

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

Laredo Oil, Inc.

Form: S-8

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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

Laredo Oil, Inc.

(Exact name of Registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation or organization)

1311

(Primary Standard Industrial
Classification Code Number)

26-2435874

(I.R.S. Employer
Identification Number)

**111 Congress Avenue, Suite 400
Austin, Texas 78701
(512) 279-7870**

(Address, including zip code, telephone number, including area code, of Registrant's principal executive offices)

**Laredo Oil, Inc.
2011 Equity Incentive Plan**
(Full title of the plan)

**Bradley E. Sparks
Chief Financial Officer and Treasurer
Laredo Oil, Inc.
111 Congress Avenue, Suite 400
Austin, Texas 78701
(512) 279-7870**

(Name and address, including zip code, and telephone number, including area code, of agent for service)

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions 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 Smaller reporting company
(Do not check if 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 (2)	Amount of Registration Fee
Common Stock, par value \$0.0001 per share	10,000,000	\$ 0.255	\$ 2,550,000	\$ 292.23

(1) Represents the maximum number of shares of Common Stock issuable pursuant to awards under the Laredo Oil, Inc. 2011 Equity Incentive Plan. This Registration Statement shall also cover any additional shares of Common Stock that become issuable by reason of any stock dividend, stock split, recapitalization or other similar transaction of or by the registrant that results in an increase in the number of the registrant's outstanding shares of common stock or shares issuable pursuant to awards granted under the Plan.

(2) Estimated solely for the purpose of computing the amount of the registration fee pursuant to Rules 457(c) and 457(h) under the Securities Act of 1933, as amended. The above calculation is based on the average of the bid and ask price of the Common Stock reported on the Over the Counter Bulletin Board on November 7, 2011.

PART I

INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

Laredo Oil, Inc., or the Company, prepared this Registration Statement in accordance with the requirements of Form S-8 under the Securities Act of 1933, as amended, or the Securities Act, to register an aggregate of 10,000,000 shares of the Company's common stock that may be issued pursuant to the Laredo Oil, Inc. 2011 Equity Incentive Plan, or the Plan. The documents containing the information specified in Part I of this Registration Statement will be sent or given to participants in the Plan, as specified by Rule 428(b)(1) promulgated under the Securities Act. Such documents need not be filed with the Securities and Exchange Commission, or the Commission, either as part of this Registration Statement or as prospectuses or prospectus supplements pursuant to Rule 424 promulgated under the Securities Act. These documents and the documents incorporated by reference in this Registration Statement pursuant to Item 3, Part II of this Registration Statement, taken together, constitute a prospectus that meets the requirement of Section 10(a) of the Securities Act.

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents filed with the Commission are incorporated herein by reference, other than those furnished pursuant to Item 2.02 or Item 7.01 of Current Reports on Form 8-K:

- (a) the Company's Annual Report on Form 10-K/A for the fiscal year ended May 31, 2011 (File No. 333-153168), filed with the Commission on September 27, 2011;
- (b) the Company's Quarterly Report on Form 10-Q for the quarterly period ended August 31, 2011 (File No. 333-153168), filed with the Commission on October 17, 2011;
- (c) the Company's Quarterly Report on Form 10-Q/A for the quarterly period ended August 31, 2011 (File No. 333-153168), filed with the Commission on October 28, 2011;
- (d) the Company's Current Reports on Form 8-K filed with the Commission since May 31, 2011:
 - (1) Current Report on Form 8-K (File No. 333-153168), filed with the Commission on June 20, 2011;
 - (2) Current Report on Form 8-K (File No. 333-153168), filed with the Commission on September 2, 2011; and
 - (3) Current Report on Form 8-K (File No. 333-153168), filed with the Commission on October 5, 2011.

In addition, all documents subsequently filed by the Company pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, excluding any information furnished pursuant to any Current Report on Form 8-K, prior to the filing of a post-effective amendment to this Registration Statement which indicates that all securities offered hereby 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. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained herein or in any subsequently filed document that also is or is deemed to be incorporated by reference herein, as the case may be, modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

Item 4. Description of Securities.

The authorized capital stock of the Company consists of 90,000,000 shares of common stock, par value \$0.0001 per share, and 10,000,000 shares of preferred stock, par value \$0.0001. All outstanding shares of common stock are, and the shares to be issued as contemplated herein will be, fully paid and nonassessable. Holders of the common stock are entitled to one vote per share in all matters to be voted upon by the stockholders. Holders of common stock are not entitled to cumulative voting rights with respect to the election of directors. Holders of common stock have equal ratable rights to dividends from funds legally available therefor, when, as and if declared by the Board of Directors of the Company. The Company does not anticipate paying dividends in the near future. In the event of a liquidation, dissolution or winding-up of the Company, the holders of common stock are entitled to share equally, on a share for share basis, in all assets remaining after payment of liabilities, subject to the prior distribution rights of any other classes or series of capital stock then outstanding. The common stock has no preemptive rights and is neither redeemable nor convertible, and there are no sinking fund provisions.

Item 5. Interests of Named Experts and Counsel.

Not applicable.

Item 6. Indemnification of Officers and Directors.

Section 145 of the Delaware General Corporation Law, or the DGCL, permits a corporation, under specified circumstances, to indemnify its directors, officers, employees or agents against expenses (including attorneys' fees), judgments, fines and amounts paid in settlements actually and reasonably incurred by them in connection with any action, suit or proceeding brought by third parties by reason of the fact that they were or are directors, officers, employees or agents of the corporation, if such directors, officers, employees or agents acted in good faith and in a manner they reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reason to believe their conduct was unlawful. In a derivative action, i.e., one by or in the right of the corporation, indemnification may be made only for expenses actually and reasonably incurred by directors, officers, employees or agents in connection with the defense or settlement of an action or suit, and only with respect to a matter as to which they shall have acted in good faith and in a manner they reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification shall be made if such person shall have been adjudged liable to the corporation, unless and only to the extent that the court in which the action or suit was brought shall determine upon application that the defendant directors, officers, employees or agents are fairly and reasonably entitled to indemnity for such expenses despite such adjudication of liability.

The Company's certificate of incorporation provides that no director shall have personal liability to the Company or its stockholders for monetary damages for breach of fiduciary duty as a director, provided that the certificate of incorporation does not eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the Company or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL or (iv) for any transaction from which the director derived an improper personal benefit. The Company's certificate of incorporation and bylaws permit the Company to indemnify the Company's directors and officers to the fullest extent of the DGCL. In addition, we have purchased insurance pursuant to which our directors and officers are insured against liability that they may incur in their capacity as such.

Item 8. Exhibits.

See Index to Exhibits, attached hereto.

Item 9. Undertakings.

(a) The Company hereby undertakes:

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

Item 9. Undertakings. - continued

- (i) To include any prospectus required by Section 10(a)(3) of the Securities Act;
- (ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement; and
- (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) 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 Company pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in the Registration Statement.

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

SIGNATURES

Pursuant to the requirements of the Securities Act, the Company 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 Austin, State of Texas on November 8, 2011.

LAREDO OIL, INC.

By: /s/ Bradley E. Sparks
Bradley E. Sparks
Chief Financial Officer and Treasurer

POWER OF ATTORNEY

The undersigned directors and officers of Laredo Oil, Inc. do hereby constitute and appoint Mark See and Bradley E. Sparks and each of them, his true and lawful attorneys-in-fact and agents, with full power of substitution, for him, and in his name, place and stead, in any and all capacities, to sign the Registration Statement filed herewith and any and all amendments (including post-effective amendments) to the Registration Statement, with all exhibits thereto and all documents in connection therewith, with the Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or his or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act, this Registration Statement has been signed by the following persons in the listed capacities on November 8, 2011:

Name	Title
<u>/s/ Mark See *</u> Mark See	Chief Executive Officer and Chairman of the Board (Principal Executive Officer)
<u>/s/ Bradley E. Sparks</u> Bradley E. Sparks	Chief Financial Officer and Treasurer and Director (Principal Financial and Principal Accounting Officer)
<u>/s/ Clayton Van Levy *</u> Clayton Van Levy	Director
<u>/s/ Donald Beckham *</u> Donald Beckham	Director
<u>* By: /s/ Bradley E. Sparks</u> Bradley E. Sparks Attorney-in-fact	

INDEX TO EXHIBITS

Exhibit Number	Description of Exhibits
*4.1	Laredo Oil, Inc. 2011 Equity Incentive Plan
*4.2	Form of Laredo Oil, Inc. 2011 Equity Incentive Plan Stock Option Award Certificate
*4.3	Form of Laredo Oil, Inc. 2011 Equity Incentive Plan Restricted Stock Award Certificate
*5.1	Opinion of DuBois, Bryant & Campbell LLP
*23.1	Consent of DuBois, Bryant & Campbell LLP (included in Exhibit 5.1 filed herewith)
*23.2	Consent of Kyle L. Tingle, CPA, LLC
*24.1	Powers of Attorney (included on signature page)

*Filed herewith.

LAREDO OIL, INC.
2011 EQUITY INCENTIVE PLAN

1. Purpose; Eligibility

(a) **General Purpose.** The name of the Plan is the Laredo Oil, Inc. 2011 Equity Incentive Plan. The purpose of the Plan is to enable the Company and any Affiliate to obtain and retain the services of the types of Employees, Consultants, and Directors who will contribute to the Company's long range success and to provide incentives that are linked directly to increases in share value which will inure to the benefit of all shareholders of the Company.

(b) **Eligible Award Recipients.** The persons eligible to receive Awards are the Employees, Consultants, and Directors of the Company and its Affiliates.

(c) **Available Awards.** The Plan provides a means by which eligible recipients of Awards may be given an opportunity to benefit from increases in value of the Common Stock through the granting of one or more of the following Awards: (i) Incentive Stock Options, (ii) Nonstatutory Stock Options, (iii) Restricted Awards (Restricted Stock and Restricted Stock Units), (iv) Performance Awards, and (v) Stock Appreciation Rights.

2. Definitions

(a) **"Administrator"** means the Board or the Committee appointed by the Board in accordance with Section 3(e).

(b) **"Affiliate"** means any parent corporation or subsidiary corporation of the Company, whether now or hereafter existing, as those terms are defined in Code Sections 424(e) and (f), respectively.

(c) **"Award"** means any right granted under the Plan, including an Incentive Stock Option, a Nonstatutory Stock Option, a Restricted Award (Restricted Stock and Restricted Stock Units), a Performance Award, and a Stock Appreciation Right.

(d) **"Award Agreement"** means a written agreement between the Company and a holder of an Award evidencing the terms and conditions of an individual Award grant. Each Award Agreement will be subject to the terms and conditions of the Plan and need not be identical.

(e) **"Beneficial Owner"** has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular Person, such Person will be deemed to have beneficial ownership of all securities that such Person has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time, the satisfaction of performance goals, or both. The terms "Beneficially Owns" and "Beneficially Owned" have a corresponding meaning.

(f) **"Board"** means the Board of Directors of the Company.

(g) “**Cashless Exercise**” has the meaning set forth in Section 6(c).

