or on behalf of an indemnified person, to repay all amounts so advanced if it should be determined ultimately that such person is not entitled to be indemnified under this section or otherwise. Article VI also permits us to indemnify any current or former employees or agents to the fullest extent permitted by the DGCL, and to pay expenses incurred in defending any such proceeding in advance of its final disposition upon such terms and conditions, if any, as we deem appropriate.

Section 145 of the DGCL authorizes a corporation to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation against any liability asserted against and incurred by such person in any such capacity, or arising out of such person’s status as such. As permitted by Section 145 and Section 6.08 of our Amended and Restated Bylaws, we carry insurance policies insuring our directors and officers against certain liabilities that they may incur in their capacity as directors and officers.

We have entered into separate indemnification agreements with each of our directors and officers, which may be broader than the specific indemnification provisions contained in the DGCL. These indemnification agreements may require us, among other things, to indemnify our directors and officers against liabilities that may arise by reason of their status or service as directors or officers, other than liabilities arising from willful misconduct. These indemnification agreements may also require us to advance any expenses incurred by the directors or officers as a result of any proceeding against them as to which they could be indemnified and to obtain directors’ and officers’ insurance, if available on reasonable terms.

The indemnification rights set forth above shall not be exclusive of any other right which an indemnified person may have or hereafter acquire under any statute, provision of our Amended and Restated Certificate of Incorporation or Amended and Restated Bylaws, agreement, vote of stockholders or disinterested directors or otherwise.

Item 7. Exemption from Registration Claimed.

Not applicable.

Item 8. Exhibits.

The following exhibits are submitted herewith or incorporated by reference herein.

<u>Exhibit</u>	<u>Reference</u>	<u>Description</u>
4.1	*	National CineMedia, Inc. 2016 Equity Incentive Plan.
4.2	*	Form of 2016 Restricted Stock Agreement under the National CineMedia, Inc. 2016 Equity Incentive Plan (Time Based).
4.3	*	Form of 2016 Restricted Stock Agreement under the National CineMedia, Inc. 2016 Equity Incentive Plan (Performance Based).
4.4	*	Form of Restricted Stock Unit Agreement under the National CineMedia, Inc. 2016 Equity Incentive Plan.
5.1	*	Opinion of Sherman and Howard, LLC.
23.1	*	Consent of Deloitte & Touche LLP.
23.2	*	Consent of Sherman and Howard, LLC (included in Exhibit 5.1).
24.1	*	Power of Attorney.

* Filed herewith.

Item 9. Undertakings

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

- (i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;
- (ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;
- (iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

Provided, however, That: paragraphs (a)(1)(i) and (a)(1)(ii) of this section do not apply if the information required to be included in a post-effective amendment by those paragraphs

is contained in reports filed with or furnished to the Commission by the registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

- (2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.
 - (3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.
- (b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.
- (c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the 1933 Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Centennial, State of Colorado, on the 29th day of April, 2016.

NATIONAL CINEMEDIA, INC.

By: *

Andrew J. England
Chief Executive Officer and Director

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

<u>Signature</u>	<u>Title</u>	<u>Date</u>
* _____ Andrew J. England	Chief Executive Officer and Director <i>(Principal Executive Officer)</i>	April 29, 2016
* _____ David J. Oddo	Senior Vice President and Interim Co-Chief Financial Officer <i>(Principal Financial Officer)</i>	April 29, 2016
* _____ Jeffrey T. Cabot	Senior Vice President and Interim Co-Chief Financial Officer <i>(Principal Accounting Officer)</i>	April 29, 2016
* _____ Scott N. Schneider	Non-Employee Executive Chairman	April 29, 2016
* _____ Peter B. Brandow	Director	April 29, 2016
* _____ Lawrence A. Goodman	Director	April 29, 2016
* _____ David R. Haas	Director	April 29, 2016

<u>Signature</u>	<u>Title</u>	<u>Date</u>
* _____ Stephen L. Lanning	Director	April 29, 2016
* _____ Thomas F. Lesinski	Director	April 29, 2016
* _____ Paula Williams Madison	Director	April 29, 2016
* _____ Lee Roy Mitchell	Director	April 29, 2016
* _____ Craig R. Ramsey	Director	April 29, 2016
*By: /s/ Ralph E. Hardy _____ Ralph E. Hardy Attorney in fact		

NATIONAL CINEMEDIA, INC.

2016 EQUITY INCENTIVE PLAN

TABLE OF CONTENTS

	<u>Page</u>
1. ESTABLISHMENT AND PURPOSE	1
1.1 Establishment	1
1.2 Purpose	1
2. DEFINITIONS	1
3. PLAN ADMINISTRATION	6
3.1 General	6
3.2 Authority of the Committee	6
3.3 Deferral Arrangement	7
3.4 No Liability	7
3.5 Book Entry	7
4. STOCK SUBJECT TO THE PLAN	7
4.1 Number of Shares	7
4.2 Individual Award Limits	7
4.3 Share Counting	8
4.4 Substitute Awards	8
5. ELIGIBILITY AND PARTICIPATION	8
6. STOCK OPTIONS	8
6.1 Grant of Options	8
6.2 Award Agreement	8
6.3 Exercise of Option.	9
6.4 Termination of Service	9
6.5 Limitations on Incentive Stock Options	9
6.6 Transferability	10
6.7 Family Transfers	10
6.8 Rights of Holders of Options	10
7. STOCK APPRECIATION RIGHTS	10
7.1 Grant of Stock Appreciation Rights	10
7.2 Award Agreement	10
7.3 Exercise of Stock Appreciation Right	11
7.4 Effect of Exercise	11
7.5 Termination of Service	11
7.6 Transferability	11
8. RESTRICTED STOCK AND RESTRICTED STOCK UNITS	11
8.1 Grant of Restricted Stock or Restricted Stock Units	11

8.2	Award Agreement	11
8.3	Restrictions on Transfer	11
8.4	Forfeiture; Other Restrictions	11
8.5	Restricted Stock Units	11
8.6	Termination of Service	12
8.7	Stockholder Privileges	12
8.8	Purchase of Restricted Stock	12
9.	PERFORMANCE AWARDS	12
9.1	Grant of Performance Awards	12
9.2	Value of Performance Shares or Units	12
9.3	Achievement of Performance Goals.	13
9.4	Payment of Performance Awards	13
9.5	Termination of Service	13
9.6	Transferability	13
10.	OTHER STOCK-BASED AWARDS	14
11.	DIVIDEND EQUIVALENTS	14
12.	TAX WITHHOLDING	14
13.	PARACHUTE LIMITATIONS	14
14.	EFFECT OF CHANGES IN CAPITALIZATION	15
14.1	Changes in Stock	15
14.2	Change of Control	15
14.3	Reorganization in Which the Company Is the Surviving Entity and in Which No Change of Control Occurs	16
14.4	Adjustment	16
14.5	No Limitations on the Company	16
15.	REQUIREMENTS OF LAW	16
15.1	General	16
15.2	Rule 16b-3	17
16.	GENERAL PROVISIONS	17
16.1	Disclaimer of Rights	17
16.2	Nontransferability of Awards	17
16.3	Changes in Accounting or Tax Rules	17
16.4	Nonexclusivity of the Plan	17
16.5	Captions	17
16.6	Other Award Agreement Provisions	17
16.7	Other Employee Benefits	17
16.8	Severability	18
16.9	Governing Law	18
16.10	Section 409A	18

17.	AMENDMENT, MODIFICATION AND TERMINATION	18
17.1	Amendment, Modification, and Termination	18
17.2	Awards Previously Granted	19
18.	STOCKHOLDER APPROVAL; EFFECTIVE DATE OF PLAN	19
19.	DURATION	19

**NATIONAL CINEMEDIA, INC.
2016 EQUITY INCENTIVE PLAN**

1. ESTABLISHMENT AND PURPOSE

1.1 **Establishment.** National CineMedia, Inc., a Delaware corporation (the “**Company**”), establishes the National CineMedia, Inc. 2016 Equity Incentive Plan (the “**Plan**”). The Plan was approved by the stockholders of the Company on _____, 2016. The Plan permits the grant of incentive stock options, non-qualified stock options, stock appreciation rights, restricted stock, restricted stock units, performance awards, and other stock-based and cash awards in accordance with the terms hereof.

1.2 **Purpose.** The Plan is intended to enhance the Company’s and its Affiliates’ (as defined herein) ability to attract and retain highly qualified officers, directors, key employees, and other persons, and to motivate such persons to serve the Company and its Affiliates and to expend maximum effort to improve the business results and earnings of the Company, by providing to such persons an opportunity to acquire or increase a direct proprietary interest in the operations and future success of the Company.

2. DEFINITIONS

For purposes of interpreting the Plan and related documents (including Award Agreements), the following definitions shall apply:

2.1 “**Affiliate**” means with respect to the Company, (i) any company or other trade or business that controls, is controlled by or is under common control with the Company within the meaning of Rule 405 of Regulation C under the Securities Act, including without limitation, any Subsidiary, (ii) any corporation or other entity controlling, controlled by, or under common control with the Company, including any member of an affiliated group of which the Company is a common parent corporation or subsidiary corporation (within the meaning of Section 424 of the Code), and (iii) National CineMedia, LLC.

2.2 “**Award**” means a grant under the Plan of an Option, Stock Appreciation Right, Restricted Stock, Restricted Stock Unit, Performance Award, or Other Stock-Based Award.

2.3 “**Award Agreement**” means the written or electronic agreement setting forth the terms and conditions applicable to each Award. The Award Agreement is subject to the terms and conditions of the Plan. In the event of any inconsistency between the provisions of the Plan and any Award Agreement, the provisions of the Plan shall govern.

2.4 “**Benefit Arrangement**” means as defined in Section 13.

2.5 “**Board**” or “**Board of Directors**” means the board of directors of National CineMedia, Inc.

2.6 “**Business Combination**” means as defined in Section 2.8.

2.7 “**Cause**” means, as determined by the Committee and unless otherwise provided in an employment, a consulting or other services agreement, if any, between the Service Provider and the Company or an Affiliate, (i) any willful breach of any material written policy of the Company or an Affiliate that results in material and demonstrable liability or loss to the Company or the Affiliate; (ii) engaging in any conduct involving moral turpitude that causes material and demonstrable injury, monetarily or otherwise, to the Company or an Affiliate, including, but not limited to, misappropriation or conversion of assets of the Company or an Affiliate (other than immaterial assets); (iii) a conviction of or entry of a plea of nolo contendere to a felony; or (iv) a material breach by the Service Provider of any term of any employment, consulting or other services, confidentiality, intellectual property or non- competition agreements, if any, between the Service Provider and the Company or an Affiliate. No act or failure to act by the Service Provider shall be deemed “willful” if done, or omitted to be done, by him or her in good faith and with the reasonable belief that his or her action or omission was in the best interest of the Company or an Affiliate.

2.8 “**Change of Control**” means and shall be deemed to have occurred upon the occurrence of:

(a) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a “**Person**”) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of either (x) the then outstanding shares of common stock of the Company (the “**Outstanding Company Common Stock**”) or (y) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the “**Outstanding Company Voting Securities**”); provided, however, that for purposes of this subsection (i), the following acquisitions shall not constitute a Change of Control: (A) any acquisition directly from the Company, (B) any acquisition by the Company, (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, (D) any acquisition by any corporation pursuant to a transaction which complies with clauses (A) or (B) of paragraph (iv) below, or (E) any acquisition by a Founding Member; or

(b) The acquisition by any Person, other than a Founding Member, of the right to (A) elect or (B) nominate for election or (C) designate for nomination pursuant to a Director Designation Agreement dated February 13, 2007 among the Company and the Founding Members, a majority of the members of the Company’s Board; or

(c) The acquisition by any Person, other than the Company or a Founding Member, of beneficial ownership of more than 50% of the Units of National CineMedia, LLC; or

(d) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company or an acquisition of assets of another corporation (a “**Business Combination**”), in each case, unless, following such Business Combination, (A) (x) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company’s assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be; and (y) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were individuals who, as of the Effective Date, constitute the Board (the “**Incumbent Board**”); provided, however, that any individual becoming a director subsequent to the Effective Date whose election, or nomination for election by the Company’s stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board or was designated pursuant to a Director Designation Agreement dated February 13, 2007 among the Company and the Founding Members shall be considered as though such individual were a member of the Incumbent Board, at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination or (B) the Founding Members beneficially own, more than 50% of, respectively, the outstanding shares of common stock or voting power of the then outstanding voting securities entitled to vote generally in the election of directors of the corporation resulting from such Business Combination; or

(e) Approval by the stockholders of the Company of a complete liquidation or dissolution of the Company; or

(f) Approval by the members of National CineMedia, LLC of a complete liquidation or dissolution of National CineMedia, LLC.

2.9 “**Code**” means the Internal Revenue Code of 1986, as amended, and the regulations, interpretations, and administrative guidance issued thereunder.

2.10 “**Committee**” means the Compensation Committee of the Board or any committee designated by the Board to administer the Plan, or if no committee is appointed, the Board. The Compensation Committee or the Board may designate one or more subcommittees to (i) consist solely of persons who satisfy the applicable requirements of any stock exchange or national market system on which the shares of Stock may be listed, (ii) consist solely of persons who qualify as an “outside director” within the meaning of Section 162(m) of the Code, and (iii) consist solely of persons who qualify as a “non-employee director” within the meaning of Rule 16b-3 promulgated under the Exchange Act.

2.11 “**Company**” means National CineMedia, Inc., a Delaware corporation.

2.12 “**Corporate Event**” means an event described in Section 14.1.

2.13 “**Disabled**” or “**Disability**” means, unless otherwise provided in an employment, a consulting or other services agreement, if any, between the Participant and the Company or an Affiliate, the Participant is unable to perform each of the essential duties of such Participant’s position by reason of a medically determinable physical or mental impairment which is potentially permanent in character or which can be expected to last for a continuous period of not less than 12 months; provided that, the following shall apply:

- (a) With respect to rules regarding expiration of an Incentive Stock Option following termination of the Participant’s Service, Disability has the meaning set forth in Section 22(e)(3) of the Code.
- (b) With respect to any Award subject to Section 409A of the Code, the Participant is: (i) unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months; (ii) by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, is receiving income replacement benefits for a period of not less than three months under an accident or health plan covering employees of the Participant’s employer; or (iii) determined to be totally disabled by the Social Security Administration.