(h) “**Cause**” means, (i) with respect to any Participant who is a party to an employment or service agreement or employment policy manual with the Company or its Affiliates and such agreement or policy manual provides for a definition of Cause, as defined therein; and (ii) with respect to all other Participants, (A) the commission of, or plea of guilty or no contest to, a felony or a crime involving moral turpitude or the commission of any other act involving willful malfeasance or material fiduciary breach with respect to the Company or an Affiliate; (B) conduct tending to bring the Company into substantial public disgrace or disrepute; (C) gross negligence or willful misconduct with respect to the Company or an Affiliate; or (D) material violation of state or federal securities laws. The Administrator, in its absolute discretion, shall determine the effect of all matters and questions relating to whether a Participant has been discharged for Cause.

(i) “**Change in Control**” means:

(i) The direct or indirect sale, transfer, or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the assets of the Company to any Person;

(ii) The Incumbent Directors cease for any reason to constitute a majority of the Board;

(iii) The adoption of a plan relating to the liquidation or dissolution of the Company; or

(iv) The consummation of any transaction (including, without limitation, any merger, consolidation, or exchange) resulting in any Person becoming the Beneficial Owner of more than 50% of the voting power of the Company.

The foregoing notwithstanding, a transaction will not constitute a Change in Control if (x) its sole purpose is to change the state of the Company's incorporation or to create a holding company that will be owned in substantially the same proportions by the Persons who held the Company's securities immediately before such transaction; (y) it constitutes an initial public offering or a secondary public offering that results in any security of the Company being listed (or approved for listing) on any securities exchange or designated (or approved for designation) as a security on an interdealer quotation system; or (z) solely because 50% or more of the total voting power of the Company's then outstanding securities is acquired by (1) a trustee or other fiduciary holding securities under one or more employee benefit Plans of the Company or any Affiliate, or (2) any company that, immediately before such acquisition, is owned directly or indirectly by the shareholders of the Company in substantially the same proportion as their ownership of stock in the Company immediately before such acquisition.

(j) “**Code**” means the Internal Revenue Code of 1986, as amended.

(k) “**Committee**” means a committee of one or more members of the Board appointed by the Board to administer the Plan in accordance with Section 3(e).

(l) "**Common Stock**" means the common stock of the Company.

(m) "**Company**" means Laredo Oil, Inc., a Delaware corporation.

(n) "**Consultant**" means any natural person who provides bona fide consulting or advisory services to the Company or an Affiliate pursuant to a written agreement, so long as such services are not in connection with the offer or sale of securities in a capital raising transaction and do not directly or indirectly promote or maintain a market for the Company's securities.

(o) "**Continuous Service**" means that the Participant's service with the Company or an Affiliate, whether as an Employee, Director, or Consultant, is not interrupted or terminated. The Participant's Continuous Service will not be deemed to have terminated merely because of a change in the capacity in which the Participant renders service to the Company or an Affiliate as an Employee, Consultant, or Director or a change in the entity for which the Participant renders such service, so long as there is no interruption or termination of the Participant's Continuous Service. For example, a change in status from an Employee of the Company to a Consultant of an Affiliate or a Director will not constitute an interruption of Continuous Service. The Administrator or its delegate, in its sole discretion, may determine whether Continuous Service will be considered interrupted in the case of any leave of absence approved by that party, including sick leave, military leave, or any other personal or family leave of absence.

(p) "**Covered Employee**" means an Employee who is, or could be, a "covered employee" within the meaning of Code Section 162(m)(3) and the regulations and interpretive guidance promulgated thereunder.

(q) "**Date of Grant**" means, if the key terms and conditions of the Award are communicated to the Participant within a reasonable period following the Administrator's action, the date on which the Administrator adopts a resolution, or takes other appropriate action, expressly granting an Award to a Participant that specifies the key terms and conditions of the Award and from which the Participant begins to benefit from or be adversely affected by subsequent changes in the Fair Market Value of the Common Stock or, if a subsequent date is set forth in such resolution or determined by the Administrator as the Date of Grant, then such date as is set forth in such resolution. In any situation where the terms of the Award are subject to negotiation with the Participant, the Date of Grant will not be earlier than the date the key terms and conditions of the Award are communicated to the Participant.

(r) "**Detrimental Activity**" means: (i) violation of the terms of any agreement with the Company concerning non-disclosure, confidentiality, intellectual property, privacy, or exclusivity; (ii) disclosure of the Company's confidential information to anyone outside the Company, without prior written authorization from the Company, or in conflict with the interests of the Company, whether the confidential information was acquired or disclosed by the Participant during or after employment by the Company; (iii) failure or refusal to disclose promptly or assign to the Company all right, title, and interest in any invention, work product, or idea, patentable or not, made or conceived by the Participant during employment by the Company, relating in any manner to the interests of the Company or, the failure or refusal to do anything reasonably necessary to enable the Company to secure a patent where appropriate in the United States and in other countries; (iv) activity that is discovered to be grounds for or results in termination of the Participant's employment for Cause; (v) any breach of a restrictive covenant contained in any employment or service agreement, Award Agreement, or other agreement between the Participant and the Company, during any period for which a restrictive covenant prohibiting Detrimental Activity, or other similar conduct or act, is applicable to the Participant during or after employment by the Company; (vi) any attempt directly or indirectly to induce any Employee of the Company to be employed or perform services or acts in conflict with the interests of the Company; (vii) any attempt, in conflict with the interests of the Company, directly or indirectly, to solicit the trade or business of any current or prospective customer, client, supplier, or partner of the Company; (viii) the conviction of, or guilty plea entered by, the Participant for any felony or a crime involving moral turpitude whether or not connected with the Company; or (ix) the commission of any other act involving willful malfeasance or material fiduciary breach with respect to the Company.

(s) “**Director**” means a member of the Board.

(t) “**Disability**” means the Participant’s inability to perform substantially his or her duties to the Company or any Affiliate by reason of a medically determinable physical or mental impairment that is expected to last for a period of six months or longer or to result in death; provided, however, that for purposes of determining the term of an Incentive Stock Option pursuant to Section 6(i) hereof, the term Disability has the meaning ascribed to it under Code Section 22(e)(3). The Administrator shall determine whether an individual has a Disability under procedures established by the Administrator. Except in situations where the Administrator is determining Disability within the meaning of Code Section 22(e)(3) for purposes of the term of an Incentive Stock Option pursuant to Section 6(i) hereof, the Administrator may rely on any determination that a Participant is disabled for purposes of benefits under any long-term disability plan maintained by the Company or any Affiliate in which a Participant participates.

(u) “**Effective Date**” has the meaning set forth in Section 15 of the Plan.

(v) “**Employee**” means any person employed by the Company or an Affiliate. Mere service as a Director or payment of a director’s fee by the Company or an Affiliate is not sufficient to constitute “employment” by the Company or an Affiliate.

(w) “**Established Securities Market**” means a national securities exchange that is registered under Section 6 of the Exchange Act; a foreign national securities exchange that is officially recognized, sanctioned, or supervised by governmental authority; and any over-the-counter market that is reflected by the existence of an interdealer quotation system.

(x) “**Exchange Act**” means the Securities Exchange Act of 1934, as amended.

(y) “**Exercise Price**” has the meaning set forth in Section 6(b) of the Plan.

(z) “**Fair Market Value**” means, as of any date, the value of the Common Stock determined using a method consistent with the definition of fair market value found in Section 1.409A-1(b)(5)(iv) of the Treasury Regulations, and will be determined using a method that is a presumptively reasonable valuation method thereunder as determined below.

(i) On any date on which shares of Common Stock are readily tradable on an Established Securities Market, if the Common Stock is admitted to trading on an exchange or market for which closing prices are reported on any date, Fair Market Value may be determined based on the last sale before or the first sale after the Date of Grant of an Award; the closing price on the trading day before the Date of Grant of an Award or on the Date of Grant; or may be based on an average selling price during a specified period that is within 30 days before or 30 days after the Date of Grant of the Award, provided that the commitment to grant an Award based on such valuation method must be irrevocable before the beginning of the specified period, and such valuation method must be used consistently for grants of Awards under the same and substantially similar programs.

(ii) If the Common Stock is readily tradable on an Established Securities Market but closing prices are not reported, Fair Market Value may be determined based upon the average of the highest bid and lowest asked prices of the Common Stock reported on the trading day before the Date of Grant of an Award or on the Date of Grant; or may be based upon an average of the highest bid and lowest asked prices during a specified period that is within 30 days before or 30 days after the Date of Grant of the Award, provided that the commitment to grant an Award based on such valuation method must be irrevocable before the beginning of the specified period, and such valuation method must be used consistently for grants of Awards under the same and substantially similar programs.

(iii) If the Common Stock is not readily tradable on an Established Securities Market, the Administrator shall determine the Fair Market Value through the reasonable application of a reasonable valuation method based on the facts and circumstances as of the valuation date, including, at the election of the Administrator, by an independent appraisal that meets the requirements of Code Section 401(a)(28)(C) and the regulations promulgated thereunder as of a date that is no more than 12 months before the relevant transaction to which the valuation is applied (for example, an Option's Date of Grant) and such determination will be conclusive and binding on all persons.

(aa) "**Free Standing SAR**" has the meaning set forth in Section 7(c)(i).

(bb) "**Incentive Stock Option**" means an Option intended to qualify as an incentive stock option within the meaning of Section 422 of the Code and the regulations promulgated thereunder.

(cc) "**Incumbent Directors**" means individuals who, on the Effective Date, constitute the Board, provided that any individual becoming a Director subsequent to the Effective Date whose election or nomination for election to the Board was approved by a vote of at least two-thirds of the Incumbent Directors then on the Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for Director without objection to such nomination) will be an Incumbent Director. No individual initially elected or nominated as a Director of the Company as a result of an actual or threatened election contest with respect to Directors or as a result of any other actual or threatened solicitation of proxies by or on behalf of any person other than the Board will be an Incumbent Director.

(dd) **"Insider"** means an individual subject to Section 16 of the Exchange Act and includes an Officer, a Director, or any other person who is directly or indirectly the Beneficial Owner of more than 10% of any class of any equity security of the Company (other than an exempted security) that is registered pursuant to Section 12 of the Exchange Act.

(ee) **"Market Stand-Off"** has the meaning set forth in Section 14.

(ff) **"Non-Employee Director"** means a Director who is a "non-employee director" within the meaning of Rule 16b-3.

(gg) **"Nonstatutory Stock Option"** means an Option not intended to qualify as an Incentive Stock Option.

(hh) **"Officer"** means (i) before the first date upon which any security of the Company is registered under Section 12 of the Exchange Act, any person designated by the Company as an officer; and (ii) on and after the first date upon which any security of the Company is registered under Section 12 of the Exchange Act, a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act and the rules and regulations promulgated thereunder.

(ii) **"Option"** means an Incentive Stock Option or a Nonstatutory Stock Option granted pursuant to the Plan.

(jj) **"Option Agreement"** means a written agreement between the Company and an Optionholder evidencing the terms and conditions of an individual Option grant. Each Option Agreement will be subject to the terms and conditions of the Plan and need not be identical.

(kk) **"Optionholder"** means a person to whom an Option is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Option.

(ll) **"Outside Director"** means a Director who is an "outside director" within the meaning of Section 162(m) of the Code and Section 1.162-27(e)(3) of the Treasury Regulations.

(mm) **"Participant"** means a person to whom an Award is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Award.

(nn) **"Performance Award"** means an Award granted pursuant to Section 7(b).