2.14 “**Dividend Equivalents**” means any right granted under Section 11.

2.15 “**Effective Date**” means the effective date of the Plan, which is the date the Plan was approved by the Company’s stockholders.

2.16 “**Employee**” means any individual who is a common-law employee of the Company or an Affiliate determined in accordance with the Company’s standard personnel policies and practices.

2.17 “**Exchange Act**” means the U.S. Securities Exchange Act of 1934, as it may be amended from time to time, or any successor act thereto.

2.18 “**Exercise Price**” means the price at which a share of Stock may be purchased pursuant to the exercise of an Option.

2.19 “**Fair Market Value**” means the value of a share of Stock as of a particular date, determined as follows: (a) the closing sale price reported for such share on the national securities exchange or national market system on which such stock is principally traded, or if no sale of shares is reported for such trading day, on the next preceding day on which a sale was reported, or (b) if the shares of Stock are not then listed on a national securities exchange or national market system, or the value of such shares is not otherwise determinable, such value as determined by the Committee in good faith in its sole discretion consistent with the requirements under Section 409A of the Code.

2.20 “**Family Member**” means a person who is a spouse, former spouse, child, stepchild, grandchild, parent, stepparent, grandparent, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother, sister, brother-in-law, or sister-in-law, including adoptive relationships, of the Participant, a trust in which any one or more of these persons have more than fifty percent (50%) of the beneficial interest, a foundation in which any one or more of these persons (or the Participant) control the management of assets, and any other entity in which one or more of these persons (or the Participant) own more than fifty percent (50%) of the voting interests; provided, however, that to the extent required by applicable law, the term Family Member shall be limited to a person who is a spouse, former spouse, child, stepchild, grandchild, parent, stepparent, grandparent, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother, sister, brother-in-law, or sister-in-law, including adoptive relationships, of the Participant or a trust or foundation for the exclusive benefit of any one or more of these persons.

2.21 “**Founding Member**” means as such term is defined in the Limited Liability Company Operating Agreement.

2.22 “**Good Reason**” means, unless otherwise provided in an employment, a consulting or other services agreement, if any, between the Service Provider and the Company or an Affiliate, (i) reduction in the Service Provider’s base salary, (ii) a diminution of the Service Provider’s title, office, position or authority, excluding for this purpose an action not taken in bad faith and which is remedied within twenty (20) days after receipt of written notice thereof given by the Service Provider, (iii) the assignment to the Service Provider of any duties inconsistent with the Service Provider’s position (including status or reporting requirements), authority, or material responsibilities, or the removal of the Participant’s authority or material responsibilities, excluding for this purpose an action not taken in bad faith and which is remedied by the Company within twenty (20) days after receipt of notice thereof given by the Service Provider, (iv) a transfer of the Service Provider’s primary workplace by more than fifty (50) miles from the current workplace, or (v) a material breach of any term of any employment, consulting or other services agreement, if any, between the Service Provider and the Company or an Affiliate by the Company which is not remedied within twenty (20) days after receipt of written notice thereof given by the Service Provider.

2.23 “**Grant Date**” means, as determined by the Committee, the latest to occur of (i) the date on which the Committee approves an Award, (ii) the date on which the recipient of an Award first becomes eligible to receive an Award under Section 5, or (iii) such other date as may be specified by the Committee in the Award Agreement.

2.24 “**Grant Price**” means the per share exercise price of a Stock Appreciation Right granted to a Participant under Section 7.

2.25 “**Incentive Stock Option**” means an Option to purchase shares of Stock designated as an Incentive Stock Option that is intended to meet the requirements of Section 422 of the Code.

2.26 “**Incumbent Board**” means as defined in Section 2.8.

2.27 “**Limited Liability Company Operating Agreement**” means the Limited Liability Company Operating Agreement of National CineMedia, LLC, by and among the members of National CineMedia LLC, as it may be amended, modified or replaced from time to time.

2.28 “**Minimum Statutory Withholding**” means as defined in Section 12.

2.29 “**National CineMedia, LLC**” means National CineMedia, LLC, a Delaware limited liability company.

2.30 “**Non-Qualified Stock Option**” means any Option other than an Incentive Stock Option.

2.31 “**Option**” means an option to purchase one or more shares of Stock at a stated or formula price for a specified period of time. An Option granted under the Plan shall be either an Incentive Stock Option or a Non-Qualified Stock Option.

2.32 “**Other Agreement**” means as defined in Section 13.

2.33 “**Other Stock-Based Award**” means an equity-based Award that is granted to a Participant under Section 10.

2.34 “**Outstanding Company Common Stock**” means as defined in Section 2.8.

2.35 “**Outstanding Company Voting Securities**” means as defined in Section 2.8.

2.36 “**Parachute Payment**” means as defined in Section 13.

2.37 “**Participant**” means any eligible individual as defined in Section 5 who is granted an Award under the Plan.

2.38 “**Performance Award**” means an Award made subject to the achievement of performance goals granted under Section 9, denominated in shares of Stock (“**Performance Shares**”) or units (“**Performance Units**”), the value of which at the time it is payable is determined based upon the extent to which the corresponding performance goals have been achieved.

2.39 “**Performance Period**” means the period of time during which the performance goals must be achieved in order to determine the degree of vesting or payout with respect to an Award, not to exceed ten (10) years. Performance Periods may be overlapping.

2.40 “**Person**” means as defined in Section 2.8.

2.41 “**Plan**” means this National CineMedia, Inc. 2016 Equity Incentive Plan, as amended from time to time.

2.42 “**Purchase Price**” means the purchase price for each share of Stock pursuant to a grant of Restricted Stock.

2.43 “**Restricted Stock**” means an Award of shares of Stock granted under Section 8.

2.44 “**Restricted Stock Unit**” or “**RSU**” means a bookkeeping entry representing the equivalent of shares of Stock granted under Section 8.

2.45 “**Restriction Period**” means the period during which Restricted Stock and Restricted Stock Units are subject to a substantial risk of forfeiture (based upon the passage of time, the achievement of performance goals or upon the occurrence of other events as determined by the Committee, in its discretion), as provided in Sections 8.3 and 8.4.

2.46 “**Securities Act**” means the U.S. Securities Act of 1933, as it may be amended from time to time, or any successor act thereto.

2.47 “**Service**” means service as a Service Provider to the Company or an Affiliate. Unless otherwise stated in the applicable Award Agreement, a Participant’s change in position or duties shall not result in interrupted or terminated Service, so long as such Participant continues to be a Service Provider to the Company or an Affiliate. Subject to the preceding sentence, whether a termination of Service shall have occurred for purposes of the Plan shall be determined by the Committee, which determination shall be final, binding and conclusive.

2.48 “**Service Provider**” means an employee, officer or director of the Company or an Affiliate, or a consultant or adviser currently providing services to the Company or an Affiliate.

2.49 “**Stock**” or “**Common Stock**” means a share of National CineMedia, Inc., common stock, \$0.01 par value per share.

2.50 “**Stock Appreciation Right**” or “**SAR**” means an Award granted under Section 7.

2.51 “**Subsidiary**” means any “subsidiary corporation” of the Company within the meaning of Section 424(f) of the Code.

2.52 “**Substitute Awards**” means Awards granted in substitution for, or in assumption of, outstanding awards previously granted by an entity acquired by the Company or a Subsidiary or an Affiliate or with which the Company or Subsidiary or Affiliate combines. The terms and conditions of any Substituted Awards shall comply with the requirements for substitutions or assumptions of awards made in connection with a corporate transaction or certain other adjustments that are not treated as modifications under Regulation § 1.424-1 and Section 409A of the Code, as applicable.

3. PLAN ADMINISTRATION

3.1 **General.** The Board shall have such powers and authorities related to the administration of the Plan as are consistent with the Company’s certificate of incorporation and bylaws and applicable law. The Board shall have the power and authority to delegate its responsibilities hereunder to the Committee, which shall have full power and authority to act in accordance with its charter, and with respect to the authority of the Board to act hereunder, all references to the Board shall be deemed to include a reference to the Committee, to the extent such power or responsibilities have been delegated. Except as otherwise may be required by applicable law, regulatory requirement or the certificate of incorporation or the bylaws of the Company, the Board shall have full power and authority to take all actions and to make all determinations required or provided for under the Plan, any Award or any Award Agreement, and shall have full power and authority to take all such other actions and make all such other determinations not inconsistent with the specific terms and provisions of the Plan that the Board deems to be necessary or appropriate to the administration of the Plan, any Award or any Award Agreement. The interpretation and construction by the Board of any provision of the Plan, any Award or any Award Agreement shall be final, binding and conclusive.

3.2 **Authority of the Committee.** The Board from time to time may delegate to one or more Committees such powers and authorities related to the administration and implementation of the Plan, as set forth in this Section 3 and in other applicable provisions, as the Board shall determine. Unless otherwise expressly determined by the Board, any such action or determination by the Committee shall be final, binding and conclusive. To the extent permitted by law, the Committee may delegate its authority under the Plan to a member of the Board or an executive officer of the Company. Subject to the other terms and conditions of the Plan, the Committee shall have full and final authority, including but not limited to:

- (a) designate Participants;
- (b) determine the type or types of Awards to be made to a Participant;
- (c) determine the number of shares of Stock to be subject to an Award;
- (d) establish the terms and conditions of each Award (including, but not limited to, the Exercise Price of any Option, the Grant Price of any Stock Appreciation Right, the nature and duration of any restriction or condition (or provision for lapse thereof) relating to the vesting, exercise, transfer, or forfeiture of an Award or the shares of Stock subject thereto, and any terms or conditions that may be necessary to qualify Options as Incentive Stock Options);
- (e) waive any restrictions applicable to, or accelerate the vesting of, any Award;
- (f) prescribe the form of each Award Agreement;

- (g) amend, modify, or supplement the terms of any outstanding Award including the authority to modify Awards to foreign nationals or individuals who are employed outside the United States to recognize differences in local law, tax policy, or custom; and
- (h) the right to make Substitute Awards.

Modifications. Notwithstanding the foregoing, no amendment or modification may be made to an outstanding Option or Stock Appreciation Right that (i) causes the Option or Stock Appreciation Right to become subject to Section 409A of the Code, or (ii) would be treated as a repricing under the rules of the exchange upon which shares of Stock of the Company trade, without, with respect to item (i), the Participant's written prior approval, and with respect to item (ii), without the approval of the stockholders of the Company to the extent required by law, provided, that, appropriate adjustments may be made to outstanding Options and Stock Appreciation Rights pursuant to Section 14. Specifically, the following actions may not be taken without shareholder approval: a reduction in the Exercise Price of outstanding Options or SARs; the cancellation of an outstanding Award in exchange for an Award with an Exercise Price that is less than the cancelled Award's Exercise Price; the cancellation of an outstanding "underwater" Award in exchange for another Award; or the cancellation of an outstanding "underwater" Award in exchange for cash.

Clawback. As a condition to any Award and notwithstanding the above, the Committee shall have the right, at its discretion, to require Participants to return to the Company Awards previously granted under the Plan. Subject to the terms and conditions of the Plan, and in accordance with the Company's 2013 clawback policy, as amended from time to time, any such subsequent Award shall be upon such terms and conditions as are specified by the Committee at the time the new Award is granted. The Company may retain the right in an Award Agreement to cause a forfeiture of the gain realized by a Participant on account of actions taken by the Participant in violation or breach of or in conflict with any non-competition agreement, any agreement prohibiting solicitation of employees or clients of the Company or any Affiliate thereof or any confidentiality obligation with respect to the Company or any Affiliate thereof or otherwise in competition with the Company or any Affiliate thereof, to the extent specified in such Award Agreement applicable to the Participant. Furthermore, the Company may annul an Award if the Participant is an employee of the Company or an Affiliate thereof and is terminated for Cause as defined in the applicable Award Agreement or the Plan, as applicable.

3.3 Deferral Arrangement. The Committee may permit or require the deferral of any Award payment into a deferred compensation arrangement, subject to such rules and procedures as it may establish in accordance with Section 409A of the Code, which may include provisions for the payment or crediting of interest or Dividend Equivalents, including converting such credits into deferred Stock units.

3.4 No Liability. No member of the Board or of the Committee shall be liable for any action or determination made in good faith with respect to the Plan, any Award or any Award Agreement.

3.5 Book Entry. Notwithstanding any other provision of this Plan to the contrary, the Company may elect to satisfy any requirement under this Plan for the delivery of stock certificates through the use of book-entry.

4. STOCK SUBJECT TO THE PLAN

4.1 Number of Shares. Subject to adjustment as provided in Section 14, the maximum number of shares of Stock available for issuance under the Plan shall be 4,400,000 shares, reduced by one share of Stock for each share of Stock granted pursuant to an award under the National CineMedia, Inc. 2007 Equity Incentive Plan after the record date of March 10, 2016. Subject to adjustment as provided in Section 14, 500,000 shares of Stock available for issuance under the Plan shall be available for issuance pursuant to Incentive Stock Options. Such maximum numbers may be increased from time to time by approval of the Board and by the stockholders of the Company if, in the opinion of counsel for the Company, stockholder approval is required. Stock issued or to be issued under the Plan shall be authorized but unissued shares; or, to the extent permitted by applicable law, issued shares that have been reacquired by the Company.

4.2 Individual Award Limits. Subject to adjustment as provided in Section 14, the maximum number of shares of Stock that may be covered by an Award granted under the Plan (other than Substitute Awards) to a single Participant in any calendar year shall not exceed 500,000 shares. The maximum dollar amount that may be awarded (other than Substitute Awards) to a single Participant in any calendar year shall not exceed \$5,000,000.

4.3 Share Counting. The Committee may adopt reasonable counting procedures to ensure appropriate counting, avoid double counting (as, for example, in the case of Substitute Awards or tandem Awards) and make adjustments in accordance with Section 14. If the Exercise Price of any Option granted under the Plan, or, if pursuant to Section 12, the tax withholding obligation of any Participant with respect to an Option or any other Award under this Plan is satisfied by tendering shares of Stock to the Company (either by actual delivery or by attestation) or by withholding shares of Stock, the number of shares of Stock tendered or withheld shall be deemed delivered for purposes of determining the maximum number of shares of Stock available for delivery under the Plan and will not be available for reissuance under the Plan. In addition, shares of Stock repurchased by the Company using stock option proceeds will not be available for reissuance under the Plan. In addition, upon stock settlement of SARs, the gross number of SARs originally granted shall be counted as issued for purposes of determining the maximum number of shares of Stock available for delivery under the Plan and will not be available for reissuance under the Plan, regardless of the number of shares actually issued upon such stock settlement. Unless otherwise provided for in this Section, to the extent that an Award under the Plan is canceled, expired, forfeited, settled by issuance of fewer shares than the number underlying the Award, or otherwise terminated without delivery of shares to the Participant, the shares of Stock retained or returned to the Company will be available under the Plan.

4.4 Substitute Awards. In the case of Substitute Awards, the shares of Stock subject to the Substitute Award shall not be counted against the number of shares reserved under the Plan.

5. ELIGIBILITY AND PARTICIPATION

Individuals eligible to participate in this Plan include all Service Providers of the Company, or any Affiliate; provided, however, to the extent required under Section 409A of the Code, an Affiliate of the Company shall include only an entity in which the Company possesses at least twenty percent (20%) of the total combined voting power of the entity's outstanding voting securities or such other threshold ownership percentage permitted under Section 409A of the Code. Subject to the provisions of this Plan, the Committee may, from time to time, select from all eligible individuals, those individuals to whom Awards shall be granted. An eligible person may receive more than one Award, subject to such restrictions as are provided herein.

6. STOCK OPTIONS

6.1 Grant of Options. Subject to the provisions of this Plan, Options may be granted to Participants in such number, and upon such terms, and at any time and from time to time as shall be determined by the Committee, in its sole discretion; provided that Incentive Stock Options may be granted only to eligible Employees of the Company or of any parent corporation or subsidiary corporation (as permitted by Section 422 of the Code).

6.2 Award Agreement. Each Option granted under the Plan shall be evidenced by an Award Agreement that shall specify the Exercise Price, the number of shares of Stock covered by the Option, the maximum duration of the Option, the conditions upon which an Option shall become vested and exercisable and such other provisions as the Committee shall determine, consistent with the terms of the Plan. The Award Agreement shall specify whether the Option is intended to be an Incentive Stock Option or a Non-Qualified Stock Option.

(a) **Exercise Price.** The Exercise Price for each Option shall be as determined by the Committee and shall be specified in the Award Agreement. The Exercise Price shall be: (i) not less than one hundred percent (100%) of the Fair Market Value of a share of Stock on the Grant Date, (ii) set at a premium to the Fair Market Value of a share of Stock on the Grant Date, or (iii) indexed to the Fair Market Value of a share of Stock on the Grant Date, with the index determined by the Committee, in its discretion; provided, however, that in no case will it be less than 100% of Fair Market Value of a share of Stock on the Grant Date, and further provided, with respect to Substitute Awards, the Exercise Price is not required to be at least equal to the Fair Market Value on the Grant Date. In no case shall the Exercise Price of any Option be less than the par value of a share of Stock.

(b) **Number of Shares.** Each Award Agreement shall state that it covers a specified number of shares of Stock, as determined by the Committee.

(c) **Term.** Each Option shall terminate as set forth in the Award Agreement and all rights to purchase shares of Stock shall expire at such time as the Committee shall determine at the time of grant; provided, however, no Option shall be exercisable later than the tenth (10th) anniversary of the Grant Date, except as may be required with respect to Substitute Awards.

(d) **Restrictions on Exercise.** The Award Agreement shall set forth any installment or other restrictions on exercise of the Option during the term of the Option. Each Option shall become exercisable and shall vest over such period of time, or upon such events, as determined by the Committee.

6.3 Exercise of Option.

(a) **Manner of Exercise.** An Option granted hereunder shall be exercised, in whole or in part, by providing written or electronic notice, on a form provided by the Company, to the Committee (or an officer designated by the Committee), specifying the number of shares of Stock to be purchased and accompanied by full payment of the Exercise Price for the shares and satisfaction of any tax withholding requirements.

(b) **Payment.** A condition to the issuance or other delivery of shares of Stock as to which an Option shall be exercised shall be the payment of the Exercise Price and satisfaction of any tax withholding requirements. The Exercise Price of an Option shall be payable to the Company in full, in any method permitted under the Award Agreement, including: (i) in cash or in cash equivalents acceptable to the Company; (ii) by tendering (either by actual delivery or by attestation) unrestricted shares of Stock already owned by the Participant (for at least six (6) months or such other period as may be required by the Committee) on the date of surrender to the extent the shares of Stock have a Fair Market Value on the date of surrender equal to the aggregate Exercise Price of the shares as to which such Option shall be exercised, provided that, in the case of an Incentive Stock Option, the right to make payment in the form of already owned shares of Stock may be authorized only at the time of grant, (iii) any other method approved or accepted by the Committee in its sole discretion, including, but not limited to a cashless exercise, or (iv) any combination of the foregoing. Unless otherwise determined by the Committee, all payments under all of the methods indicated above shall be paid in United States dollars.

(c) **Delivery of Shares.** Promptly after the exercise of an Option by a Participant and the payment in full of the Exercise Price, such Participant shall be entitled to the issuance of certificates evidencing such Participant's ownership of the shares of Stock purchased upon exercise of the Option. Notwithstanding any other provision of this Plan to the contrary, the Company may elect to satisfy any requirement under this Plan for the delivery of certificates through the use of book-entry.

6.4 **Termination of Service.** Each Award Agreement shall set forth the extent to which the Participant shall have the right to exercise the Option following termination of the Participant's Service. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Options issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination of Service.

6.5 Limitations on Incentive Stock Options.

(a) **Initial Exercise.** The aggregate Fair Market Value of the shares of Stock with respect to which Incentive Stock Options are exercisable for the first time by a Participant in any calendar year, under the Plan or otherwise, shall not exceed \$100,000 (or such other limit as may be imposed under Section 422(d) of the Code). For this purpose, the Fair Market Value of the shares of Stock shall be determined as of the Grant Date and each Incentive Stock Option shall be taken into account in the order granted.

(b) **Ten Percent Stockholders.** An Incentive Stock Option granted to a Participant who is the holder of record of more than ten percent (10%) of the combined voting power of all classes of stock of the Company shall have an Exercise Price at least equal to one hundred and ten percent (110%) of the Fair Market Value of a share of Stock on the Grant Date of the Option and the term of the Option shall not exceed five (5) years.

(c) **Notification of Disqualifying Disposition.** If any Participant shall make any disposition of shares of Stock acquired pursuant to the exercise of an Incentive Stock Option under the circumstances described in Section 421(b) of the Code (relating to certain disqualifying dispositions), the Participant shall notify the Company of such disposition within ten (10) days thereof.

6.6 Transferability. Except as provided in Section 6.7, during the lifetime of a Participant, only the Participant (or, in the event of legal incapacity or incompetency, the Participant's guardian or legal representative) may exercise an Option. Except as provided in Section 6.7, no Option shall be assignable or transferable by the Participant to whom it is granted, other than by will or the laws of descent and distribution.

6.7 Family Transfers. If authorized in the applicable Award Agreement, a Participant may transfer, not for value, all or part of an Option to any Family Member. For the purpose of this Section 6.7, a "not for value" transfer is a transfer which is (i) a gift, (ii) a transfer under a domestic relations order in settlement of marital property rights; or (iii) unless applicable law does not permit such transfers, a transfer to an entity in which more than fifty percent (50%) of the voting interests are owned by Family Members (or the Participant) in exchange for an interest in that entity. Following a transfer under this Section 6.7, any such Option shall continue to be subject to the same terms and conditions as were applicable immediately prior to transfer. Subsequent transfers of transferred Options are prohibited except to Family Members of the original Participant in accordance with this Section 6.7 or by will or the laws of descent and distribution. The events of termination of Service under an Option shall continue to be applied with respect to the original Participant, following which the Option shall be exercisable by the transferee only to the extent, and for the periods specified in the applicable Award Agreement.

6.8 Rights of Holders of Options. Unless otherwise stated in the applicable Award Agreement, an individual holding or exercising an Option shall have none of the rights of a stockholder of the Company (for example, the right to receive cash or dividend payments or distributions attributable to the subject shares of Stock or to direct the voting of the shares of Stock) until the shares of Stock covered thereby are fully paid and issued to such individual. Except as provided in Section 14 hereof, no adjustment shall be made for dividends, distributions or other rights for which the record date is prior to the date of such issuance.

7. STOCK APPRECIATION RIGHTS

7.1 Grant of Stock Appreciation Rights. Subject to the provisions of this Plan, Stock Appreciation Rights may be granted to Participants at any time and from time to time as shall be determined by the Committee. The Committee may grant freestanding Stock Appreciation Rights, Stock Appreciation Rights that are granted in tandem with an Option, or any combination thereof.

7.2 Award Agreement. Each Stock Appreciation Right shall be evidenced by an Award Agreement that shall specify the Grant Price, the number of shares of Stock covered by the Stock Appreciation Right, the maximum duration of the Stock Appreciation Right, the conditions upon which the Stock Appreciation Right shall become vested and exercisable and such other provisions as the Committee shall determine, consistent with the terms of the Plan.

(a) **Grant Price.** The Grant Price for each Stock Appreciation Right shall be determined by the Committee and shall be specified in the Award Agreement. Other than with respect to Substitute Awards, the Grant Price shall not be less than one hundred percent (100%) of the Fair Market Value of a share of Stock on the Grant Date of the Stock Appreciation Right.

(b) **Number of Shares.** Each Award Agreement shall state that it covers a specified number of shares of Stock, as determined by the Committee.

(c) **Term.** Each Stock Appreciation Right shall terminate and all rights with respect to the Stock Appreciation Right shall expire at such time as the Committee shall determine at the time of grant; provided, however, no Stock Appreciation Rights shall be exercisable later than the tenth (10th) anniversary of the Grant Date.

(d) **Restrictions on Exercise.** The Award Agreement shall set forth any installment or other restrictions on exercise of the Stock Appreciation Right during its term. Each Stock Appreciation Right shall become exercisable and shall vest over such period of time, or upon such events, as determined by the Committee (including based on achievement of performance goals or future service requirements).

7.3 Exercise of Stock Appreciation Right. A Participant desiring to exercise a Stock Appreciation Right shall give written or electronic notice, on a form provided by the Company, of such exercise to the Company with the information the Company deems reasonably necessary to exercise the Stock Appreciation Right. If a Stock Appreciation Right is issued in tandem with an Option, except as may otherwise be provided by the Committee, the Stock Appreciation Right shall be exercisable during the period that its related Option is exercisable. Upon the exercise of a Stock Appreciation Right, a Participant shall be entitled to receive payment from the Company in an amount determined by multiplying:

- (a) The excess of the Fair Market Value of a share of Stock on the date of exercise over the Grant Price; by
- (b) The number of shares of Stock with respect to which the Stock Appreciation Right is exercised.

At the discretion of the Committee, the payment upon exercise may be in cash, shares of Stock or any combination thereof, or in any other manner approved by the Committee in its sole discretion.

7.4 Effect of Exercise. If a Stock Appreciation Right is issued in tandem with an Option, the exercise of the Stock Appreciation Right or the related Option will result in an equal reduction in the number of corresponding shares of Stock subject to the Option or Stock Appreciation Right that were granted in tandem with such Stock Appreciation Right and Option.

7.5 Termination of Service. Upon the termination of Service of a Participant, any Stock Appreciation Rights then held by such Participant shall be exercisable within the time periods, and upon the same conditions with respect to the reasons for termination of Service, as are specified in Section 6.4 with respect to Options.

7.6 Transferability. A Stock Appreciation Right shall only be transferable upon the same terms and conditions with respect to transferability, as are specified in Sections 6.6 and 6.7 with respect to Options.

8. RESTRICTED STOCK AND RESTRICTED STOCK UNITS

8.1 Grant of Restricted Stock or Restricted Stock Units. Subject to the provisions of this Plan, the Committee at any time and from time to time, may grant shares of Restricted Stock or Restricted Stock Units to Participants in such amounts as the Committee shall determine.

8.2 Award Agreement. Each grant of Restricted Stock or Restricted Stock Units shall be evidenced by an Award Agreement that shall specify the Restriction Period, the number of shares of Restricted Stock or the number of Restricted Stock Units granted and such other provisions as the Committee shall determine.

8.3 Restrictions on Transfer. Except as provided in this Plan or an Award Agreement, the shares of Restricted Stock and Restricted Stock Units may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated until the end of the Restriction Period established by the Committee and specified in the Award Agreement (and in the case of Restricted Stock Units until the date of delivery or other payment), or upon earlier satisfaction or any other conditions, as specified by the Committee, in its sole discretion. All rights with respect to the Restricted Stock or Restricted Stock Units granted to a Participant shall be available during his or her lifetime only to such Participant, except as otherwise provided in an Award Agreement or at any time by the Committee.

8.4 Forfeiture; Other Restrictions. The Committee shall impose such other conditions and restrictions on any shares of Restricted Stock or Restricted Stock Units as it may deem advisable including a requirement that the Participant pay a specified amount to purchase each share of Restricted Stock, restrictions based upon the achievement of specific performance goals, time-based restrictions on vesting following the attainment of the performance goals, time-based restrictions or restrictions under applicable laws or under the requirements of any stock exchange or market upon which shares of Stock are then listed or traded, or holding requirements or sale restrictions placed on the shares of Stock by the Company upon vesting of such Restricted Stock or Restricted Stock Units.