(oo) **"Permitted Transferee"** means (i) any spouse, parents, siblings (by blood, marriage, or adoption) or lineal descendants (by blood, marriage, or adoption) of a Participant; (ii) any trust or other similar entity for the benefit of a Participant or the Participant's spouse, parents, siblings, or lineal descendants; *provided, however*, that any transfer made by a Participant to a Permitted Transferee may only be made if the Permitted Transferee, prior to the time of transfer of stock, agrees in writing to be bound by the terms of the Plan and provides written notice to the Company of such transfer.

(pp) **"Person"** means an individual, partnership, limited liability company, corporation, association, joint stock company, trust, joint venture, labor organization, unincorporated organization, governmental entity or political subdivision thereof, or any other entity, and includes a syndicate or group as such terms are used in Section 13(d)(3) or 14(d)(2) of the Exchange Act.

- (qq) “**Plan**” means this Laredo Oil, Inc. 2011 Equity Incentive Plan.
- (rr) “**Prohibited Personal Loan**” means any direct or indirect extension of credit or arrangement of an extension of credit to a Director or executive officer (or equivalent thereof) by the Company or an Affiliate that is prohibited by Section 402(a) of the Sarbanes-Oxley Act (codified as Section 13(k) of the Exchange Act).
- (ss) “**Restricted Award**” means any Award granted pursuant to Section 7(a), including Restricted Stock and Restricted Stock Units.
- (tt) “**Restricted Period**” has the meaning set forth in Section 7(a).
- (uu) “**Restricted Stock**” has the meaning set forth in Section 7(a).
- (vv) “**Restricted Stock Unit**” means a hypothetical Common Stock unit having a value equal to the Fair Market Value of an identical number of shares of Common Stock as determined in Section 7(a).
- (ww) “**Right of First Refusal**” means the Company’s option to repurchase Common Stock acquired under the Plan upon the Participant’s notice of intent to transfer any Common Stock received pursuant to an Award in accordance with the provisions of Section 10(g).
- (xx) “**Right of Repurchase**” means the Company’s option to repurchase unvested Common Stock acquired under the Plan upon the Participant’s termination of Continuous Service pursuant to Section 10(f).
- (yy) “**Rule 16b-3**” means Rule 16b-3 promulgated under the Exchange Act or any successor to Rule 16b-3.
- (zz) “**Rule 701**” means Rule 701 promulgated under the Securities Act.
- (aaa) “**Securities Act**” means the Securities Act of 1933, as amended.
- (bbb) “**Stock Appreciation Right**” or “**SAR**” means the right pursuant to an Award granted under Section 7(c) to receive an amount equal to the excess, if any, of (i) the Fair Market Value, as of the date such Stock Appreciation Right or portion thereof is surrendered, of the shares of Common Stock covered by such right or such portion thereof, over (ii) the aggregate Strike Price of such right or such portion thereof.
- (ccc) “**Stock for Stock Exchange**” has the meaning set forth in Section 6(c).
- (ddd) “**Strike Price**” means the threshold value per share of Common Stock, the excess over which will be payable upon exercise of a Stock Appreciation Right, as determined by the Administrator pursuant to Section 7(c)(iv) and set forth in the Award Agreement for a Stock Appreciation Right.

(eee) “**Surviving Entity**” means the Company if immediately following any merger, consolidation, or similar transaction, the holders of outstanding voting securities of the Company immediately prior to the merger or consolidation own equity securities possessing more than 50% of the voting power of the entity existing following the merger, consolidation, or similar transaction. In all other cases, the other entity to the transaction and not the Company will be the Surviving Entity. In making the determination of ownership by the shareholders of an entity immediately after the merger, consolidation, or similar transaction, equity securities that the shareholders owned immediately before the merger, consolidation, or similar transaction as shareholders of another party to the transaction will be disregarded. Further, outstanding voting securities of an entity will be calculated by assuming the conversion of all equity securities convertible (immediately or at some future time whether or not contingent on the satisfaction of performance goals) into shares entitled to vote.

(fff) “**Tandem SAR**” has the meaning set forth in Section 7(c)(i).

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

3. Administration

(a) **Administration by Board.** The Board shall administer the Plan unless and until the Board delegates administration to a Committee, as provided in Section 3(e).

(b) **Authority of Administrator.** The Administrator will have the power and authority to select and grant to Participants, Awards pursuant to the terms of the Plan.

(c) **Specific Authority.** In particular, the Administrator will have the authority to (i) construe and interpret the Plan and apply its provisions; (ii) promulgate, amend, and rescind rules and regulations relating to the administration of the Plan; (iii) authorize any person to execute, on behalf of the Company, any instrument required to carry out the purposes of the Plan; (iv) delegate its authority to one or more Officers of the Company with respect to Awards that do not involve Covered Employees or Insiders, provided such delegation is pursuant to a resolution that specifies the total number of shares of Common Stock that may be subject to Awards by such Officer and such Officer may not make an Award to himself or herself; (v) determine when Awards are to be granted under the Plan; (vi) select, subject to the limitations set forth in the Plan, those Participants to whom Awards will be granted; (vii) determine the number of shares of Common Stock to be made subject to each Award; (viii) determine whether each Option is to be an Incentive Stock Option or a Nonstatutory Stock Option; (ix) prescribe the terms and conditions of each Award, including, without limitation, the Strike Price or Exercise Price and medium of payment, vesting provisions and Right of Repurchase provisions, and to specify the provisions of the Award Agreement relating to such grant or sale; (x) subject to the restrictions applicable under Section 12(e), amend any outstanding Awards, including for the purpose of modifying the time or manner of vesting, the purchase price, Exercise Price or Strike Price, or the term of any outstanding Award; *provided, however*, that if any such amendment impairs a Participant's rights or increases a Participant's obligations under his or her Award, such amendment will also be subject to the Participant's consent (for the avoidance of doubt, a cancellation of an Award where the Participant receives a payment equal in value to the Fair Market Value of the vested Award or, in the case of vested Options, the difference between the Fair Market Value of the Common Stock subject to an Option and the Exercise Price, will not constitute an impairment of the Participant's rights that requires consent); (xi) determine the duration and purpose of leaves of absences that may be granted to a Participant without constituting termination of their Continuous Service for purposes of the Plan, which periods will be no shorter than the periods generally applicable to Employees under the Company's employment policies or as required under applicable law; (xii) make decisions with respect to outstanding Awards that may become necessary upon a Change in Control or an event that triggers capital adjustments; and (xiii) exercise discretion to make any and all other determinations that it may determine to be necessary or advisable for administration of the Plan.

(d) **Decisions Final.** All decisions made by the Administrator pursuant to the provisions of the Plan will be final and binding on the Company and the Participants, unless such decisions are determined by a court having jurisdiction to be arbitrary and capricious.

(e) **The Committee.**

(i) **General.** The Board may delegate administration of the Plan to a Committee or Committees of one or more members of the Board, and the term "**Committee**" will apply to any person or persons to whom such authority has been delegated. If administration is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board, including the power to delegate to a subcommittee any of the administrative powers the Committee is authorized to exercise (and references in the Plan to the Board or the Administrator will thereafter be to the Committee or subcommittee), subject, however, to such resolutions, consistent with the provisions of the Plan, as the Board may adopt. The Board may abolish the Committee at any time and revert in the Board the administration of the Plan. The members of the Committee will be appointed by and serve at the pleasure of the Board. The Board may increase or decrease the size of the Committee, add additional members to, remove members (with or without cause) from, appoint new members in substitution therefor, and fill vacancies, however caused, in the Committee. The Committee shall act pursuant to a vote of the majority of its members or, in the case of a Committee comprised of only two members, the unanimous consent of its members, whether present or not, or by the written consent of the majority of its members and shall keep minutes of all of its meetings. Subject to the limitations prescribed by the Plan and the Board, the Committee shall establish and follow such rules and regulations for the conduct of its business as it may determine to be advisable.

(ii) **Committee Composition when Common Stock is Registered.** Whenever the Common Stock is required to be registered under Section 12 of the Exchange Act, in the discretion of the Board, a Committee may consist solely of two or more Non-Employee Directors who are also Outside Directors. The Board will have discretion to determine whether or not it intends to comply with the exemption requirements of Rule 16b-3, Code Section 162(m), or both. If, however, the Board intends to satisfy such exemption requirements, with respect to Awards to any Covered Employee or to any Officer or Director, the Committee must at all times consist solely of two or more Non-Employee Directors who are also Outside Directors. Within the scope of such authority, the Board or the Committee may (A) delegate to a committee of one or more members of the Board who are not Outside Directors the authority to grant Awards to eligible persons who are either (x) not then Covered Employees and are not expected to be Covered Employees at the time of recognition of income resulting from such Award or (y) not persons with respect to whom the Company wishes to comply with Code Section 162(m), or (B) delegate to a committee of one or more members of the Board who are not Non-Employee Directors the authority to grant Awards to eligible persons who are not then Insiders. Nothing herein is intended to create an inference that an Award is not validly granted under the Plan in the event Awards are granted under the Plan by a committee of the Board that does not at all times consist solely of two or more Non-Employee Directors who are also Outside Directors.

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

4. **Shares Subject to the Plan**

(a) **Share Reserve.** Subject to the provisions of Section 11(a) relating to adjustments upon changes in Common Stock, the shares that may be issued pursuant to Awards will consist of the Company's authorized but unissued Common Stock, and the maximum aggregate amount of such Common Stock that may be issued upon exercise of all Awards under the Plan will not exceed 10,000,000 shares of Common Stock, all of which may be used for Incentive Stock Options or any other Awards.

(b) **Reversion of Shares to the Share Reserve.** If any Award for any reason expires or otherwise terminates, in whole or in part, the shares of Common Stock not acquired under such Award will revert to and again become available for issuance under the Plan. If the Company reacquires shares of Common Stock issued under the Plan pursuant to the terms of any forfeiture provision, including the Right of Repurchase of unvested Common Stock under Section 10(f), such shares will again be available for purposes of the Plan. Each share of Common Stock subject to any Award granted hereunder will be counted against the share reserve set forth in Section 4(a) on the basis of one share for every share subject thereto. Notwithstanding anything herein to the contrary, shares of Common Stock used to pay the required Exercise Price or tax obligations, or shares not issued in connection with settlement of an Option or SAR or that are used or withheld to satisfy tax obligations of the Participant will not be available again for other Awards under the Plan. Awards or portions thereof that are settled in cash and not in shares of Common Stock will not be counted against the foregoing maximum share limitations.

(c) **Source of Shares.** The shares of Common Stock subject to the Plan may be authorized but unissued Common Stock or reacquired Common Stock bought on the market, pursuant to any forfeiture provision or Right of Repurchase, or otherwise.

5. **Eligibility**

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

(b) **Ten Percent Shareholders.** An Incentive Stock Option granted to a Ten Percent Shareholder must have an Exercise Price no less than 110% of the Fair Market Value of the Common Stock at the Date of Grant and must not be exercisable after the expiration of five years from the Date of Grant.

(c) **Section 162(m) Limitation.** Subject to the provisions of **Section 11(a)** relating to adjustments upon changes in the shares of Common Stock, no Employee will be eligible to be granted Awards covering more than [5,000,000] shares in the aggregate during any calendar year.

(d) **Directors.** Each Director of the Company will be eligible to receive discretionary grants of Awards under the Plan. If the Board or the compensation committee of the Board separately has adopted or in the future adopts a compensation policy covering some or all Directors that provides for a predetermined formula grant that specifies the type of Award, the timing of the Date of Grant and the number of shares to be awarded under the terms of the Plan, such formula grant will be incorporated by reference and will be administered as if such terms were provided under the terms of the Plan without any requirement that the Administrator separately take action to determine the terms of such Awards.

6. **Option Provisions**

Each Option will be in such form and will contain such terms and conditions as the Administrator deems appropriate. All Options will be separately designated Incentive Stock Options or Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate certificate or certificates will be issued for shares of Common Stock purchased on exercise of each type of Option. Notwithstanding the foregoing, the Company will have no liability to any Participant or any other person if an Option designated as an Incentive Stock Option fails to qualify as such at any time. The provisions of separate Options need not be identical, but each Option will include (through incorporation of provisions hereof by reference in the Option or otherwise) the substance of each of the following provisions:

(a) **Term.** Subject to the provisions of Section 5(b) regarding Ten Percent Shareholders, no Option will be exercisable after the expiration of 10 years from the Date of Grant.

(b) **Exercise Price.** The exercise price per share of Common Stock for each Option (the "**Exercise Price**") will not be less than 100% of the Fair Market Value of such share on the Date of Grant; provided, however, that in the case of an Incentive Stock Option granted to a Ten Percent Shareholder, the Exercise Price will be no less than 110% of the Fair Market Value per share on the Date of Grant. Notwithstanding the foregoing, an Option granted pursuant to an assumption or substitution for another stock option in a manner satisfying the provisions of Section 424(a) of the Code, as if the Option was a statutory stock option, may be granted with an Exercise Price lower than the Fair Market Value per share on the Date of Grant.

(c) **Consideration.** The Optionholder shall pay the Exercise Price of Common Stock acquired pursuant to the exercise of an Option, to the extent permitted by applicable statutes and regulations, either (i) in cash or by certified or bank check at the time the Option is exercised, or (ii) in the Administrator's discretion and upon such terms as the Administrator approves: (A) by delivery to the Company of other Common Stock, duly endorsed for transfer to the Company, with a Fair Market Value on the date of delivery equal to the Exercise Price (or portion thereof) due for the number of shares being acquired, or by means of attestation whereby the Participant identifies for delivery specific shares of Common Stock held by the Participant that have a Fair Market Value on the date of attestation equal to the Exercise Price (or portion thereof) and receives a number of shares of Common Stock equal to the difference between the number of shares thereby purchased and the number of identified attestation shares of Common Stock (a "**Stock for Stock Exchange**"); (B) during any period for which the Common Stock is readily tradable on an Established Securities Market by a copy of instructions to a broker directing such broker to sell the Common Stock for which such Option is exercised, and to remit to the Company the aggregate Exercise Price of such Options (a "**Cashless Exercise**"); (C) in any other form of legal consideration that may be acceptable to the Administrator, including without limitation with a full-recourse promissory note or a statement directing the Administrator to retain such number of shares of Common Stock from any transfer to the Optionholder ("Stock Withholding") that otherwise would have been delivered by the Company upon exercise of the Option having a Fair Market Value equal to all or part of the Exercise Price of such Option exercise; *provided, however*, if applicable law requires, the Optionholder shall pay the par value (if any) of Common Stock, if newly issued, in cash or cash equivalents. The interest rate payable under the terms of the promissory note may not be less than the minimum rate (if any) required to avoid the imputation of additional interest under the Code. Subject to the foregoing, the Administrator (in its sole discretion) shall specify the term, interest rate, amortization requirements (if any) and other provisions of such note. Unless the Administrator determines otherwise, the holder shall pledge to the Company shares of Common Stock having a Fair Market Value at least equal to the principal amount of any such loan as security for payment of the unpaid balance of the loan and such pledge must be evidenced by a pledge agreement, the terms of which the Administrator shall determine, in its discretion; *provided, however*, that each loan must comply with all applicable laws, regulations and rules of the Board of Governors of the Federal Reserve System and any other governmental agency having jurisdiction. Unless the Administrator determines otherwise, the purchase price of Common Stock acquired pursuant to an Option that is paid by delivery (or attestation) to the Company of other shares of Common Stock acquired, directly or indirectly from the Company, will be paid only by shares of Common Stock that have been held for more than six months (or such other period as may be required to avoid a charge to earnings for financial accounting purposes). Notwithstanding the foregoing, during any period for which the Company has any class of its securities listed on a national securities exchange in the United States, has securities registered under Section 12 of the Exchange Act, is required to file reports under Section 13(a) or 15(d) of the Exchange Act, or has a registration statement pending under the Securities Act, an exercise with a promissory note or other transaction by an Optionholder that involves or may involve a Prohibited Personal Loan is prohibited with respect to any Option under the Plan. Unless otherwise provided in the terms of an Option Agreement, payment of the Exercise Price by a Participant who is an Insider in the form of a Stock for Stock Exchange is subject to pre-approval by the Administrator, in its sole discretion. The Administrator shall document any such pre-approval in the case of a Participant who is an Officer or Director in a manner that complies with the specificity requirements of Rule 16b-3, including the name of the Participant involved in the transaction, the nature of the transaction, the number of shares to be acquired or disposed of by the Participant and the material terms of the Options involved in the transaction.

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

(e) **Transferability of a Nonstatutory Stock Option.** A Nonstatutory Stock Option may, in the sole discretion of the Administrator, be transferable to a Permitted Transferee upon written approval by the Administrator to the extent provided in the Option Agreement. A Permitted Transferee includes: (i) a transfer by gift or domestic relations order to a member of the Optionholder's immediate family (child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including adoptive relationships), any person sharing the Optionholder's household (other than a tenant or employee), a trust in which these persons (or the Optionholder) have more than 50% of the beneficial interest, a foundation in which these persons (or the Optionholder) control the management of assets, and any other entity in which these persons (or the Optionholder) own more than 50% of the voting interests; (ii) third parties designated by the Administrator in connection with a program established and approved by the Administrator pursuant to which Participants may receive a cash payment or other consideration in consideration for the transfer of such Nonstatutory Stock Option; and (iii) such other transferees as may be permitted by the Administrator in its sole discretion. If the Nonstatutory Stock Option does not provide for transferability, then the Nonstatutory Stock Option will not be transferable except by will or by the laws of descent and distribution and will be exercisable during the lifetime of the Optionholder only by the Optionholder. Notwithstanding the foregoing, the Optionholder may, by delivering written notice to the Company, in a form satisfactory to the Company, designate a third party who, upon the death of the Optionholder, will thereafter be entitled to exercise the Option.

(f) **Vesting Generally.** The Option may, but need not, vest and therefore become exercisable in periodic installments that may, but need not, be equal. The Option may be subject to such other terms and conditions on the time or times when it may be exercised (which may be based on performance or other criteria) as the Administrator may deem appropriate. The vesting provisions of individual Options may vary. The Administrator may, but will not be required to, provide that no Option may be exercised for a fraction of a share of Common Stock. The Administrator may, but will not be required to, provide for an acceleration of vesting and exercisability in the terms of any Option Agreement upon the occurrence of a specified event. Unless otherwise specified in the terms of any Option Agreement, each Option granted pursuant to the terms of the Plan will become exercisable at a rate of 33-1/3% per year over the three-year period commencing on the Date of Grant of the Option.

(g) **Termination of Continuous Service.** Unless otherwise provided in an Option Agreement, or in an employment or service agreement the terms of which have been approved by the Administrator, if an Optionholder's Continuous Service terminates (other than upon the Optionholder's death or Disability or termination by the Company for Cause), the Optionholder may exercise his or her Option (to the extent that the Optionholder was entitled to exercise such Option as of the date of termination) but only within such period ending on the earlier of (a) the date three months following the termination of the Optionholder's Continuous Service, or (b) the expiration of the term of the Option as set forth in the Option Agreement. If, after termination, the Optionholder does not exercise his or her Option within the time specified in the Option Agreement, the Option will terminate. Unless otherwise provided in an Option Agreement, or in an employment or service agreement the terms of which have been approved by the Administrator, or as otherwise provided in **Sections 6(h), 6(i)** and **6(j)**, outstanding Options that are not exercisable at the time an Optionholder's Continuous Service terminates for any reason other than for Cause (including an Optionholder's death or Disability) will be forfeited and expire at the close of business on the date of such termination. If the Optionholder's Continuous Service terminates for Cause, all outstanding Options (whether or not vested) will be forfeited and expire as of the beginning of business on the date of such termination for Cause.

(h) **Extension of Termination Date.** An Option Agreement may also provide that if the exercise of the Option following the termination of the Optionholder's Continuous Service for any reason (other than upon the Optionholder's death or Disability or termination by the Company for Cause) would violate any applicable federal, state, or local law, the Option will terminate on the earlier of (i) the expiration of the term of the Option in accordance with **Section 6(a)**, or (ii) the date that is thirty days after the exercise of the Option would no longer violate any applicable federal, state, or local law.

(i) **Disability of Optionholder.** Unless otherwise provided in an Option Agreement, or in an employment or service agreement the terms of which have been approved by the Administrator, if an Optionholder's Continuous Service terminates as a result of the Optionholder's Disability, the Optionholder may exercise his or her Option (to the extent that the Optionholder was entitled to exercise such Option as of the date of termination), but only within such period ending on the earlier of (i) the date 12 months following such termination, or (ii) the expiration of the term of the Option as set forth in the Option Agreement. If, after termination, the Optionholder does not exercise his or her Option within the time specified herein, the Option will terminate.

(j) **Death of Optionholder.** Unless otherwise provided in an Option Agreement, or in an employment or service agreement the terms of which have been approved by the Administrator, if an Optionholder's Continuous Service terminates as a result of the Optionholder's death, then the Option may be exercised (to the extent the Optionholder was entitled to exercise such Option as of the date of death) by the Optionholder's estate, by a person who acquired the right to exercise the Option by bequest or inheritance or by a person designated to exercise the Option upon the Optionholder's death, but only within the period ending on the earlier of (i) the date 12 months following the date of death, or (ii) the expiration of the term of such Option as set forth in the Option Agreement. If, after death, the Option is not exercised within the time specified herein, the Option will terminate.

(k) **Incentive Stock Option \$100,000 Limitation.** To the extent that the aggregate Fair Market Value of Common Stock on the Date of Grant with respect to which Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company and its Affiliates) exceeds \$100,000, the Options or portions thereof which exceed such limit (according to the order in which they were granted) will be treated as Nonstatutory Stock Options.

(l) **Early Exercise.** The Option may, but need not, include a provision whereby the Optionholder may elect at any time before the Optionholder's Continuous Service terminates to exercise the Option as to any part or all of the shares of Common Stock subject to the Option prior to the full vesting of the Option. In such case, the shares of Common Stock acquired on exercise will be subject to the vesting schedule that otherwise would apply to determine the exercisability of the Option. Any unvested shares of Common Stock so purchased may be subject to any other restriction the Administrator determines to be appropriate.

(m) **Transfer, Approved Leave of Absence.** For purposes of Incentive Stock Options, no termination of employment by an Employee will be deemed to result from either (i) a transfer to the employment of the Company from an Affiliate or from the Company to an Affiliate, or from one Affiliate to another; or (ii) an approved leave of absence for military service or sickness, or for any other purpose approved by the Company, if the period of such leave does not exceed three months or, if longer, the Employee's right to re-employment is guaranteed either by a statute or by contract.