8.5 Restricted Stock Units. A holder of Restricted Stock Units shall have no rights other than those of a general creditor of the Company. Restricted Stock Units represent an unfunded and unsecured obligation of the Company, subject to the terms and conditions of the applicable Award Agreement. Restricted Stock Units may be settled in cash or Stock, as determined by the Committee and set forth in the Award Agreement.

8.6 Termination of Service. Unless otherwise provided by the Committee in the applicable Award Agreement, upon the termination of a Participant's Service with the Company or an Affiliate, any shares of Restricted Stock or Restricted Stock Units held by such Participant that have not vested, or with respect to which all applicable restrictions and conditions have not lapsed, shall immediately be deemed forfeited, and the Participant shall have no further rights with respect to such Awards, including but not limited to any right to vote Restricted Stock or any right to receive dividends with respect to Restricted Stock or Restricted Stock Units.

8.7 Stockholder Privileges. Unless otherwise determined by the Committee and set forth in the Award Agreement:

(a) A Participant holding shares of Restricted Stock shall have voting rights with respect to the shares during the Restriction Period. The Committee may provide in an Award Agreement that the Participant shall be entitled to receive Dividend Equivalents during the Restriction Period in accordance with Section 11.

(b) A Participant holding Restricted Stock Units shall have no rights of a stockholder of the Company with respect to the Restricted Stock Units. The Committee may provide in an Award Agreement that the holder of such Restricted Stock Units shall be entitled to receive Dividend Equivalents in accordance with Section 11.

8.8 Purchase of Restricted Stock. The Participant shall be required, to the extent required by applicable law, to purchase the shares of Restricted Stock from the Company at a Purchase Price equal to the greater of (i) the aggregate par value of the shares of Stock represented by such Restricted Stock or (ii) the Purchase Price, if any, specified in the Award Agreement. The Purchase Price shall be payable in cash or in cash equivalents acceptable to the Company. In addition, to the extent the Award Agreement so provides, payment of the Purchase Price may be made in any other form that is consistent with applicable laws, regulations and rules, or, in the discretion of the Committee, in consideration for past Services rendered to the Company or an Affiliate. Upon the expiration or termination of the Restriction Period and the satisfaction of any other conditions prescribed by the Committee, having properly paid the Purchase Price, the restrictions applicable to Restricted Stock shall lapse, and, unless otherwise provided in the Award Agreement, a certificate for such shares of Stock shall be delivered, free of all such restrictions, to the Participant or the Participant's beneficiary or estate, as the case may be.

9. PERFORMANCE AWARDS

9.1 Grant of Performance Awards. Subject to the provisions of this Plan, the Committee, at any time and from time to time, may grant Performance Shares or Performance Units to Participants in such amounts and upon such terms as the Committee shall determine.

9.2 Value of Performance Shares or Units. Each Performance Share shall have an initial value equal to the Fair Market Value of a Share on the Grant Date. Each Performance Unit shall have an initial value that is established by the Committee at the time of grant.

(a) **General.** The Committee shall set performance goals in its discretion which, depending upon the extent to which the performance goals are achieved, will determine the number or value of Performance Shares or Performance Units that will be paid to the Participant.

(b) **Covered Employees.** The Committee may grant one or more Awards to Participants who are, or may become, "covered employees" designed to qualify as performance-based compensation under Section 162(m) of the Code with the grant, vesting or payout of such Awards contingent on the achievement of pre-established performance goals. For this purpose a "covered employee" is determined within the meaning of Section 162(m) of the Code.

(i) For such Awards, the Committee shall establish, in writing, (a) the "Performance Goals" (as defined in Section 9.2(b)(iii) below) and target levels that must be attained to be eligible for the grant, vesting or payout of the Award, and (b) the formula, matrix or other objective standard to be used in determining the amount earned by the Participant.

(ii) The maximum Award payable for this purpose to any Participant who is determined to be a “covered employee” for purposes of Section 162(m) of the Code with respect to any calendar year shall not exceed 500,000 shares for Awards payable in shares or \$5,000,000 for Awards payable in cash.

(iii) The “Performance Goals” applicable to each such Participant shall provide for a targeted level or levels of achievement using one or more of the following measures as to any Performance Period: (a) cash flow, (b) cost initiatives, (c) debt ratios and other measures of credit quality or liquidity, (d) earnings, (e) earnings per share, (f) economic profit, (g) economic value added, (h) enterprise value, (i) free cash flow, (j) margins (gross or net), (k) market share, (l) market value, (m) net income, (n) operating income, (o) return on assets, (p) return on capital, (q) return on equity, (r) return on investment, (s) revenue (gross or net), (t) stock price, (u) strategic objectives, and (v) total shareholder return.

(iv) Any Performance Goal used may be established and measured (a) in absolute terms, (b) in combination with another Performance Goal or Goals (for example, as a ratio or matrix), (c) in relative terms (for example, as compared to results for other periods, as compared to another company or companies, or an index or indices), (d) on a per-share or per-capita basis, (e) against the performance of the Company as a whole or a specific business unit(s), business segment(s) or product(s) of the Company, (f) on a pre- tax or after-tax basis, and/or (g) on a GAAP (generally accepted accounting principles) or non-GAAP basis. Prior to the date the Performance Goals are determined for the Performance Period, the Committee will determine whether the attainment of the Performance Goal shall be measured by adjusting the evaluation of the attainment of the Performance Goal to exclude (1) any extraordinary or non-recurring items as described in the applicable accounting rules, (2) the effect of any changes in accounting principles affecting the reported results of the Company or a business unit, (3) mergers and acquisitions, or (4) any other adjustment consistent with the requirements of Section 162(m) of the Code.

9.3 *Achievement of Performance Goals.*

(a) **General.** Subject to the provisions of this Plan, after the applicable Performance Period has been completed, the Committee shall determine the number of Performance Shares or value of Performance Units the Participant has earned over the Performance Period based upon the extent to which the performance goals have been achieved.

(b) **Covered Employees.** Following the end of each Performance Period, the Committee shall certify in writing prior to the grant, vesting or payout of an Award granted pursuant to Section 9.2(b), the extent to which the Performance Goals for the Performance Period and any other material terms were satisfied for each such Participant. The amount earned for a Participant shall not exceed the maximum Award amount set forth in Section 9.2(b). The Committee has the discretion to reduce or eliminate (but not increase) the amount of the Award otherwise payable.

9.4 **Payment of Performance Awards.** The time and form of payment of Performance Awards earned by the Participant shall be as determined by the Committee and as set forth in the Award Agreement. Any payment of shares of Stock may be granted subject to any restrictions deemed appropriate by the Committee. The Committee may provide in an Award Agreement for the payment of Dividend Equivalents in accordance with Section 11.

9.5 **Termination of Service.** Each Award Agreement shall set forth the extent to which the Participant shall have the right to retain Performance Shares or Performance Units following termination of Service. Such provisions shall be determined in the sole discretion of the Committee and need not be uniform among all Awards of Performance Shares or Performance Units and may reflect distinctions based upon the reason for termination.

9.6 **Transferability.** Except as otherwise provided in an Award Agreement, Performance Awards may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated, other than by the laws of descent and distribution.

10. OTHER STOCK-BASED AWARDS

From time to time during the duration of this Plan, the Committee may, in its sole discretion, adopt one or more incentive compensation arrangements for Participants pursuant to which the Participants may acquire shares of Stock under the Plan, whether by purchase, outright grant, or otherwise. Any such arrangements shall be subject to the general provisions of this Plan and all shares of Stock issued pursuant to such arrangements shall be issued under this Plan.

11. DIVIDEND EQUIVALENTS

Subject to the terms of the Plan and any applicable Award Agreement, a Participant shall, if so determined by the Committee, be entitled to receive, currently, or on a deferred basis, dividends or Dividend Equivalents, with respect to the shares of Stock covered by the Award; provided, however, that no Award of Options or SARs may be granted with Dividend Equivalents. The Committee may provide that any dividends paid on shares of Stock subject to an Award must be reinvested in additional shares of Stock, which may or may not be subject to the same vesting conditions and restrictions applicable to the Award. Notwithstanding the award of Dividend Equivalents or dividends, a Participant shall not be entitled to receive a special or extraordinary dividend or distribution unless the Committee shall have expressly authorized such receipt. All distributions, if any, received by a Participant with respect to an Award as a result of any split, Stock dividend, combination of shares of Stock, or other similar transaction shall be subject to the restrictions applicable to the original Award.

12. TAX WITHHOLDING

The Company or any Affiliate, as the case may be, shall have the right to deduct from payments of any kind otherwise due to a Participant any federal, state, or local taxes, domestic or foreign, of any kind required by law with respect to the vesting of or other lapse of restrictions applicable to Awards or upon the issuance of any shares of Stock or payment of any kind upon the exercise of any Options or Stock Appreciation Rights. At the time of such vesting, lapse, payment, or exercise, the Participant shall pay to the Company or Affiliate, as the case may be, any amount that the Company or Affiliate may reasonably determine to be necessary to satisfy such withholding obligation.

Subject to the prior approval of the Company or the Affiliate, which may be withheld by the Company or the Affiliate, as the case may be, in its sole discretion, the Participant may elect to deliver shares to satisfy the minimum statutory withholding rates for federal, state and local income taxes and employment taxes that are applicable to supplemental taxable income ("**Minimum Statutory Withholding**") obligations. The Participant may elect to satisfy Minimum Statutory Withholding obligations, in whole or in part, by delivering to the Company or the Affiliate shares of Stock already owned by the Participant (for any minimum period required by the Committee). The shares of Stock so delivered shall have an aggregate Fair Market Value not in excess of such withholding obligations. The Fair Market Value of the shares of Stock used to satisfy such withholding obligation shall be determined by the Committee as of the date that the amount of tax to be withheld is to be determined. A Participant who has made an election pursuant to this Section 12 may satisfy his or her withholding obligation only with shares of Stock that are not subject to any repurchase, forfeiture, unfulfilled vesting, or other similar requirements.

13. PARACHUTE LIMITATIONS

Notwithstanding any other provision of this Plan or of any other agreement, contract, or understanding heretofore or hereafter entered into by a Participant with the Company or any Affiliate, except an agreement, contract, or understanding hereafter entered into that expressly modifies or excludes application of this Section 13 (an "**Other Agreement**"), and notwithstanding any formal or informal plan or other arrangement for the direct or indirect provision of compensation to the Participant (including groups or classes of Participants or beneficiaries of which the Participant is a member), whether or not such compensation is deferred, is in cash, or is in the form of a benefit to or for the Participant (a "**Benefit Arrangement**"), if the Participant is a "disqualified individual," as defined in Section 280G(c) of the Code, any Awards held by that Participant and any right to receive any payment or other benefit under this Plan shall not become exercisable or vested (i) to the extent that such right to exercise, vesting, payment, or benefit, taking into account all other rights, payments, or benefits to or for the Participant under

this Plan, all Other Agreements, and all Benefit Arrangements, would cause any payment or benefit to the Participant under this Plan to be considered a “parachute payment” within the meaning of Section 280G(b)(2) of the Code as then in effect (a “**Parachute Payment**”) and (ii) if, as a result of receiving a Parachute Payment, the aggregate after-tax amounts received by the Participant from the Company under this Plan, all Other Agreements, and all Benefit Arrangements would be less than the maximum after-tax amount that could be received by the Participant without causing any such payment or benefit to be considered a Parachute Payment. In the event that the receipt of any such right to exercise, vesting, payment, or benefit under this Plan, in conjunction with all other rights, payments or benefits to or for the Participant under any Other Agreement or any Benefit Arrangement would cause the Participant to be considered to have received a Parachute Payment under this Plan that would have the effect of decreasing the after-tax amount received by the Participant as described in clause (ii) of the preceding sentence, then the amount payable to the Participant under any Benefit Arrangement in cash that constitutes a Parachute Payment shall first be reduced to the extent necessary, or eliminated, so as to avoid having the payment or benefit to the Participant under this Plan be deemed to be a Parachute Payment. Cash payable under any such Benefit Arrangement shall be reduced, or eliminated, in the order that such payments would be made to the Participant under the provisions of such Benefit Arrangement, with the payments to be made to the Participant at the earliest date reduced first and any required additional reductions made from cash payments with respect to any such Benefit Arrangement reduced in order of time of payment, so that the Benefit Arrangement payable in cash that would be paid furthest in time from the date of the event triggering the payments would be reduced or eliminated last.

14. EFFECT OF CHANGES IN CAPITALIZATION

14.1 Changes in Stock. The number of shares of Stock for which Awards may be made under the Plan shall be proportionately increased or decreased for any increase or decrease in the number of shares of Stock on account of any recapitalization, reclassification, split, reverse split, combination, exchange, dividend or other distribution payable in shares of Stock, or for any other increase or decrease in such shares of Stock effected without receipt of consideration by the Company occurring after the Effective Date (any such event hereafter referred to as a “**Corporate Event**”). In addition, subject to the exception set forth in the second sentence of Section 14.4, the number and kind of shares for which Awards are outstanding shall be proportionately increased or decreased for any increase or decrease in the number of shares of Stock on account of any Corporate Event. Any such adjustment in outstanding Options or Stock Appreciation Rights shall not increase the aggregate Exercise Price or Grant Price payable with respect to shares that are subject to the unexercised portion of an outstanding Option or Stock Appreciation Right, as applicable, and the adjustment shall comply with the requirements under Section 409A of the Code. The conversion of any convertible securities of the Company shall not be treated as an increase in shares effected without receipt of consideration. Notwithstanding the foregoing, in the event of any distribution to the Company’s stockholders of securities of any other entity or other assets (including an extraordinary cash dividend but excluding a non-extraordinary dividend payable in cash or in stock of the Company) without receipt of consideration by the Company, the Company shall proportionately adjust (i) the number and kind of shares subject to outstanding Awards and/or (ii) the Exercise Price per share of outstanding Options and the Grant Price of outstanding Stock Appreciation Rights to reflect such distribution. Notwithstanding the foregoing, upon the occurrence of any event or transaction contemplated in this Section 14.1, any changes contemplated herein shall be modified to the minimum extent necessary, in the sole discretion of the Committee, to avoid any tax that may otherwise become due under Section 409A of the Code.