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

7. Provisions of Awards Other Than Options

(a) **Restricted Awards.** A Restricted Award is an Award of actual shares of Common Stock ("**Restricted Stock**") or hypothetical Common Stock units ("**Restricted Stock Units**") having a value equal to the Fair Market Value of an identical number of shares of Common Stock, which may, but need not, provide that such Restricted Award may not be sold, assigned, transferred, or otherwise disposed of, pledged, or hypothecated as collateral for a loan or as security for the performance of any obligation or for any other purpose for such period (the "**Restricted Period**") as the Administrator shall determine. Each Restricted Award will be in such form and will contain such terms, conditions, and Restricted Periods as the Administrator deems appropriate, including the treatment of dividends or dividend equivalents, as the case may be. The terms and conditions of the Restricted Award may change from time to time, and the terms and conditions of separate Restricted Awards need not be identical, but each Restricted Award must include (through incorporation of provisions hereof by reference in the agreement or otherwise) the substance of each of the following provisions:

(i) **Purchase Price.** The purchase price of Restricted Awards, if any, will be determined by the Administrator, and may be stated as cash, property, or prior or future services.

(ii) **Consideration.** The Participant shall pay the consideration for Common Stock acquired pursuant to the Restricted Award either: (A) in cash at the time of purchase; or (B) in any other form of legal consideration that may be acceptable to the Administrator in its discretion including, without limitation, a recourse promissory note, property, a Stock for Stock Exchange, or prior or future services that the Administrator determines have a value at least equal to the Fair Market Value of such Common Stock. Notwithstanding the foregoing, during any period for which the Company has any class of its securities listed on a national securities exchange in the United States, has securities registered under Section 12 of the Exchange Act, is required to file reports under Section 13(a) or 15(d) of the Exchange Act, or has a registration statement pending under the Securities Act, payment with a promissory note or other transaction by a Participant that involves or may involve a Prohibited Personal Loan is prohibited with respect to any Restricted Award under the Plan.

(iii) **Vesting.** The Restricted Award, and any shares of Common Stock acquired under the Restricted Award, may, but need not, be subject to a Restricted Period that specifies a Right of Repurchase in favor of the Company, or forfeiture where the consideration was in the form of services, in accordance with a vesting schedule to be determined by the Administrator. The Administrator in its discretion may provide for an acceleration of vesting in the terms of any Restricted Award, at any time, including upon a Change in Control. The Administrator in its discretion may grant a Restricted Award that is, in whole or in part, vested upon grant and not subject to a Restricted Period.

(iv) **Termination of Participant's Continuous Service.** Unless otherwise provided in a Restricted Award, or in an employment or service agreement the terms of which have been approved by the Administrator, if a Participant's Continuous Service terminates for any reason, the Company may exercise its Right of Repurchase or otherwise reacquire, or the Participant shall forfeit, the unvested portion of a Restricted Award acquired in consideration of services, and any or all of the shares of Common Stock held by the Participant that have not vested as of the date of termination under the terms of the Restricted Award will be forfeited and the Participant will have no rights with respect to the Award.

(v) **Transferability.** Rights to acquire shares of Common Stock under the Restricted Award will be transferable by the Participant only upon such terms and conditions as are set forth in the Award Agreement, as the Administrator shall determine in its discretion, so long as Common Stock awarded under the Restricted Award remains subject to the terms of the Award Agreement.

(v i) **Concurrent Tax Payment.** The Administrator, in its sole discretion, may (but will not be required to) provide for payment of a concurrent cash award in an amount equal, in whole or in part, to the estimated after-tax amount required to satisfy applicable federal, state, or local tax withholding obligations arising from the receipt and deemed vesting of Restricted Stock for which an election under Code Section 83(b) may be required.

(v i i) **Lapse of Restrictions.** Upon the expiration or termination of the Restricted Period and the satisfaction of any other conditions prescribed by the Administrator (including, without limitation, the Participant's satisfaction of applicable tax withholding obligations attributable to the Award), the restrictions applicable to the Restricted Award will lapse and a stock certificate for the number of shares of Common Stock with respect to which the restrictions have lapsed will be delivered, free of any restrictions except those that may be imposed by law, the terms of the Plan, or the terms of a Restricted Award, to the Participant or the Participant's beneficiary or estate, as the case may be, unless such Restricted Award is subject to a deferral condition that complies with Section 409A of the Code and the regulations thereunder as may be allowed or required by the Administrator in its sole discretion. The Company will not be required to deliver any fractional share of Common Stock but shall pay, in lieu thereof, the Fair Market Value of such fractional share in cash to the Participant or the Participant's beneficiary or estate, as the case may be. With respect only to Restricted Stock Units, unless otherwise subject to a deferral condition that complies with Section 409A of the Code, the Common Stock certificate will be issued and delivered and the Participant will be entitled to the beneficial ownership rights of such Common Stock not later than (A) the later of (x) the date that is 2½ months after the end of the Participant's taxable year for which the Restricted Period ends and the Restricted Stock Unit is no longer subject to a substantial risk of forfeiture, or (y) the date that is 2½ months after the end of the Company's taxable year for which the Restricted Period ends and the Restricted Stock Unit is no longer subject to a substantial risk of forfeiture; or (B) such earlier date as may be necessary to avoid application of Section 409A of the Code to such Award.

(b) **Performance Awards.**

(i) **Nature of Performance Awards.** A Performance Award is an Award entitling the recipient to vest in or acquire shares of Common Stock or hypothetical Common Stock units having a value equal to the Fair Market Value of an identical number of shares of Common Stock that will be settled in the form of shares of Common Stock upon the attainment of specified performance goals. The Administrator may make Performance Awards independent of or in connection with the granting of any other Award under the Plan. Performance Awards may be granted under the Plan to any Participant, including those who qualify for awards under other performance plans of the Company. The Administrator in its sole discretion shall determine whether and to whom Performance Awards will be made, the performance goals applicable under each Award, the periods during which performance is to be measured, and all other limitations and conditions applicable to the awarded shares; *provided, however*, that the Administrator may rely on the performance goals and other standards applicable to other performance plans of the Company in setting the standards for Performance Awards under the Plan.

(ii) **Performance Goals.**

(1) Performance goals will be based on a pre-established objective formula or standard that specifies the manner of determining the number of shares of Common Stock under the Performance Award that will be granted or will vest if the performance goal is attained. The Administrator shall determine the performance goals before the time that 25% of the service period has elapsed, but not later than 90 days after the commencement of the service period to which the performance goal relates.

(2) Performance goals may be based on one or more business criteria that apply to a Participant, a business unit, or the Company and its Affiliates. Such business criteria include the following: revenue; sales; earnings before all or any of interest expense, taxes, depreciation and/or amortization ("EBIT," "EBITA," or "EBITDA"); operating income; operating income per share; pre-tax or after-tax income; net cash provided by operating activities; cash available for distribution; cash available for distribution per share; working capital and components thereof; sales (net or gross) measured by product line, territory, customer or customers, or other category; return on equity or average shareholders' equity; return on assets; return on capital; enterprise value or economic value added; share price performance; improvements in the Company's attainment of expense levels; implementing or completion of critical projects; improvement in cash-flow (before or after tax); net earnings; earnings per share; earnings from continuing operations; net worth; credit rating; levels of expense, cost, or liability by category, operating unit, or any other delineation; or any increase or decrease of one or more of the foregoing over a specified period; or the occurrence of a Change in Control.

(3) A performance goal may be measured over a performance period on a periodic, annual, cumulative, or average basis and may be established on a corporate-wide basis or with respect to one or more operating units, divisions, subsidiaries, acquired businesses, minority investments, partnerships, or joint ventures. More than one performance goal may be incorporated in a performance objective, in which case achievement with respect to each performance goal may be assessed individually or in combination with each other. The Administrator may, in connection with the establishment of performance goals for a performance period, establish a matrix setting forth the relationship between performance on two or more performance goals and the amount of the Performance Award payable for that performance period. The level or levels of performance specified with respect to a performance goal may be established in absolute terms, as objectives relative to performance in prior periods, as an objective compared to the performance of one or more comparable companies or an index covering multiple companies, or otherwise as the Administrator may determine.

(4) Performance goals will be objective and, if the Company is required to be registered under Section 12 of the Exchange Act, will otherwise meet the requirements of Section 162(m) of the Code. Performance goals may differ for Performance Awards granted to any one Participant or to different Participants. A Performance Award to a Participant who is a Covered Employee will (unless the Administrator determines otherwise) provide that if the Participant's Continuous Service ceases prior to the end of the performance period for any reason, such Award will be payable only (x) if the applicable performance objectives are achieved; and (y) to the extent, if any, determined by the Administrator. Such objective performance goals are not required to be based on increases in a specific business criterion, but may be based on maintaining the status quo or limiting economic losses. With respect to Participants who are not Covered Employees, the Administrator may establish additional objective or subjective performance goals.

(iii) **Restrictions on Transfer.** Performance Awards and all rights with respect to such Performance Awards may not be sold, assigned, transferred, pledged, or otherwise encumbered.

(iv) **Satisfaction of Performance Goals.** A Participant will be entitled to receive a stock certificate evidencing the acquisition of shares of Common Stock under a Performance Award only upon satisfaction of all conditions specified in the written instrument evidencing the Performance Award (or in a performance plan adopted by the Administrator), including, without limitation, the Participant's satisfaction of applicable tax withholding obligations attributable to the Award. With respect only to a Performance Award that is denominated in hypothetical Common Stock units, the Common Stock certificate will be issued and delivered and the Participant will be entitled to the beneficial ownership rights of such Common Stock not later than (A) the later of (x) the date that is 2½ months after the end of the Participant's taxable year for which the Administrator certifies that the Performance Award conditions have been satisfied and the Performance Award is no longer subject to a substantial risk of forfeiture, or (y) the date that is 2½ months after the end of the Company's taxable year for which the Administrator certifies that the Performance Award conditions have been satisfied and the Performance Award is no longer subject to a substantial risk of forfeiture; or (B) such other date as may be necessary to avoid application of Section 409A of the Code to such Award.

(v) **Termination.** Except as may otherwise be provided by the Administrator at any time, a Participant's rights in all Performance Awards will automatically terminate upon the Participant's termination of employment (or business relationship) with the Company and its Affiliates for any reason.

(vi) **Acceleration, Waiver, Etc.** Before the first date on which any class of the Company's common equity securities is required to be registered under Section 12 of the Exchange Act or after such date with respect to Participants who are not Covered Employees, at any time before the Participant's termination of Continuous Service by the Company and its Affiliates, the Administrator may in its sole discretion accelerate, waive or, subject to **Section 12 hereof**, amend any or all of the goals, restrictions, or conditions imposed under any Performance Award. The Administrator in its discretion may provide for an acceleration of vesting in the terms of any Performance Award at any time, including upon a Change in Control. Notwithstanding the foregoing, with respect to a Covered Employee, after the first date on which any class of the Company's common equity securities is required to be registered under Section 12 of the Exchange Act, no amendment or waiver of the performance goal will be permitted, and no acceleration of payment (other than in the form of Common Stock) will be permitted unless the performance goal has been attained and the Award is discounted to reasonably reflect the time value of money attributable to such acceleration.

(vii) **Certification.** Following the completion of each performance period, the Administrator shall certify in writing, in accordance with the requirements of Section 162(m) of the Code, whether the performance objectives and other material terms of a Performance Award have been achieved or met. Unless the Administrator determines otherwise, Performance Awards will not be settled until the Administrator has made the certification specified under this **Section 7(b)(vii)**.

(c) **Stock Appreciation Rights.**

(i) **General.** Stock Appreciation Rights may be granted either alone ("**Free Standing SARs**") or, provided the requirements of **Section 7(c)(ii)** are satisfied, in tandem with all or part of any Option granted under the Plan ("**Tandem SARs**"). In the case of a Nonstatutory Stock Option, Tandem SARs may be granted either at or after the time of the grant of such Option. In the case of an Incentive Stock Option, Tandem SARs may be granted only at the time of the grant of the Incentive Stock Option.

(ii) **Grant Requirements.** A Stock Appreciation Right may only be granted if it does not provide for the deferral of compensation within the meaning of Section 409A of the Code. A Stock Appreciation Right does not provide for a deferral of compensation if: (A) the Strike Price may never be less than the Fair Market Value per share of Common Stock on the Date of Grant, (B) the compensation payable under the Stock Appreciation Right can never be greater than the difference between the Strike Price and the Fair Market Value per share of Common Stock on the date the Stock Appreciation Right is exercised, (C) the number of shares of Common Stock subject to the Stock Appreciation Right is fixed on the Date of Grant of the Stock Appreciation Right, and (D) the Stock Appreciation Right does not include any feature for the deferral of compensation other than the deferral of recognition of income until the exercise of the right.

(iii) **Exercise and Payment.** Upon delivery to the Administrator of a written request to exercise a Stock Appreciation Right, the holder of such Stock Appreciation Right will be entitled to receive from the Company, an amount equal to the product of (A) the excess of the Fair Market Value, on the date of exercise, of one share of Common Stock over the Strike Price per share specified in such Stock Appreciation Right or its related Option; multiplied by (B) the number of shares for which such Stock Appreciation Right is exercised. Payment with respect to the exercise of a Stock Appreciation Right will be paid on the date of exercise and made in shares of Common Stock valued at Fair Market Value on the date of exercise. Payment may be made in the form of shares of Common Stock (with or without restrictions as to substantial risk of forfeiture and transferability, as determined by the Administrator in its sole discretion), cash, or a combination thereof, as determined by the Administrator in its sole discretion.

(iv) **Strike Price.** The Administrator shall determine the Strike Price of a Free Standing SAR, which may not be less than 100% of the Fair Market Value per share of Common Stock on the Date of Grant of such Stock Appreciation Right. The Strike Price of a Tandem SAR granted simultaneously with or subsequent to the grant of an Option and in conjunction therewith or in the alternative thereto will be the Exercise Price of the related Option. A Tandem SAR will be transferable only upon the same terms and conditions as the related Option, and will be exercisable only to the same extent as the related Option; provided, however, that a Tandem SAR, by its terms, will be exercisable only when the Fair Market Value per share of Common Stock subject to the Tandem SAR and related Option exceeds the Strike Price per share thereof.

(v) **Reduction in the Underlying Option Shares.** Upon any exercise of a Stock Appreciation Right, the number of shares of Common Stock for which any related Option will be exercisable will be reduced by the number of shares for which the Stock Appreciation Right has been exercised. The number of shares of Common Stock for which a Tandem SAR is exercisable will be reduced upon any exercise of any related Option by the number of shares of Common Stock for which such Option has been exercised.

(vi) **Written Request.** Unless otherwise determined by the Administrator in its sole discretion, Stock Appreciation Rights will be settled in the form of Common Stock. If permitted in the Award Agreement, a Participant may request that any exercise of a Stock Appreciation Right be settled for cash, but a Participant will not have any right to demand a cash settlement. A request for a cash settlement may be made only by a written request filed with the Corporate Secretary of the Company during the period beginning on the third business day following the date of release for publication by the Company of quarterly or annual summary statements of earnings and ending on the twelfth business day following such date. Within 30 days of the receipt by the Company of a written request to receive cash in full or partial settlement of a Stock Appreciation Right or to exercise such Stock Appreciation Right for cash, the Administrator shall, in its sole discretion, either consent to or disapprove, in whole or in part, such written request. A written request to receive cash in full or partial settlement of a Stock Appreciation Right or to exercise a Stock Appreciation Right for cash may provide that, if the Administrator disapproves such written request, such written request will be deemed to be an exercise of such Stock Appreciation Right for shares of Common Stock.

(vii) **Disapproval by Administrator.** If the Administrator disapproves in whole or in part any request by a Participant to receive cash in full or partial settlement of a Stock Appreciation Right or to exercise such Stock Appreciation Right for cash, such disapproval will not affect such Participant's right to exercise such Stock Appreciation Right at a later date, to the extent that such Stock Appreciation Right will be otherwise exercisable, or to request a cash form of payment at a later date, provided that a request to receive cash upon such later exercise will be subject to the approval of the Administrator. Additionally, such disapproval will not affect such Participant's right to exercise any related Option.

(viii) **Restrictions on Transfer.** Stock Appreciation Rights and all rights with respect to such Awards may not be sold, assigned, transferred, pledged, or otherwise encumbered.

8. Covenants of the Company

(a) **Availability of Shares.** During the terms of the Awards, the Company shall keep available at all times the number of shares of Common Stock required to satisfy such Awards.

(b) **Securities Law Compliance.** Each Award Agreement will provide that no shares of Common Stock may be purchased or sold thereunder unless and until any then applicable requirements of state, federal, or applicable foreign laws and regulatory agencies have been fully complied with to the satisfaction of the Company and its counsel. The Company shall use reasonable efforts to seek to obtain from each regulatory commission or agency having jurisdiction over the Plan such authority as may be required to grant Awards and to issue and sell shares of Common Stock upon exercise of the Awards; *provided, however*, that this undertaking will not require the Company to register under the Securities Act the Plan, any Award, or any Common Stock issued or issuable pursuant to any such Award. If, after reasonable efforts, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company deems necessary for the lawful issuance and sale of Common Stock under the Plan, the Company will be relieved from any liability for failure to issue and sell Common Stock upon exercise of such Awards unless and until such authority is obtained.

9. **Use of Proceeds from Stock**

Proceeds from the sale of Common Stock pursuant to Awards will constitute general funds of the Company.

10. **Miscellaneous**

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

(b) **Shareholder Rights.** Except as provided in Section 11(a) hereof or as otherwise provided in an Award Agreement, no Participant will be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares of Common Stock subject to an Award unless and until the Participant has satisfied all requirements for exercise, payment, or delivery of the Award, as applicable, pursuant to its terms, and no adjustment will be made for dividends (ordinary or extraordinary, whether in cash, securities, or other property) or distributions of other rights for which the record date is prior to the date of issue of a Common Stock certificate.

(c) **No Employment or Other Service Rights.** Nothing in the Plan or any instrument executed or Award granted pursuant thereto will confer upon any Participant any right to continue to serve the Company or an Affiliate in the capacity in effect at the time the Award was granted or will affect the right of the Company or an Affiliate to terminate (i) the employment of an Employee with or without notice and with or without Cause; (ii) the service of a Consultant pursuant to the terms of such Consultant's agreement with the Company or an Affiliate; or (iii) the service of a Director pursuant to the Bylaws of the Company or an Affiliate, and any applicable provisions of the corporate law of the state in which the Company or the Affiliate is incorporated, as the case may be.

(d) **Investment Assurances.** The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any Award, (i) to give written assurances satisfactory to the Company as to the Participant's knowledge and experience in financial and business matters and/or to employ a purchaser representative reasonably satisfactory to the Company who is knowledgeable and experienced in financial and business matters and that he or she is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Common Stock subject to the Award for the Participant's own account and not with any present intention of selling or otherwise distributing the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, will be inoperative if (x) the issuance of the shares of Common Stock upon the exercise or acquisition of Common Stock under the Award has been registered under a then currently effective registration statement under the Securities Act; or (y) as to any particular requirement, a determination is made by counsel for the Company that such requirement need not be met in the circumstances under the then applicable securities laws. The Company may, upon advice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in order to comply with applicable securities laws, including, but not limited to, legends restricting the transfer of the Common Stock.

(e) **Withholding Obligations.** To the extent provided by the terms of an Award Agreement and subject to the discretion of the Administrator, the Participant may satisfy any federal, state, or local tax withholding obligation relating to the exercise or acquisition of Common Stock under an Award by any of the following means (in addition to the Company's right to withhold from any compensation paid to the Participant by the Company) or by a combination of such means: (i) tendering a cash payment; (ii) authorizing the Company to withhold shares of Common Stock from the shares of Common Stock otherwise issuable to the Participant as a result of the exercise or acquisition of Common Stock under the Award, *provided, however*, that the value of shares of Common Stock withheld does not exceed the minimum amount of tax required to be withheld by law; (iii) delivering to the Company previously owned and unencumbered shares of Common Stock; or (iv) by execution of a recourse promissory note by a Participant. Notwithstanding the foregoing, during any period for which the Company has any class of its securities listed on a national securities exchange in the United States, has securities registered under Section 12 of the Exchange Act, is required to file reports under Section 13(a) or 15(d) of the Exchange Act, or has a registration statement pending under the Securities Act, payment of the tax withholding with a promissory note or other transaction by a Participant that involves or may involve a Prohibited Personal Loan is prohibited with respect to any Award. Unless otherwise provided in the terms of an Option Agreement, payment of the tax withholding by a Participant who is an Insider by delivering previously owned and unencumbered shares of Common Stock or in the form of share withholding is subject to pre-approval by the Administrator, in its sole discretion. The Administrator shall document any such pre-approval in the case of a Participant who is an Officer or Director in a manner that complies with the specificity requirements of Rule 16b-3, including the name of the Participant involved in the transaction, the nature of the transaction, the number of shares to be acquired or disposed of by the Participant and the material terms of the Award involved in the transaction.

(f) **Right of Repurchase.** Each Award Agreement may provide that, following a termination of the Participant's Continuous Service, the Company may repurchase the Participant's unvested Common Stock acquired under the Plan as provided in this **Section 10(f)** (the "**Right of Repurchase**"). The Right of Repurchase for unvested Common Stock will be exercisable at a price equal to the lesser of the purchase price at which such Common Stock was acquired under the Plan or the Fair Market Value of such Common Stock (if an Award is granted solely in consideration of past or future services without payment of any additional consideration, the unvested Common Stock will be forfeited without any repurchase). The Award Agreement may specify the period following a termination of the Participant's Continuous Service during which the Right of Repurchase may be exercised.

11. **Adjustments upon Changes in Stock**

(a) **Capitalization Adjustments.** If any change is made in the Common Stock subject to the Plan, or subject to any Award, without the receipt of consideration by the Company (through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure, or other transaction not involving the receipt of consideration by the Company), then the Administrator shall proportionately adjust (i) the aggregate number of shares of Common Stock or class of shares that may be purchased pursuant to Awards granted hereunder; (ii) the aggregate number of shares of Common Stock or class of shares that may be purchased pursuant to Incentive Stock Options granted hereunder; (iii) the number and/or class of shares of Common Stock covered by outstanding Options and Awards; (iv) the maximum number of shares of Common Stock with respect to which Options may be granted to any single Optionholder during any calendar year; and (v) the Exercise Price of any Option in effect prior to such change to reflect any increase or decrease in the number of issued shares of Common Stock or change in the Fair Market Value of such Common Stock resulting from such transaction; *provided, however*, that any fractional shares resulting from the adjustment may be eliminated by a cash payment. The Administrator shall make such adjustments in a manner that will provide an appropriate adjustment that neither increases nor decreases the value of such Award as in effect immediately prior to such corporate change, and its determination will be final, binding and conclusive. The conversion of any securities of the Company that are by their terms convertible will not be treated as a transaction "without receipt of consideration" by the Company.