14.2 Change of Control. Subject to the exception set forth in the second sentence of Section 14.4, if, within three months prior to or one year after the consummation of a Change of Control, a Participant’s Service is terminated by either the Company, an Affiliate or a successor in interest to the Company or an Affiliate without Cause or by the Participant for Good Reason, then all of the Participant’s Options and Stock Appreciation Rights outstanding hereunder shall become immediately exercisable and all outstanding other Awards shall be deemed to have vested, with all restrictions and conditions applicable to such Awards deemed lapsed.

Provision may be made in writing in connection with a Change of Control for the assumption or continuation of the Awards theretofore granted, or for the substitution for such Awards for new options, restricted stock or other equity awards relating to the stock or units of a successor entity, or a parent or subsidiary thereof, with appropriate adjustments as to the number of shares or units (disregarding any consideration that is not common stock) and option prices, in which event the Awards theretofore granted shall continue in the manner and under the terms so provided.

14.3 Reorganization in Which the Company Is the Surviving Entity and in Which No Change of Control Occurs. Subject to the exception set forth in the second sentence of Section 14.4, if the Company shall be the surviving entity in any reorganization, merger, or consolidation of the Company with one or more other entities and in which no Change of Control occurs, any Award theretofore made pursuant to the Plan shall pertain to and apply solely to the securities to which a holder of the number of securities subject to such Award would have been entitled immediately following such reorganization, merger, or consolidation, and, in the case of Options and Stock Appreciation Rights, with a corresponding proportionate adjustment of the Exercise Price or Grant Price per share so that the aggregate Exercise Price or Grant Price thereafter shall be the same as the aggregate Exercise Price or Grant Price of the shares of Stock remaining subject to the Option or Stock Appreciation Right immediately prior to such reorganization, merger, or consolidation. Subject to any contrary language in an Award Agreement evidencing any other Award, any restrictions applicable to such Award shall apply as well to any replacement shares of Stock received by the Participant as a result of the reorganization, merger or consolidation. Notwithstanding the foregoing, upon the occurrence of any event or transaction contemplated in this Section 14.3, any changes contemplated herein shall be modified to the minimum extent necessary, in the sole discretion of the Committee, to avoid any tax that may otherwise become due under Section 409A of the Code.

14.4 Adjustment. Adjustments under Section 14 related to shares of Stock or securities of the Company shall be made by the Committee, whose determination in that respect shall be final, binding and conclusive. The Committee may provide in the Award Agreements at the time of Award, or any time thereafter with the consent of the Participant, for different provisions to apply to an Award in place of those described in Sections 14.1, 14.2 and 14.3. Notwithstanding the foregoing, any different provisions or changes to provisions contemplated herein shall be modified to the minimum extent necessary, in the sole discretion of the Committee, to avoid any tax that may otherwise become due under Section 409A of the Code.

14.5 No Limitations on the Company. The making of Awards pursuant to the Plan shall not affect or limit in any way the right or power of the Company to make adjustments, reclassifications, reorganizations, or changes of its capital or business structure or to merge, consolidate, dissolve, or liquidate, or to sell or transfer all or any part of its business or assets.

15. REQUIREMENTS OF LAW

15.1 General. The Company shall not be required to issue or sell any shares of Stock under any Award if the issuance or sale of such shares would constitute a violation by the Participant, any other individual exercising an Option or Stock Appreciation Right, or the Company of any provisions of any law or regulation of any governmental authority, including without limitation any federal or state securities laws or regulations. If at any time the Company shall determine, in its discretion, that the listing, registration or qualification of any shares subject to an Award upon any securities exchange or under any governmental regulatory body is necessary or desirable as a condition of, or in connection with, the issuance or purchase of shares of Stock hereunder, no shares of Stock may be issued or sold to the Participant or any other individual exercising an Option or Stock Appreciation Right pursuant to such Award unless such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Company, and any delay caused thereby shall in no way affect the date of termination of the Award. Specifically, in connection with the Securities Act, upon the exercise of any Option or the delivery of any shares of Stock underlying an Award, unless a registration statement under the Securities Act is in effect with respect to the shares of Stock covered by such Award, the Company shall not be required to issue or sell such shares of Stock unless the Committee has received evidence satisfactory to it that the Participant or any other individual exercising an Option may acquire such shares of Stock pursuant to an exemption from registration under the Securities Act. Any determination in this connection by the Committee shall be final, binding, and conclusive. The Company may, but shall in no event be obligated to, register any securities covered hereby pursuant to the Securities Act. The Company shall not be obligated to take any affirmative action in order to cause the exercise of an Option or the issuance or sale of shares of Stock pursuant to the Plan to comply with any law or regulation of any governmental authority. As to any jurisdiction that expressly imposes the requirement that an Option shall not be exercisable until the shares of Stock covered by such Option are registered or are exempt from registration, the exercise of such Option (under circumstances in which the laws of such jurisdiction apply) shall be deemed conditioned upon the effectiveness of such registration or the availability of such an exemption.

15.2 **Rule 16b-3.** During any time when the Company has a class of equity security registered under Section 12 of the Exchange Act, it is the intent of the Company that Awards pursuant to the Plan and the exercise of Options granted hereunder will qualify for the exemption provided by Rule 16b-3 under the Exchange Act. To the extent that any provision of the Plan or action by the Committee does not comply with the requirements of Rule 16b-3, it shall be deemed inoperative to the extent permitted by law and deemed advisable by the Committee, and shall not affect the validity of the Plan. In the event that Rule 16b-3 is revised or replaced, the Committee may exercise its discretion to modify this Plan in any respect necessary to satisfy the requirements of, or to take advantage of any features of, the revised exemption or its replacement.

16. GENERAL PROVISIONS

16.1 **Disclaimer of Rights.** No provision in the Plan, in any Award or in any Award Agreement shall be construed to confer upon any individual the right to remain in the employ or service of the Company or any Affiliate, or to interfere in any way with any contractual or other right or authority of the Company either to increase or decrease the compensation or other payments to any individual at any time, or to terminate any employment or other relationship between any individual and the Company or any Affiliate. The obligation of the Company to pay any benefits pursuant to this Plan shall be interpreted as a contractual obligation to pay only those amounts described herein, in the manner and under the conditions prescribed herein. The Plan shall in no way be interpreted to require the Company to transfer any amounts to a third party trustee or otherwise hold any amounts in trust or escrow for payment to any Participant or beneficiary under the terms of the Plan.

16.2 **Nontransferability of Awards.** Except as provided in Sections 6.6 and 7.6 or otherwise at the time of grant or thereafter, no right or interest of any Participant in an Award granted pursuant to the Plan, shall be assignable or transferable during the lifetime of the Participant, either voluntarily or involuntarily, or subjected to any lien, directly or indirectly, by operation of law, or otherwise, including execution, levy, garnishment, attachment, pledge or bankruptcy. In the event of a Participant's death, a Participant's rights and interests in Awards shall only be transferable by will or the laws of descent and distribution to the extent provided under this Plan, and payment of any amounts due thereunder shall be made to, and exercise of any Option or Stock Appreciation Right may be made by, the Participant's legal representatives, heirs or legatees. If in the opinion of the Committee a person entitled to payments or to exercise rights with respect to the Plan is unable to care for his or her affairs because of mental condition, physical condition or age, payment due such person may be made to, and such rights shall be exercised by, such person's guardian, conservator or other legal personal representative upon furnishing the Committee with evidence satisfactory to the Committee of such status.

16.3 **Changes in Accounting or Tax Rules.** Except as provided otherwise at the time an Award is granted, notwithstanding any other provision of the Plan to the contrary, if, during the term of the Plan, any changes in the financial or tax accounting rules applicable to any Award shall occur which, in the sole judgment of the Committee, may have a material adverse effect on the reported earnings, assets or liabilities of the Company, the Committee shall have the right and power to modify as necessary, any then outstanding and unexercised Options, Stock Appreciation Rights and other outstanding Awards as to which the applicable services or other restrictions have not been satisfied.

16.4 **Nonexclusivity of the Plan.** The adoption of the Plan shall not be construed as creating any limitations upon the right and authority of the Committee to adopt such other incentive compensation arrangements (which arrangements may be applicable either generally to a class or classes of individuals or specifically to a particular individual or particular individuals) as the Committee in its discretion determines desirable.

16.5 **Captions.** The use of captions in this Plan or any Award Agreement is for the convenience of reference only and shall not affect the meaning of any provision of the Plan or such Award Agreement.

16.6 **Other Award Agreement Provisions.** Each Award Agreement may contain such other terms and conditions not inconsistent with the Plan as may be determined by the Committee, in its sole discretion.

16.7 **Other Employee Benefits.** The amount of any compensation deemed to be received by a Participant as a result of the exercise of an Option or Stock Appreciation Right, the sale of Shares received upon such exercise, the vesting of any Restricted Stock, receipt of Performance Shares, distributions with respect to

Restricted Stock Units or Performance Units, or Other Stock-Based Awards shall not constitute “earnings” or “compensation” with respect to which any other employee benefits of such employee as determined, including without limitation, benefits under any pension, profit sharing, 401(k), life insurance or salary continuation plan.

16.8 **Severability.** If any provision of the Plan or any Award Agreement shall be determined to be illegal or unenforceable by any court of law in any jurisdiction, the remaining provisions hereof and thereof shall be severable and enforceable in accordance with their terms, and all provisions shall remain enforceable in any other jurisdiction.

16.9 **Governing Law.** The validity and construction of this Plan and the Award Agreements shall be construed in accordance with and governed by the laws of the State of Delaware other than any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Plan and the Award Agreements to the substantive laws of any other jurisdiction.

16.10 **Section 409A.**

(a) **Time and Form of Payment.** Notwithstanding anything contained in this Plan or in an Award Agreement to the contrary, the time and form of payment of an Award that is subject to the limitations imposed by Section 409A of the Code, shall be set forth in the applicable Award Agreement on or before the time at which the Participant obtains a legally binding right to the Award (or such other time permitted under Section 409A of the Code) and such time and form of payment shall comply with the requirements of Section 409A of the Code.

(b) **Delay in Payment.** Notwithstanding anything contained in this Plan or an Award Agreement to the contrary, if the Participant is deemed by the Company at the time of the Participant’s “separation from service” with the Company to be a “specified employee” as determined under Section 409A of the Code, any “nonqualified deferred compensation” to which the Participant is entitled in connection with such separation from service after taking into account all applicable exceptions from Section 409A, shall not be paid or commence payment until the date that is the first business day following the six month period after the Participant’s separation from service (or if earlier, the Participant’s death). Such delay in payment shall only be effected with respect to each separate payment to the extent required to avoid adverse tax treatment to the Participant under Section 409A of the Code. Any compensation which would have otherwise been paid during the delay period (whether in a lump sum or in installments) in the absence of this Section 16.10 shall be paid to the Participant (or his or her beneficiary or estate) in a lump sum payment on the first business day following the expiration of the delay period.

(c) **Key Definitions.** For purposes of any payment under this Plan that is subject to Section 409A of the Code, the term “termination of employment” shall mean “separation from service” and the terms “separation from service,” “specified employee” and “nonqualified deferred compensation” shall have the meanings ascribed to the terms pursuant to Section 409A and other applicable guidance.

(d) **Amendments.** Notwithstanding anything in the Plan to the contrary, the Plan and Awards granted under the Plan are intended to be eligible for certain regulatory exceptions to the limitations of, or to comply with, the requirements of Section 409A of the Code. The Committee, in the exercise of its sole discretion and without the consent of the Participant, may amend or modify the terms of an Award in any manner and delay the payment of any amounts payable pursuant to an Award to the minimum extent necessary to reasonably comply with the requirements of Section 409A of the Code, provided that the Company shall not be required to assume any increased economic burden. No action taken by the Committee with respect to the requirements of Section 409A of the Code shall be deemed to adversely affect a Participant’s rights with respect to an Award or to require the consent of such Participant. The Committee reserves the right to make additional changes to the Plan and Awards from time to time to the extent it deems necessary with respect to Section 409A of the Code.

17. AMENDMENT, MODIFICATION AND TERMINATION

17.1 **Amendment, Modification, and Termination.** Subject to Sections 3.2, 16.10 and 17.2, the Board may at any time terminate, and from time to time may amend or modify the Plan provided, however, that no amendment or modification may become effective without approval of the stockholders of the Company if stockholder approval is required to enable the Plan to satisfy any applicable statutory or regulatory requirements, or if the Company, on the advice of counsel, determines that stockholder approval is otherwise necessary or desirable.

17.2 **Awards Previously Granted.** Except as otherwise may be required under Section 16.10, notwithstanding Section 17.1 to the contrary, no amendment, modification or termination of the Plan or Award Agreement shall adversely affect in any material way any previously granted Award, without the written consent of the Participant holding such Award.

18. STOCKHOLDER APPROVAL; EFFECTIVE DATE OF PLAN

The Plan was approved by the stockholders of the Company on _____, 2016, which is the Effective Date of the Plan.

19. DURATION

Unless sooner terminated by the Board, this Plan shall terminate automatically 10 years from the Effective Date. After the Plan is terminated, no Awards may be granted. Awards outstanding at the time the Plan is terminated shall remain outstanding in accordance with the terms and conditions of the Plan and the Award Agreement.

**NATIONAL CINEMEDIA, INC.
2016 EQUITY INCENTIVE PLAN**

2016 RESTRICTED STOCK AGREEMENT

The Compensation Committee of the Board of Directors of National CineMedia, Inc., a Delaware corporation (the “**Company**”), granted shares of Restricted Stock to be issued under the National CineMedia, Inc. 2016 Equity Incentive Plan, as amended (the “**Plan**”), to the Grantee named below. This Restricted Stock Agreement (the “**Agreement**”) evidences the terms of the Company’s grant of Restricted Stock. Any capitalized term in this Agreement shall have the meaning assigned to it in this Agreement or in the Plan, as applicable.

A. NOTICE OF GRANT

Name of Grantee:

Number of shares of Restricted Stock:

Grant Date:

Vesting Schedule: Except as provided otherwise in this Agreement or the Plan (including but not limited to Section 14.2 of the Plan which provides for accelerated vesting upon certain terminations in connection with a Change of Control), and subject to Grantee’s continuous Service, the Restricted Stock shall vest and the restrictions set forth in Section 2 of this Agreement shall lapse as follows:

<u>Service Vesting Date</u>	<u>Percentage of Shares that Vest</u>	<u>Number of Shares that Vest</u>
	33.3%	
	33.3%	
	33.4%	

B. RESTRICTED STOCK AGREEMENT

1. **Grant and Issuance of Restricted Stock.** Subject to the terms and conditions of this Agreement and the Plan, the Company granted to Grantee, the number of shares of Restricted Stock set forth in the Notice of Grant, effective on the Grant Date set forth in the Notice of Grant, and subject to the terms and conditions of the Plan, which is incorporated herein by reference. In the event of a conflict between the terms and conditions of the Plan and this Agreement, the terms and conditions of the Plan shall govern.

2. **Forfeiture Restrictions.** Grantee shall not sell, transfer, assign, pledge or otherwise encumber or dispose of, by operation of law or otherwise, the Restricted Stock for the period commencing on the Grant Date and ending on the Service Vesting Date (the “**Restriction Period**”). Upon vesting on the Service Vesting Date, the restrictions in this Section 2 shall lapse and Grantee may transfer the shares of Stock in accordance with applicable securities law requirements and the Company’s policies and procedures.

3. **Vesting; Lapse of Restrictions.** Except as provided otherwise in this Agreement and the Plan (including but not limited to Section 14.2 of the Plan which provides for accelerated vesting upon certain terminations in connection with a Change of Control), if Grantee has been in continuous Service since the Grant Date, the Restricted Stock shall vest as set forth on the Vesting Schedule in the Notice of Grant. Grantee shall forfeit the unvested portion of the Restricted Stock.

4. **Termination of Service.** If Grantee terminates Service prior to the Service Vesting Date on account of death, Disability, or termination by the Company other than for Cause, Grantee shall be entitled to retain a percentage of the Restricted Stock (the “**Retained Shares**”) equal to the ratio that the number of days of Service of Grantee during the Vesting Period bears to the total number of days in the Vesting Period. The Retained Shares of Restricted Stock shall immediately vest on the date Grantee terminates Service and the remaining shares of Restricted Stock shall be forfeited upon Grantee’s termination of Service. If Grantee terminates Service prior to the Service Vesting Date as a result of termination by the Company for Cause or voluntary termination by Grantee, all unvested shares of Restricted Stock shall be forfeited upon Grantee’s termination of Service. Upon forfeiture of the shares of Restricted Stock, Grantee shall have no further rights with respect to such shares, including but not limited to any right to vote the shares or any right to receive dividends. Section 14.2 of the Plan provides for accelerated vesting with respect to certain terminations in connection with a Change of Control.

5. **Leave of Absence.** For purposes of the Restricted Stock, Service does not terminate when Grantee goes on a *bona fide* employee leave of absence that was approved by the Company or an Affiliate in writing, if the terms of the leave provide for continued Service crediting, or when continued Service crediting is required by applicable law. However, Service will be treated as terminating 90 days after Grantee went on the approved leave, unless Grantee’s right to return to active work is guaranteed by law or by a contract. Service terminates in any event when the approved leave ends unless Grantee immediately returns to active Service. The Committee determines, in its sole discretion, which leaves of absence count for this purpose, and when Service terminates for all purposes under the Plan.

6. **Dividends.** During the Restriction Period, regular and special or extraordinary cash dividends declared and paid with respect to shares of Restricted Stock shall be retained by the Company and shall be subject to the same vesting requirements as specified in the Notice of Grant above. Any retained dividends to which Grantee becomes entitled upon vesting on the Service Vesting Date shall be paid to Grantee on the Service Vesting Date, but in no event later than March 15 of the year following the calendar year when the shares vest.

7. **Purchase and Delivery of Shares.** Grantee shall be required, to the extent required by applicable law, to purchase the shares of Restricted Stock from the Company at the aggregate par value of the shares of Stock represented by such Restricted Stock (the “**Purchase Price**”). The Purchase Price shall be payable in cash or in cash equivalents acceptable to the Company. Upon the expiration or termination of the Restriction Period, and the Grantee having properly paid the Purchase Price, the restrictions applicable to Restricted Stock shall lapse, and, a certificate for such shares of Stock shall be delivered, free of all such restrictions, to Grantee or Grantee’s beneficiary or estate, as the case may be. Notwithstanding anything in this Agreement to the contrary, the Company may elect to satisfy any requirement for the delivery of stock certificates hereunder through the use of book-entry.

8. Enforcement of Restrictions. All certificates representing shares of Restricted Stock shall include applicable restrictive legends regarding restrictions on transfer and compliance with securities law requirements, as determined by the Committee.

9. Tax Withholding. The Company or any Affiliate shall have the right to deduct from payments of any kind otherwise due to Grantee, any federal, state, local or foreign taxes of any kind required by law to be withheld upon the issuance, vesting or payment of any shares of Stock or dividends. By accepting this Agreement, Grantee hereby authorizes the Company to withhold from fully vested shares of Stock otherwise deliverable to Grantee a number of whole shares of Stock necessary to satisfy the Company's required tax withholding with respect to the Award and to deduct any remaining amount due from any payments due to Grantee.

Notwithstanding the foregoing, in lieu of share withholding, Grantee may irrevocably elect to satisfy the required tax withholding obligation by delivering: (a) a cashier's check or other check acceptable to the Company; or (b) whole shares of Stock already owned by Grantee, in the amount determined by the Company to satisfy the required tax withholding obligation. Any election to deliver a check or shares shall be irrevocable, made in writing, signed by Grantee and delivered to the General Counsel of the Company at least 30 days before the scheduled Service Vesting Date, and shall be subject to any restrictions or limitations that the Company, in its sole discretion, deems appropriate.

Any shares delivered or withheld shall have an aggregate Fair Market Value not in excess of the minimum statutory total tax withholding obligation. The Fair Market Value of the shares used to satisfy the withholding obligation shall be determined by the Company as of the date that the amount of tax to be withheld is to be determined. Shares used to satisfy any tax withholding obligation must be vested and cannot be subject to any repurchase, forfeiture, or other similar requirements.

10. Effect of Prohibited Transfer. If any transfer of shares is made or attempted to be made contrary to the terms of this Agreement, the Company shall have the right to acquire for its own account, without the payment of any consideration, such shares from the owner thereof or his transferee, at any time before or after such prohibited transfer. In addition to any other legal or equitable remedies it may have, the Company may enforce its rights to specific performance to the extent permitted by law and may exercise such other equitable remedies then available. The Company may refuse for any purpose to recognize any transferee who receives shares contrary to the provisions of this Agreement as a stockholder of the Company and may retain and/or recover all dividends on such shares that were paid or payable subsequent to the date on which the prohibited transfer was made or attempted.

11. Investment Representations. The Committee may require Grantee (or Grantee's estate or heirs) to represent and warrant in writing that the individual is acquiring the shares of Stock for investment and without any present intention to sell or distribute such shares and to make such other representations as are deemed necessary or appropriate by the Company and its counsel.

12. Continued Service. Neither the grant of shares of Restricted Stock nor this Agreement gives Grantee the right to continue Service with the Company or its Affiliates in any capacity. The Company and its Affiliates reserve the right to terminate Grantee's Service at any time and for any reason not prohibited by law.

13. **Governing Law.** The validity and construction of this Agreement and the Plan shall be construed in accordance with and governed by the laws of the State of Delaware other than any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of the Plan and this Agreement to the substantive laws of any other jurisdiction.

14. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the Company and Grantee and their respective heirs, executors, administrators, legal representatives, successors and assigns.

15. **Tax Treatment; Section 83(b); Section 409A.** Grantee may incur tax liability as a result of the vesting of shares of Restricted Stock, the payment of dividends or the disposition of shares of Stock. Grantee should consult his or her own tax adviser for tax advice.

Grantee hereby acknowledges that Grantee has been informed that he or she may file with the Internal Revenue Service, within 30 days of the Grant Date, an irrevocable election pursuant to Section 83(b) of the Code to be taxed as of the Grant Date on the amount by which the Fair Market Value of the Restricted Stock on that date exceeds the Purchase Price. If Grantee chooses to file an election under Section 83(b) of the Code, Grantee hereby agrees to promptly deliver a copy of any such election to the Chief Financial Officer of the Company (or his designee).

Grantee acknowledges that the Committee, in the exercise of its sole discretion and without Grantee's consent, may amend or modify this Agreement in any manner and delay the payment of any amounts payable pursuant to this Agreement to the minimum extent necessary to satisfy the requirements of Section 409A of the Code. The Company will provide Grantee with notice of any such amendment or modification.

16. **Amendment.** The terms and conditions set forth in this Agreement may only be amended by the written consent of the Company and Grantee, except to the extent set forth in Section 16 regarding Section 409A of the Code and any other provision set forth in the Plan.

17. **2016 Equity Incentive Plan.** The shares of Restricted Stock and payment of dividends granted hereunder shall be subject to such additional terms and conditions as may be imposed under the terms of the Plan, a copy of which has been provided to Grantee. A copy of the Prospectus for the 2016 Equity Incentive Plan shall also be provided to Grantee.

NATIONAL CINEMEDIA, INC.

By: /s/ Andrew J. England
Andrew J. England
Chief Executive Officer

Date: _____

**NATIONAL CINEMEDIA, INC.
2016 EQUITY INCENTIVE PLAN**

2016 RESTRICTED STOCK AGREEMENT

Performance Period: Fiscal Year 2016 – Fiscal Year 2018

The Compensation Committee of the Board of Directors of National CineMedia, Inc., a Delaware corporation (the “**Company**”), granted shares of Restricted Stock to be issued under the National CineMedia, Inc. 2016 Equity Incentive Plan, as amended (the “**Plan**”), as well as the possible right to be issued additional shares of Stock (the “**Additional Shares**”), to the Grantee named below. This Restricted Stock Agreement (the “**Agreement**”) evidences the terms of the Company’s grant of Restricted Stock, and the possible issuance of Additional Shares, to Grantee. Any capitalized term in this Agreement shall have the meaning assigned to it in this Agreement or in the Plan, as applicable.

A. NOTICE OF GRANT

Name of Grantee:

Number of shares of Restricted Stock (calculated at 100% of the Free Cash Flow Target):

Grant Date:

Vesting Schedule of Restricted Stock: Except as provided otherwise in this Agreement or the Plan (including but not limited to Section 14.2 of the Plan which provides for accelerated vesting upon certain terminations in connection with a Change of Control), and subject to Grantee’s continuous Service as provided herein, the Restricted Stock shall vest and the restrictions set forth in Section 2 of this Agreement shall lapse in accordance with the following provisions. The Restricted Stock shall vest if, and only to the extent that, the Company achieves specified cumulative “Free Cash Flow” (defined as OIBDA, subject to certain adjustments as set forth in the Plan (including, without limitation, a pre-determined adjustment for any acquisition completed during the Measuring Period), minus Capital) (“**Free Cash Flow**”) targets (the “**Free Cash Flow Target**”) at the end of the three-year period ending on the last day of the Company’s 2018 fiscal year (the “**Measuring Period**”). The extent to which the Company achieves the Free Cash Flow Target shall be determined by the Compensation Committee. The actual Free Cash Flow Target shall be established by the Committee within the time period required by Section 162(m) of the Code and the Committee shall certify in writing prior to the Vesting Date, as that term is defined below, the extent to which the Free Cash Flow Target for the Measuring Period was met. If the Company achieves 100% of the Free Cash Flow Target at the end of the Measuring Period, Grantee shall vest in 100% of the number of shares of Restricted Stock set forth above. If the actual Free Cash Flow is less than 80% of the Free Cash Flow Target at the end of the Measuring Period, none of the shares of Restricted Stock shall vest. If the actual Free Cash Flow at the end of the Measuring Period is 80% of the Free Cash Flow Target, Grantee shall vest in 25% of the number of shares of Restricted Stock set forth above. If the actual Free Cash Flow at the end of the Measuring Period is between 80% and 100% of the Free Cash Flow Target, Grantee shall vest in between 25% and 100% of the number of shares of Restricted Stock set

forth above by interpolating the percentage of Free Cash Flow actually achieved as it relates to the difference between the number of shares of Restricted Stock that vest at 100% of Free Cash Flow Target and the number of shares of Restricted Stock that vest at 80% of Free Cash Flow Target. By way of example, if the actual cumulative Free Cash Flow achieved is at 95% of Free Cash Flow Target, Grantee would vest in 90% of the number of shares of Restricted Stock set forth above.

Vesting Schedule of Additional Shares of Stock: Except as provided otherwise in this Agreement or the Plan (including but not limited to Section 14.2 of the Plan which provides for accelerated vesting upon certain terminations in connection with a Change of Control), and subject to Grantee's continuous Service as provided herein, the Additional Shares of Stock shall vest and the restrictions set forth in Section 2 of this Agreement shall lapse in accordance with the following provisions. If the actual cumulative Free Cash Flow achieved at the end of the Measuring Period is in excess of 100% of Free Cash Flow Target, Grantee (if otherwise vested) shall vest in a number of shares of Additional Shares as calculated below. If the actual cumulative Free Cash Flow achieved at the end of the Measuring Period is 110% or more of Free Cash Flow Target, Grantee (if otherwise vested) shall vest in a number of shares of Additional Shares equal to 50% of the number of shares of Restricted Stock set forth above. If the actual cumulative Free Cash Flow achieved at the end of the Measuring Period is below 110% of Free Cash Flow Target but in excess of 100% of Free Cash Flow Target, Grantee (if otherwise vested) shall receive a number of shares of Additional Shares determined by interpolating between the number of shares of Restricted Stock that vest upon 100% of Free Cash Flow Target and 150% of that number of shares of Stock. By way of example, if the actual cumulative Free Cash Flow at the end of the Measuring Period is 105% of Free Cash Flow Target, Grantee (if otherwise vested) would receive a number of shares of Additional Shares equal to 25% of the number of shares of Restricted Stock set forth above. Grantee shall have no rights as a stockholder of the Company until Grantee becomes the holder of record of any shares of Additional Shares. If Grantee terminates Service prior to the Vesting Date, Grantee shall be entitled to receive a portion of the Additional Shares otherwise issuable, under the same circumstances and determined in the same manner as the number of shares of Retained Shares which vest upon the Vesting Date as set forth below in Section 3 of the Restricted Stock Agreement.