(b) **Dissolution or Liquidation.** In the event of a dissolution or liquidation of the Company, then, subject to **Section 11(c)**, all outstanding Awards will terminate immediately prior to such event.

(c) **Change in Control – Asset Sale, Merger, Consolidation, or Reverse Merger .** In the event of a Change in Control, a dissolution or liquidation of the Company, an exchange of shares, or any corporate separation or division, including, but not limited to, a split-up, a split-off or a spin-off, or a sale, in one or a series of related transactions, of all or substantially all of the assets of the Company; a merger or consolidation in which the Company is not the Surviving Entity; or a reverse merger in which the Company is the Surviving Entity, but the shares of Common Stock outstanding immediately preceding the merger are converted by virtue of the merger into other property, whether in the form of securities, cash, or otherwise, then the Company, to the extent permitted by applicable law, but otherwise in the sole discretion of the Administrator may provide for: (i) the continuation of outstanding Awards by the Company (if the Company is the Surviving Entity); (ii) the assumption of the Plan and such outstanding Awards by the Surviving Entity or its parent; (iii) the substitution by the Surviving Entity or its parent of awards with substantially the same terms (including an award to acquire the same consideration paid to the shareholders in the transaction described in this **Section 11(c)**) for such outstanding Awards and, if appropriate, subject to the equitable adjustment provisions of **Section 11(a)** hereof; (iv) the cancellation of such outstanding Awards in consideration for a payment (in the form of stock or cash) equal in value to the Fair Market Value of vested Awards, or in the case of an Option, the difference between the Fair Market Value and the Exercise Price for all shares of Common Stock subject to exercise (i.e., to the extent vested) under any outstanding Option; or (v) the cancellation of such outstanding Awards without payment of any consideration. If such Awards would be canceled without consideration for vested Awards, the Participant will have the right, exercisable during the later of the 10-day period ending on the fifth day prior to such merger or consolidation or 10 days after the Administrator provides the Award holder a notice of cancellation, to exercise such Awards in whole or in part without regard to any installment exercise provisions in the Option Agreement.

12. **Amendment of the Plan and Awards**

(a) **Amendment of Plan.** The Board at any time may amend or terminate the Plan. However, except as provided in **Section 11(a)** relating to adjustments upon changes in Common Stock, no amendment will be effective unless approved by the shareholders of the Company to the extent shareholder approval is necessary to satisfy any applicable law or any securities exchange listing requirements. At the time of such amendment, the Board shall determine, upon advice from counsel, whether such amendment will be contingent on shareholder approval.

(b) **Shareholder Approval.** The Board may, in its sole discretion, submit any other amendment to the Plan for shareholder approval, including, but not limited to, amendments to the Plan intended to satisfy the requirements of Section 162(m) of the Code and the regulations thereunder regarding the exclusion of performance-based compensation from the limit on corporate deductibility of compensation paid to certain executive officers.

(c) **Contemplated Amendments.** It is expressly contemplated that the Board may amend the Plan in any respect the Board deems necessary or advisable to provide eligible Employees with the maximum benefits provided or to be provided under the provisions of the Code and the regulations promulgated thereunder relating to Incentive Stock Options or to the nonqualified deferred compensation provisions of Section 409A of the Code and to bring the Plan and Awards granted hereunder into compliance therewith. Notwithstanding the foregoing, neither the Board nor the Company nor any Affiliate will have any liability to any Participant or any other Person as to (i) any tax consequences expected, but not realized, by a Participant or any other person due to the receipt, exercise, or settlement of any Award granted hereunder; or (ii) the failure of any Award to comply with Section 409A of the Code.

(d) **No Impairment of Rights.** No amendment of the Plan may impair rights under any Award granted before such amendment unless (i) the Company requests the consent of the Participant and (ii) the Participant consents in writing. For the avoidance of doubt, a cancellation of an Award where the Participant receives a payment equal in value to the Fair Market Value of the vested Award or, in the case of vested Options, the difference between the Fair Market Value and the Exercise Price, is not an impairment of the Participant's rights that requires consent of the Participant.

(e) **Amendment of Awards.** The Administrator at any time may amend the terms of any one or more Awards; provided, however, that the Administrator may not effect any amendment that would otherwise constitute an impairment of the rights under any Award unless (i) the Company requests the consent of the Participant and (ii) the Participant consents in writing. For the avoidance of doubt, the cancellation of a vested Award where the Participant receives a payment equal in value to the Fair Market Value of the vested Award or, in the case of vested Options, the difference between the Fair Market Value of the Common Stock underlying the Option and the aggregate Exercise Price, will not be an impairment of the Participant's rights that requires consent of the Participant; provided further, that without shareholder approval, except as otherwise permitted under Section 11, (x) no amendment or modification may reduce the Exercise Price of any Option or the Strike Price of any SAR; (y) the Committee may not cancel any outstanding Option or SAR and replace it with a new Option or SAR, another Award or cash; and (z) the Committee may not take any other action that is considered a "repricing" for purposes of the shareholder approval rules of the applicable securities exchange or inter-dealer quotation system on which the Common Stock is listed or quoted.

13. **General Provisions**

(a) **Other Compensation Arrangements.** Nothing contained in the Plan will prevent the Board from adopting other or additional compensation arrangements, subject to shareholder approval if such approval is required; and such arrangements may be either generally applicable or applicable only in specific cases.

(b) **Recapitalizations.** Each Award Agreement will contain provisions required to reflect the provisions of Section 11(a).

(c) **Delivery.** Upon exercise of a right granted pursuant to an Award under the Plan, the Company shall issue Common Stock or pay any amounts due within a reasonable period thereafter. Subject to any statutory or regulatory obligations the Company may otherwise have, for purposes of the Plan, 30 days will be considered a reasonable period.

(d) **Other Provisions.** The Award Agreements authorized under the Plan may contain such other provisions not inconsistent with the Plan, including, without limitation, restrictions upon the exercise of the Awards, as the Administrator may deem advisable.

(e) **Cancellation and Rescission of Awards for Detrimental Activity.**

(i) Upon exercise, payment, or delivery pursuant to an Award, the Administrator may require a Participant to certify in a manner acceptable to the Company that the Participant has not engaged in any Detrimental Activity.

(ii) Unless the Award Agreement specifies otherwise, the Administrator may cancel, rescind, suspend, withhold, or otherwise limit or restrict any unexpired, unpaid, or deferred Awards at any time if the Participant engages in any Detrimental Activity.

(iii) If a Participant engages in Detrimental Activity after any exercise, payment, or delivery pursuant to an Award, during any period for which any restrictive covenant prohibiting such activity is applicable to the Participant, such exercise, payment, or delivery may be rescinded within one year thereafter. In the event of any such rescission, the Participant shall pay to the Company the amount of any gain realized or payment received as a result of the exercise, payment, or delivery, in such manner and on such terms and conditions as may be required by the Company. The Company will be entitled to set-off against the amount of any such gain any amount owed to the Participant by the Company.

14. **Market Stand-Off**

Each Option Agreement and Award Agreement will provide that, in connection with any underwritten public offering by the Company of its equity securities, the Participant shall agree not to sell, make any short sale of, loan, hypothecate, pledge, grant any option for the repurchase of, transfer the economic consequences of ownership, or otherwise dispose or transfer for value or otherwise agree to engage in any of the foregoing transactions with respect to any Common Stock without the prior written consent of the Company or its underwriters, for such period from and after the effective date of such registration statement as may be requested by the Company or such underwriters (the "**Market Stand-Off**"). In order to enforce the Market Stand-Off, the Company may impose stop-transfer instructions with respect to the shares of Common Stock acquired under the Plan until the end of the applicable stand-off period. If there is any change in the number of outstanding shares of Common Stock by reason of a stock split, reverse stock split, stock dividend, recapitalization, combination, reclassification, dissolution, or liquidation of the Company, any corporate separation or division (including, but not limited to, a split-up, a split-off, or a spin-off), a merger or consolidation; a reverse merger, or similar transaction, then any new, substituted, or additional securities that are by reason of such transaction distributed with respect to any shares of Common Stock subject to the Market Stand-Off, or into which such shares of Common Stock thereby become convertible, will immediately be subject to the Market Stand-Off.

15. **Effective Date of Plan**

The Plan is effective as of February 11, 2011, the date on which the Board adopted the Plan (the "**Effective Date**"). No Award granted on or after the Effective Date may be exercised (or, in the case of a stock Award, may be granted) unless and until the Plan has been approved by the shareholders of the Company, which approval must be within 12 months before or after the date the Plan is adopted by the Board.

16. **Termination or Suspension of the Plan**

The Plan will terminate automatically on the day before the 10th anniversary of the Effective Date. No Award may be granted pursuant to the Plan after such date, but Awards theretofore granted may extend beyond that date. The Board may suspend or terminate the Plan at any earlier date pursuant to Section 12(a) hereof. No Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

17. **Choice of Law**

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

18. **Limitation on Liability**

The Company and any Affiliate that is in existence or that hereinafter comes into existence will have no liability to any Participant or any other person as to (a) the non-issuance or sale of shares of Common Stock as to which the Company has been unable to obtain from any regulatory body having jurisdiction the authority deemed by counsel to the Company necessary to the lawful issuance and sale of any shares hereunder; (b) any tax consequences expected, but not realized, by a Participant or any other person due to the receipt, exercise, or settlement of any Award granted hereunder; or (c) the failure of any Award that is determined to constitute "nonqualified deferred compensation" to comply with Section 409A of the Code and the regulations thereunder.

19. **Execution**

To record the adoption of the Plan by the Board, the Company has caused its authorized officer to execute the Plan as of the date specified below.

Signature page follows

Stock Option Award (#) _____

LAREDO OIL, INC.
2011 EQUITY INCENTIVE PLAN
STOCK OPTION AWARD CERTIFICATE

THIS IS TO CERTIFY that Laredo Oil, Inc., a Delaware corporation (the "**Company**"), has granted you ("**Participant**") an option to purchase shares of Common Stock of the Company under its 2011 Equity Incentive Plan (the "**Plan**"), as follows:

Name of Participant: _____
Address of Participant: _____

Total Option Shares: _____

Exercise Price per Share: \$[Y]

Type of Option: Incentive Stock Option Nonstatutory Stock Option

Date of Grant: _____

Expiration Date: _____

Vesting Commencement Date: _____

Vesting Schedule: _____

Anniversary of Vesting Commencement Date	Percentage of Option Shares Vested
1 st Anniversary	33-1/3%
2 nd Anniversary	33-1/3%
3 rd Anniversary	33-1/3%

By your signature and the signature of the Company's representative below, you and the Company agree to be bound by all of the terms and conditions of the Stock Option Agreement, which is attached hereto as Annex I and the Plan (both incorporated herein by this reference as if set forth in full in this document). By executing this Certificate, you hereby irrevocably elect to accept the Stock Option rights granted pursuant to this Certificate and the related Stock Option Agreement and to receive the Option to purchase shares of Common Stock of Laredo Oil, Inc. designated above subject to the terms of the Plan, this Certificate and the Stock Option Agreement.