Time of Vesting of Restricted Stock and Additional Shares: If the actual cumulative Free Cash Flow at the end of the Measuring Period is at least 80% of Free Cash Flow Target, the number of shares of Restricted Stock shall vest as described above on the 60th day (the "**Vesting Date**") following the last day of the Measuring Period. If the actual cumulative Free Cash Flow exceeds 100% of Free Cash Flow Target at the end of the Measuring Period, the Additional Shares shall vest as described above. The Additional Shares shall be issued to Grantee on or as soon as practicable after the Vesting Date and in all events no later than March 15, 2019.

B. RESTRICTED STOCK AGREEMENT

1. **Grant and Issuance of Stock.** Subject to the terms and conditions of this Agreement and the Plan, the Company granted to Grantee, the number of shares of Restricted Stock and Additional Shares set forth in the Notice of Grant, effective on the Grant Date set forth in the Notice of Grant, and subject to the terms and conditions of the Plan, which is incorporated herein by reference. In the event of a conflict between the terms and conditions of the Plan and this Agreement, the terms and conditions of the Plan shall govern.

2. **Forfeiture Restrictions.** Grantee shall not sell, transfer, assign, pledge or otherwise encumber or dispose of, by operation of law or otherwise, the Restricted Stock or Additional Shares for the period commencing on the Grant Date and ending on the Vesting Date (the “**Restriction Period**”). Upon vesting on the Vesting Date, the restrictions in this Section 2 shall lapse and Grantee may transfer the shares of Stock in accordance with applicable securities law requirements and the Company’s policies and procedures.

3. **Vesting; Lapse of Restrictions.** Except as provided otherwise in this Agreement and the Plan (including but not limited to Section 14.2 of the Plan which provides for accelerated vesting upon certain terminations in connection with a Change of Control), the Restricted Stock and Additional Shares shall vest as set forth on the Vesting Schedules in the Notice of Grant. Grantee shall forfeit the unvested portion of the Restricted Stock and Additional Shares. If Grantee terminates Service prior to the Vesting Date on account of death, Disability, or termination by the Company other than for Cause, Grantee shall be entitled to retain a percentage of the Restricted Stock (the “**Retained Shares**”) equal to the ratio that the number of days of Service of Grantee during the Vesting Period bears to the total number of days in the Vesting Period. The Retained Shares of Restricted Stock shall vest in accordance with the Vesting Schedule set forth in the Notice of Grant as though the Retained Shares were the number of shares of Restricted Stock set forth in the Notice of Grant and the remaining shares of Restricted Stock shall be forfeited upon Grantee’s termination of Service. If Grantee terminates Service prior to the Vesting Date as a result of termination by the Company for Cause or voluntary termination by Grantee, all shares of Restricted Stock and Additional Shares shall be forfeited upon Grantee’s termination of Service and Grantee shall have no right to receive any Additional Shares of Stock.

4. **Leave of Absence.** For purposes of the Restricted Stock and Additional Shares, Service does not terminate when Grantee goes on a *bona fide* employee leave of absence that was approved by the Company or an Affiliate in writing, if the terms of the leave provide for continued Service crediting, or when continued Service crediting is required by applicable law. However, Service will be treated as terminating 90 days after Grantee went on the approved leave, unless Grantee’s right to return to active work is guaranteed by law or by a contract. Service terminates in any event when the approved leave ends unless Grantee immediately returns to active Service. The Committee determines, in its sole discretion, which leaves of absence count for this purpose, and when Service terminates for all purposes under the Plan.

5. **Dividends.** During the Restriction Period, regular and special or extraordinary cash dividends declared and paid with respect to shares of Restricted Stock and Additional Shares shall be retained by the Company and shall be subject to the same vesting requirements as specified in the Notice of Grant above. Any retained dividends to which Grantee becomes entitled upon vesting on the Vesting Date following the end of the Measuring Period shall be paid by Grantee on the Vesting Date, but in no event later than March 15, 2019.

6. **Purchase and Delivery of Shares.** Grantee shall be required, to the extent required by applicable law, to purchase the shares of Restricted Stock and Additional Shares

from the Company at the aggregate par value of the shares of Stock represented by such Restricted Stock and Additional Shares (the “Purchase Price”). The Purchase Price shall be payable in cash or in cash equivalents acceptable to the Company. Upon the expiration or termination of the Restriction Period, and the Grantee having properly paid the Purchase Price, the restrictions applicable to Restricted Stock and Additional Shares shall lapse, and, a certificate for such shares of Stock shall be delivered, free of all such restrictions, to Grantee or Grantee’s beneficiary or estate, as the case may be. Notwithstanding anything in this Agreement to the contrary, the Company may elect to satisfy any requirement for the delivery of stock certificates hereunder through the use of book-entry.

7. Enforcement of Restrictions. All certificates representing shares of Stock shall include applicable restrictive legends regarding restrictions on transfer and compliance with securities law requirements, as determined by the Committee.

8. Tax Withholding. The Company or any Affiliate shall have the right to deduct from payments of any kind otherwise due to Grantee, any federal, state, local or foreign taxes of any kind required by law to be withheld upon the issuance, vesting or payment of any shares of Stock or dividends. By accepting this Agreement, Grantee hereby authorizes the Company to withhold from fully vested shares of Stock otherwise deliverable to Grantee a number of whole shares of Stock necessary to satisfy the Company’s required tax withholding with respect to the Award and to deduct any remaining amount due from any payments due to Grantee.

Notwithstanding the foregoing, in lieu of share withholding, Grantee may irrevocably elect to satisfy the required tax withholding obligation by delivering: (a) a cashiers check or other check acceptable to the Company; or (b) whole shares of Stock already owned by Grantee, in the amount determined by the Company to satisfy the required tax withholding obligation. Any election to deliver a check or shares shall be irrevocable, made in writing, signed by Grantee and delivered to the General Counsel of the Company at least 30 days before the scheduled Vesting Date, and shall be subject to any restrictions or limitations that the Company, in its sole discretion, deems appropriate.

Any shares delivered or withheld shall have an aggregate Fair Market Value not in excess of the minimum statutory total tax withholding obligation. The Fair Market Value of the shares used to satisfy the withholding obligation shall be determined by the Company as of the date that the amount of tax to be withheld is to be determined. Shares used to satisfy any tax withholding obligation must be vested and cannot be subject to any repurchase, forfeiture, or other similar requirements.

9. Effect of Prohibited Transfer. If any transfer of shares is made or attempted to be made contrary to the terms of this Agreement, the Company shall have the right to acquire for its own account, without the payment of any consideration, such shares from the owner thereof or his transferee, at any time before or after such prohibited transfer. In addition to any other legal or equitable remedies it may have, the Company may enforce its rights to specific performance to the extent permitted by law and may exercise such other equitable remedies then available. The Company may refuse for any purpose to recognize any transferee who receives shares contrary to the provisions of this Agreement as a stockholder of the Company and may retain and/or recover all dividends on such shares that were paid or payable subsequent to the date on which the prohibited transfer was made or attempted.

10. **Investment Representations.** The Committee may require Grantee (or Grantee's estate or heirs) to represent and warrant in writing that the individual is acquiring the shares of Stock for investment and without any present intention to sell or distribute such shares and to make such other representations as are deemed necessary or appropriate by the Company and its counsel.

11. **Continued Service.** Neither the grant of shares of Restricted Stock and Additional Shares nor this Agreement gives Grantee the right to continue Service with the Company or its Affiliates in any capacity. The Company and its Affiliates reserve the right to terminate Grantee's Service at any time and for any reason not prohibited by law.

12. **Governing Law.** The validity and construction of this Agreement and the Plan shall be construed in accordance with and governed by the laws of the State of Delaware other than any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of the Plan and this Agreement to the substantive laws of any other jurisdiction.

13. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the Company and Grantee and their respective heirs, executors, administrators, legal representatives, successors and assigns.

14. **Tax Treatment; Section 83(b); Section 409A.** Grantee may incur tax liability as a result of the vesting of shares of Restricted Stock and Additional Shares, the payment of dividends or the disposition of shares of Stock. Grantee should consult his or her own tax adviser for tax advice.

Grantee hereby acknowledges that Grantee has been informed that he or she may file with the Internal Revenue Service, within 30 days of the Grant Date, an irrevocable election pursuant to Section 83(b) of the Code to be taxed as of the Grant Date on the amount by which the Fair Market Value of the Restricted Stock on that date exceeds the Purchase Price. If Grantee chooses to file an election under Section 83(b) of the Code, Grantee hereby agrees to promptly deliver a copy of any such election to the Chief Financial Officer of the Company (or his designee).

Grantee acknowledges that the Committee, in the exercise of its sole discretion and without Grantee's consent, may amend or modify this Agreement in any manner and delay the payment of any amounts payable pursuant to this Agreement to the minimum extent necessary to satisfy the requirements of Section 409A of the Code. The Company will provide Grantee with notice of any such amendment or modification.

15. **Amendment.** The terms and conditions set forth in this Agreement may only be amended by the written consent of the Company and Grantee, except to the extent set forth in Section 16 regarding Section 409A of the Code and any other provision set forth in the Plan.

16. **2016 Equity Incentive Plan.** The shares of Stock and payment of dividends granted hereunder shall be subject to such additional terms and conditions as may be imposed under the terms of the Plan, a copy of which has been provided to Grantee. A copy of the Prospectus for the 2016 Equity Incentive Plan shall also be provided to Grantee.

NATIONAL CINEMEDIA, INC.

By: /s/ Andrew J. England
Andrew J. England
Chief Executive Officer

Date: _____

NATIONAL CINEMEDIA, INC.
2016 EQUITY INCENTIVE PLAN

RESTRICTED STOCK UNIT AGREEMENT

The Board of Directors of National CineMedia, Inc., a Delaware corporation (the “**Company**”), granted Restricted Stock Units issued under the National CineMedia, Inc. 2016 Equity Incentive Plan, as amended (the “**Plan**”) to the Grantee named below. This Restricted Stock Unit Agreement (the “**Agreement**”) evidences the terms of the Company’s grant of Restricted Stock Units to Grantee. Any capitalized term in this Agreement shall have the meaning assigned to it in this Agreement or in the Plan, as applicable.

A. NOTICE OF GRANT

Name of Grantee:

Number of Restricted Stock Units:

Grant Date:

Vesting Schedule: Except as provided otherwise in this Agreement or the Plan (including but not limited to Section 14.2 of the Plan which provides for accelerated vesting upon certain terminations in connection with a Change of Control), and subject to Grantee’s continuous Service, the Restricted Stock Units shall vest and the forfeiture restrictions set forth in Section 2 of this Agreement shall lapse as follows: 100% of the Restricted Stock Units shall vest on _____(the “**Service Vesting Date**”).

Delivery of Shares and Dividend Equivalents: On the Service Vesting Date, the Grantee shall be issued a number of shares of Stock equal to the number of Restricted Stock Units set forth above, together with payment of any accumulated Dividend Equivalents as provided in Section 4 below, unless Grantee has elected, pursuant to Section 7 below, to defer the receipt of the Stock and Dividend Equivalents related to the Restricted Stock Units.

B. RESTRICTED STOCK UNIT AGREEMENT

1. **Grant of Restricted Stock Units.** Subject to the terms and conditions of this Agreement and the Plan, the Company granted to Grantee, the number of Restricted Stock Units set forth in the Notice of Grant, effective on the Grant Date set forth in the Notice of Grant, and subject to the terms and conditions of the Plan, which is incorporated herein by reference. Each Restricted Stock Unit represents the right to receive one share of Stock at the time provided in this Agreement. Grantee shall have no voting or any other rights as a stockholder of the Company with respect to the Restricted Stock Units until the transfer of shares of Stock to Grantee. Grantee’s right to receive Stock and Dividend Equivalents under this Agreement shall be no greater than the right of any unsecured general creditor of the Company. In the event of a conflict between the terms and conditions of the Plan and this Agreement, the terms and conditions of the Plan shall govern.

2. Forfeiture and Transfer Restrictions. The Restricted Stock Units shall be subject to forfeiture until the Service Vesting Date. In addition, Grantee shall not sell, transfer, assign, pledge or otherwise encumber or dispose of, by operation of law or otherwise, the Restricted Stock Units. Upon vesting on the Service Vesting Date and issuance of the number of shares of Stock to which Grantee is entitled hereunder, Grantee may transfer the shares of Stock in accordance with applicable securities law requirements and the Company's policies and procedures.

3. Vesting; Issuance of Stock. Except as provided otherwise in this Agreement and the Plan (including but not limited to Section 14.2 of the Plan which provides for accelerated vesting upon certain terminations in connection with a Change of Control), if Grantee has been in continuous Service since the Grant Date, the Restricted Stock Units shall vest on the Service Vesting Date as set forth on the Vesting Schedule in the Notice of Grant. Except as provided below, Grantee shall forfeit the unvested portion of the Restricted Stock Units upon termination of Service. The shares of Stock and the accumulated Dividend Equivalents, as provided in Section 4, shall be delivered and paid to Grantee as soon as practicable following the Service Vesting Date set forth in the Notice of Grant, but in no event later than March 15th of the calendar year following the calendar year in which the Service Vesting Date occurs, unless Grantee has elected pursuant to Section 7 below to defer issuance of the shares of Stock and payment of any accumulated Dividend Equivalents. If Grantee terminates Service prior to the Service Vesting Date on account of death, Grantee shall vest in all of the Restricted Stock Units on the date of death and shall be entitled to the issuance of shares of Stock equal to the number of Restricted Stock Units granted to Grantee, together with any accumulated Dividend Equivalents, as provided in Section 4. The shares of Stock and the Dividend Equivalents shall be issued and paid to Grantee's estate as soon as practicable following the date of Grantee's death, but in no event later than March 15th of the calendar year following the year in which Grantee dies.

4. Dividend Equivalents. During the period from the Grant Date through the date on which shares of Stock are issued to Grantee pursuant to Section 3 (the "**Restriction Period**"), the Company shall credit Grantee with Dividend Equivalents equal to the regular and special or extraordinary cash dividends declared and paid with respect to shares of Stock equal to the number of Restricted Stock Units granted to Grantee. The Dividend Equivalents shall be retained by the Company and paid to Grantee, in cash, at the same time that the shares of Stock are issued to Grantee as provided herein.

5. Termination of Service. Upon the termination of Grantee's Service, for any reason other than death, any Restricted Stock Units held by Grantee that have not vested, or with respect to which all applicable restrictions and conditions have not lapsed, shall immediately be forfeited. Upon forfeiture of the Restricted Stock Units, Grantee shall have no further rights with respect to such Restricted Stock Units. Section 14.2 of the Plan provides for accelerated vesting with respect to certain terminations in connection with a Change of Control.

6. Purchase and Delivery of Shares. Grantee shall be required, to the extent required by applicable law, to purchase the shares of Stock issuable hereunder from the Company at the aggregate par value of the shares of Stock (the "**Purchase Price**"). The Purchase Price shall be payable in cash or in cash equivalents acceptable to the Company. An election under Section 7 notwithstanding, upon the expiration or termination of the Restriction Period and Grantee having properly paid the Purchase Price, the shares of Stock shall be issuable to Grantee (or his estate) and a certificate for such shares of Stock shall be delivered, free of all

such restrictions, to Grantee or Grantee's estate, as the case may be. Notwithstanding anything in this Agreement to the contrary, the Company may elect to satisfy any requirement for the delivery of stock certificates through the use of book-entry.

7. Election to Defer Receipt of Stock and Dividend Equivalents. During the period from the Grant Date through and including the last business day on or before the 30th day after the Grant Date, Grantee shall be entitled to elect, in writing, in accordance with the provisions of the Deferral Election Form attached hereto as **Exhibit A** (the "**Deferral Election Form**"), to defer the issuance of shares of Stock and the payment of accumulated Dividend Equivalents for up to five years following the scheduled Service Vesting Date set forth in the Notice of Grant. If any such deferred payment date elected by Grantee falls on a holiday or non-business day, the shares of Stock and Dividend Equivalents shall be issued and paid to Grantee on the immediately preceding business day. An election made by Grantee and delivered to the Company on the Deferral Election Form will be irrevocable, and issuance of the shares of Stock and payment of Dividend Equivalents prior to the date selected by Grantee would occur only upon the earlier death of Grantee or pursuant to Section 8. If Grantee fails to properly elect a different payment date in accordance with this Section, the Grantee shall be entitled to issuance of the shares of Stock and payment of Dividend Equivalents in accordance with Section 3.

8. Change of Control. Upon the occurrence of a Change of Control, the Restricted Stock Units shall become fully vested under the circumstances and in accordance with the provisions of Section 14.2 of the Plan regardless of whether all conditions for vesting relating to length of Service have been satisfied. If the Change of Control is also a "change in control" within the meaning of Section 409A, and if the Restricted Stock Units fully vest in accordance with Section 14.2 of the Plan, the Restricted Stock Units (and any accumulated Dividend Equivalents) shall be paid (on a date selected by the Company) in full within 30 days after the closing of the transaction that constitutes the change in control. If, as a result of the Change of Control, the Stock has been changed or exchanged for another kind of stock, the Restricted Stock Units shall be settled in the type of stock into which the Stock was changed or for which the Stock was exchanged. If the Change of Control is not also a "change in control" within the meaning of Section 409A, the Company, or the successor or purchaser, as the case may be, shall make adequate provision for the assumption of the Restricted Stock Units or the substitution of new Restricted Stock Units for the outstanding Restricted Stock Units on terms comparable to the terms of this Agreement. The assumed Restricted Stock Units shall be paid at the time provided in Sections 3 and 7 above.

9. Tax Withholding. The Company or any Affiliate shall have the right to deduct from payments of any kind otherwise due to Grantee, any federal, state, local or foreign taxes of any kind required by law to be withheld upon the issuance, vesting or payment of any shares of Stock or dividends. Subject to the prior approval of the Committee, which may be instituted by the Committee, in its sole discretion, the minimum statutory withholding obligation shall be satisfied by having the Company withhold shares of Stock otherwise issuable to Grantee hereunder. Subject to the prior approval of the Committee, which may be withheld by the Committee in its sole discretion, Grantee may elect to satisfy the minimum statutory withholding obligations, in whole or in part, by delivering to the Company shares of Stock already owned by Grantee. The shares delivered or withheld shall have an aggregate Fair Market Value not in excess of the minimum statutory total tax withholding obligations. The Fair Market Value of the

shares used to satisfy the withholding obligation shall be determined by the Company as of the date that the amount of tax to be withheld is to be determined. Shares used to satisfy any tax withholding obligation must be vested and cannot be subject to any repurchase, forfeiture, or other similar requirements. Any election to withhold shares shall be irrevocable, made in writing, signed by Grantee, and shall be subject to any restrictions or limitations that the Committee, in its sole discretion, deems appropriate.

10. Effect of Prohibited Transfer. If any transfer of shares of Stock is made or attempted to be made contrary to the terms of this Agreement, the Company shall have the right to acquire for its own account, without the payment of any consideration, such shares from the owner thereof or his transferee, at any time before or after such prohibited transfer. In addition to any other legal or equitable remedies it may have, the Company may enforce its rights to specific performance to the extent permitted by law and may exercise such other equitable remedies then available. The Company may refuse for any purpose to recognize any transferee who receives shares contrary to the provisions of this Agreement as a stockholder of the Company and may retain and/or recover all dividends on such shares that were paid or payable subsequent to the date on which the prohibited transfer was made or attempted.

11. Investment Representations. The Committee may require Grantee (or Grantee's estate or heirs) to represent and warrant in writing that the individual is acquiring the shares of Stock for investment and without any present intention to sell or distribute such shares and to make such other representations as are deemed necessary or appropriate by the Company and its counsel.

12. Continued Service. Neither the grant of Restricted Stock Units nor this Agreement gives Grantee the right to continue Service with the Company or its Affiliates in any capacity.

13. Governing Law. The validity and construction of this Agreement and the Plan shall be construed in accordance with and governed by the laws of the State of Delaware other than any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of the Plan and this Agreement to the substantive laws of any other jurisdiction.

14. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Company and Grantee and their respective heirs, executors, administrators, legal representatives, successors and assigns.

15. Tax Treatment; Section 409A. Grantee may incur tax liability as a result of the vesting of the Restricted Stock Units or issuance of shares of Stock and payment of Dividend Equivalents or the disposition of shares of Stock. Grantee should consult his or her own tax adviser for tax advice.

Grantee acknowledges that the Committee, in the exercise of its sole discretion and without Grantee's consent, may amend or modify this Agreement in any manner and delay the payment of any amounts payable pursuant to this Agreement to the minimum extent necessary to satisfy the requirements of Section 409A of the Code. The Company will provide Grantee with notice of any such amendment or modification.

16. **Amendment.** The terms and conditions set forth in this Agreement may only be amended by the written consent of the Company and Grantee, except to the extent set forth in Section 16 regarding Section 409A of the Code and any other provision set forth in the Plan.

17. **2016 Equity Incentive Plan.** The Restricted Stock Units and payment of Dividend Equivalents granted hereunder shall be subject to such additional terms and conditions as may be imposed under the terms of the Plan, a copy of which has been provided to Grantee.

NATIONAL CINEMEDIA, INC.

By: /s/ Andrew J. England

Andrew J. England
Chief Executive Officer

Date: _____

[Grantee Signature Page Follows]

ACKNOWLEDGMENT AND AGREEMENT

Grantee acknowledges receipt of this Agreement, agrees to all of the terms and conditions described in this Agreement and in the Plan, a copy of which is attached. Grantee acknowledges that Grantee has carefully reviewed the Plan, and agrees that the Plan will control in the event of any provision in this Agreement is in conflict with the Plan. Grantee also agrees that to the extent the Plan is silent, or to the extent the Plan provides, this Agreement and the terms hereof will control. To accept this Agreement, Grantee must sign and date this signature page and return it to the Company no later than _____ .

Grantee

Signature

Print Name: _____

Date: _____

Attachments:

2016 Equity Incentive Plan
Form S-8 Prospectus

[Letterhead of Sherman & Howard L.L.C.]

April 29, 2016

National CineMedia, Inc.
9110 E. Nichols Ave., Suite 200
Centennial, Colorado 80112-3405

Re: National CineMedia, Inc. Form S-8 Registration Statement

Ladies and Gentlemen:

Reference is made to the registration statement on Form S-8 to be filed with the Securities and Exchange Commission (the "Commission") on or about April 29, 2016 (the "Registration Statement") by National CineMedia, Inc., a Delaware corporation (the "Company"), for the purpose of registering under the Securities Act of 1933, as amended (the "Act"), 4,400,000 shares of its common stock, \$0.01 par value per share (the "Common Stock"), which may be offered and issued under the National CineMedia, Inc. 2016 Equity Incentive Plan (the "Plan").

This opinion is being furnished in accordance with the requirements of Item 601(b)(5) of Regulation S-K under the Act.

In connection with this opinion, we have examined originals or copies of all documents, corporate records or other writings that we consider relevant for the purposes of this opinion. In such examination, we have assumed the genuineness of all signatures on all original documents, the legal competency of each individual executing any such documents, the authenticity of all documents submitted to us as originals, and the conformity to original documents of all documents submitted to us as photocopies of originals. As to facts material to our opinions, we have relied, without independent verification, upon certificates, documents, statements and other information of the Company or representatives or officers thereof.

In all such examinations, we have assumed, without independent investigation or inquiry, the legal capacity of all natural persons executing documents, the genuineness of all signatures on original or certified copies, the authenticity of all original or certified copies and the conformity to original or certified documents of all copies submitted to us as conformed or reproduction copies. We have relied as to factual matters upon and have assumed the accuracy of, the statements made in a certificate of an officer of the Company delivered to us and the certificates and other statements or information of or from public officials and officers and representatives of the Company.

Based on the foregoing and the limitations, qualifications, exceptions and assumptions set forth herein, we are of the opinion that the shares of Common Stock, when issued, delivered and paid for as contemplated by the Registration Statement and in accordance with the terms of the Plan, will be validly issued, fully paid and non-assessable.

We express no opinion as to the laws other than the General Corporation Law of the State of Delaware (including the statutory provisions thereof, all applicable provisions of the Delaware Constitution and reported judicial decisions interpreting these laws). We express no opinion with respect to the blue sky securities laws of any state, including Delaware.

We consent to the filing of this opinion with the Commission as an exhibit to the Registration Statement. In giving this consent, we do not thereby admit that we are an "expert" within the meaning of the Act.

Sincerely,

/s/ Sherman & Howard L.L.C.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Registration Statement on Form S-8 of our reports dated February 25, 2016 relating to the consolidated financial statements of National CineMedia, Inc. and subsidiary and the effectiveness of National CineMedia, Inc. and subsidiary's internal control over financial reporting, appearing in the Annual Report on Form 10-K of National CineMedia, Inc. for the year ended December 31, 2015.

/s/ Deloitte & Touche LLP

Denver, Colorado
April 29, 2016

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Andrew J. England and Ralph E. Hardy, and each of them singly, his true and lawful attorney-in-fact and agent with full power of substitution and resubstitution, for him and in his name, place, and stead, in any and all capacities, to sign the Registration Statement on Form S-8 for the registration of shares of common stock of National CineMedia, Inc. issuable pursuant to the National CineMedia, Inc. 2016 Equity Incentive Plan, and any and all amendments (including post-effective amendments) and additions to such Registration Statement on Form S-8 relating to the National CineMedia, Inc. 2016 Equity Incentive Plan, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, and hereby grants to such attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or his substitute or substitutes may lawfully do or cause to be done by virtue hereof.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/S/ ANDREW J. ENGLAND</u> Andrew J. England	Chief Executive Officer and Director (Principal Executive Officer)	April 29, 2016
<u>/S/ DAVID J. ODDO</u> David J. Oddo	Senior Vice President and Interim Co-Chief Financial Officer (Principal Financial Officer)	April 29, 2016
<u>/S/ JEFFREY T. CABOT</u> Jeffrey T. Cabot	Senior Vice President and Interim Co-Chief Financial Officer (Principal Accounting Officer)	April 29, 2016
<u>/S/ SCOTT N. SCHNEIDER</u> Scott N. Schneider	Non-Employee Executive Chairman	April 29, 2016
<u>/S/ PETER B. BRANDOW</u> Peter B. Brandow	Director	April 29, 2016
<u>/S/ LAWRENCE A. GOODMAN</u> Lawrence A. Goodman	Director	April 29, 2016
<u>/S/ DAVID R. HAAS</u> David R. Haas	Director	April 29, 2016

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/S/ STEPHEN L. LANNING</u> Stephen L. Lanning	Director	April 29, 2016
<u>/S/ THOMAS F. LESINSKI</u> Thomas F. Lesinski	Director	April 29, 2016
<u>/S/ PAULA WILLIAMS MADISON</u> Paula Williams Madison	Director	April 29, 2016
<u>/S/ LEE ROY MITCHELL</u> Lee Roy Mitchell	Director	April 29, 2016
<u>/S/ CRAIG R. RAMSEY</u> Craig R. Ramsey	Director	April 29, 2016