Participant:

_____, an individual

Laredo Oil, Inc.
By: _____
[Name and Title]

Dated: _____

Dated: _____

LAREDO OIL, INC.
2011 EQUITY INCENTIVE PLAN
STOCK OPTION AGREEMENT

This Stock Option Agreement (this "**Agreement**"), is made and entered into on the execution date of the Stock Option Award Certificate to which it is attached (the "**Certificate**"), by and between Laredo Oil, Inc., a Delaware corporation (the "**Company**"), and the Participant named in the Certificate.

Pursuant to the Laredo Oil, Inc. 2011 Equity Incentive Plan (the "**Plan**"), the Administrator of the Plan has authorized the grant to Participant of the option to purchase shares of the Company's Common Stock (the "**Award**"), upon the terms and subject to the conditions set forth in the Certificate, this Agreement and in the Plan. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Plan.

NOW, THEREFORE, in consideration of the premises and the benefits to be derived from the mutual observance of the covenants and promises contained herein and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Grant of Option.** The Company hereby grants to Participant an option (the "**Option**") to purchase the number of shares of Common Stock (the "**Option Shares**") set forth in the Certificate as Total Option Shares at the Exercise Price per share set forth in the Certificate, subject to all of the terms and conditions of the Certificate, this Agreement and the Plan. If designated as an Incentive Stock Option in the Certificate, the Option is intended to qualify as an "incentive stock option" (an "**ISO**") as defined in Section 422(b) of the Code, although the Company makes no representation or guarantee that the Option will qualify as an ISO.

2. **Right to Exercise**

2.1 **Vesting.** The Option will vest and become exercisable according to the Vesting Schedule set forth in the Certificate. If application of the Vesting Schedule causes a fractional Share to otherwise become exercisable, such Share will be rounded down to the nearest whole Share for each vesting period except for the last period in such vesting period, at which time the Option will become exercisable for the full remainder of the Option Shares.

2.2 **Exercise Period.** Unless the Option expires as provided in Section 3 hereof, the Option may be exercised after the Date of Grant set forth in the Certificate to the extent the Option has vested. The Option cannot be exercised for fractional Option Shares. The Option Shares issued upon exercise of the Option will be subject to the restrictions on transfer set forth in Section 10 hereof.

2.3 **Shareholder Approval.** Notwithstanding anything herein to the contrary, no portion of this Option will be exercisable at any time before the Company's shareholders have approved the Plan.

3. **Expiration.** The Option will expire at 12:01 am Central Standard Time on the Expiration Date set forth in the Certificate or earlier as provided in Section 4 hereof.

4. **Termination of Continuous Service.** Unless otherwise provided in an employment agreement or service agreement, the terms of which have been approved by the Administrator, the right to exercise the Option is subject to the following terms and conditions.

4 . 1 Forfeiture of Unvested Options. If Participant's Continuous Service is terminated for any reason (including Participant's death or Disability) other than Cause, the unvested portion of the Option will terminate at the close of business on the date of such termination of Continuous Service.

4.2 Termination for Any Reason except Death, Disability, or Cause. If Participant's Continuous Service is terminated for any reason other than Participant's death or Disability or for Cause, Participant will be entitled to exercise the Option, but only to the extent that it is exercisable by Participant on the date of such termination, until the earlier of (a) the date that is three months after the date of termination of Continuous Service, or (b) the Expiration Date, after which such right will expire and the Option will terminate.

4 . 3 Termination Because of Death or Disability. If Participant's Continuous Service is terminated by reason of Participant's death or Disability (or if Participant dies within three months after the date of termination of Participant's Continuous Service for any reason other than Cause or Participant's Disability), Participant (or Participant's legal representative, executor, administrator, heir, or legatee, as the case may be) may exercise the Option, but only to the extent that it is exercisable by Participant on the date of termination of Continuous Service, until the earlier of (a) one year after the date of termination of Participant's Continuous Service, or (b) the Expiration Date, after which such right will expire and the Option will terminate.

4.4 Termination for Cause. If the Company or any Affiliate terminates Participant's Continuous Service for Cause, then all of Participant's rights hereunder will expire and the entire Option will terminate, regardless of whether or to what extent vested, as of the beginning of business on the Termination Date.

4 . 5 Extension of Option Termination Date. If the exercise of the Option following the termination of Participant's Continuous Service for any reason (other than for Cause) would violate any applicable federal, state, or local law, then notwithstanding anything herein to the contrary, the Option will remain exercisable, but only to the extent that it is exercisable by Participant on the date of termination of Continuous Service, until the earlier of (a) the 30th day after the exercise of the Option would no longer violate any applicable federal, state or local law, or (b) the Expiration Date, after which such right will expire and the Option will terminate

4 . 6 Effect of Termination of Employment on ISO Status. If permitted by this Agreement, any exercise beyond (a) three months after the date of termination of Participant's employment with the Company and its Affiliates for any reason other than Participant's death or Disability, or (b) 12 months after the date of termination of Participant's employment with the Company and its Affiliates by reason of Participant's death or Disability, will be treated as an exercise of a Nonstatutory Stock Option and not an ISO.

5. Manner of Exercise

5 . 1 *Stock Option Exercise Agreement.* To exercise this Option, Participant (or in the case of exercise after Participant's death or incapacity, Participant's legal representative, executor, administrator, heir or legatee, as the case may be) must deliver to the Administrator a fully executed stock option exercise agreement in the form attached hereto as Annex II, or in any other form as approved by the Administrator (the "**Exercise Agreement**"). The Exercise Notice must set forth, *inter alia*, (a) Participant's election to exercise the Option; (b) the number of Option Shares being purchased; (c) any restrictions imposed on the Option Shares; and (d) any representations, warranties, and agreements regarding Participant's investment intent and access to information as the Company may require to comply with applicable securities laws. If someone other than Participant exercises the Option, then such person must submit documentation reasonably acceptable to the Company verifying that such person has the legal right to exercise the Option.

5.2 *Payment.* The entire Exercise Price must be paid in full by cash or check for an amount equal to the aggregate Exercise Price for the number of Option Shares being purchased (plus applicable tax withholding). Alternatively, in the Administrator's sole discretion and upon such terms as the Administrator approves, the Exercise Price may be paid as follows:

(a) By a Stock for Stock Exercise pursuant to Section 6.3 of the Plan, but only to the extent that the shares of Common Stock used are not subject to any pledge or security interest and either were previously acquired by the Participant on the open market or meet such other requirements, if any, as the Administrator determines are necessary to avoid an accounting earnings charge due to the use of such shares to pay the Exercise Price. A Stock for Stock Exercise by a Participant who is an Insider is subject to pre-approval by the Administrator, in its sole discretion, in a manner that complies with the specificity requirements of Rule 16b-3;

(b) During any period for which the Common Stock is readily tradable on an Established Securities Market, either (i) by a Cashless Exercise pursuant to Section 6.3 of the Plan, using a broker-dealer designated by or acceptable to the Administrator (an "**Approved Broker-Dealer**"), including through a "margin" commitment from Participant and the Approved Broker-Dealer whereby Participant irrevocably elects to exercise the Option and to pledge the purchased Option Shares to the Approved Broker-Dealer in a margin account as security for a loan from the Approved Broker-Dealer in the amount of the total Exercise Price, and whereby the Approved Broker-Dealer irrevocably commits upon receipt of such Option Shares to forward the total Exercise Price directly to the Company; *provided, however*, that a Cashless Exercise by a Participant that involves or may involve a Prohibited Personal Loan will not be permitted;

(c) By any other form of legal consideration acceptable to the Administrator, including without limitation with a full-recourse promissory note subject to such term, interest rate, amortization requirements, and any other provision as the Administrator determines in its sole discretion, including a statement directing the Administrator to retain such number of shares of Common Stock from any transfer to the Participant ("**Stock Withholding**") that otherwise would have been delivered by the Company upon exercise of the Option having a Fair Market Value equal to all or part of the Exercise Price of such Option exercise. If, however, the Option Shares have a stated par value and applicable law requires, the par value of the Option Shares, if newly issued, must be paid in cash or cash equivalents. Unless the Administrator determines otherwise, upon payment with such promissory note the Participant must pledge to the Company as security for payment of the unpaid balance of the loan shares of Common Stock having a Fair Market Value no less than the principal amount of the loan, and such pledge must be evidenced by a pledge agreement, the terms of which the Administrator shall determine in its discretion. Any such loan must comply with all applicable laws, regulations, and rules of the Board of Governors of the Federal Reserve System and any other governmental agency having jurisdiction; or

(d) By any combination of the foregoing acceptable to the Administrator.

5 . 3 *Tax Withholding.* As a condition to the exercise of the Option, before the issuance of the Option Shares Participant must pay or provide for any applicable federal, state, and local withholding obligations of the Company. If the Administrator permits, Participant may provide for payment of withholding taxes upon exercise of the Option by one or more of the following means: (a) cash payment; (b) Cashless Exercise; (c) tendering previously acquired and unencumbered shares of Common Stock with a Fair Market Value on the date of surrender equal to the minimum statutory amount of taxes required to be withheld by law; or (d) by requesting that the Company retain so many of the Option Shares that would otherwise be issuable to Participant as a result of the exercise of this Option as have a Fair Market Value on the exercise date equal to the minimum statutory amount of taxes required to be withheld by law ("**Share Withholding**"), in which case the Company will issue the net number of Option Shares to Participant by deducting the Option Shares retained from the Option Shares issuable upon exercise. Payment of the tax withholding by a Participant who is an Insider by a tender of Common Stock or in the form of Share Withholding is subject to pre-approval by the Administrator, in its sole discretion, in a manner that complies with the specificity requirements of Rule 16b-3.

5.4 *Issuance of Option Shares.* Subject to the conditions that the Exercise Agreement and payment (including applicable tax withholding) are in form and substance satisfactory to the Administrator, the Company shall issue the Option Shares registered in the name of Participant, Participant's authorized assignee, or Participant's legal representative. The Option will be deemed exercised upon the Administrator's receipt of the fully executed Exercise Notice accompanied by required payment. The Company shall deliver certificates representing the Option Shares with the appropriate legends affixed thereto. If the Option Shares are not fully vested, the Company may hold such certificates in its custody until vested.

6 . **Compliance with Laws and Regulations.** The exercise of the Option and the issuance and transfer of Option Shares is subject to the Company's and Participant's full compliance, to the satisfaction of the Company and its counsel, with all applicable requirements of federal, state, and foreign securities laws and with all applicable requirements of any securities exchange on which the Common Stock may be listed at the time of such issuance or transfer. Participant understands that the Company is under no obligation to register or qualify the Option Shares with the Securities Exchange Commission, any state securities commission, any foreign securities regulatory authority, or any securities exchange to effect such compliance.

7 . **Notice of Disqualifying Disposition of ISO Shares.** If the Option is an ISO and Participant sells or otherwise disposes of any of the Option Shares acquired pursuant to the ISO on or before the later of (a) the second anniversary of the Date of Grant, and (b) the first anniversary of the transfer of such Option Shares to Participant upon exercise of the Option, Participant shall immediately notify the Company in writing of such disposition. If any such disposition causes Participant to be subject to income tax withholding by the Company on the income recognized by Participant, Participant shall satisfy such withholding obligation by payment in cash or out of the current wages or other compensation payable to Participant by Company or any Affiliate.

8 . **Non-Transferability of Option.** If the Option is an ISO, the Option may not be transferred in any manner other than by will or by the laws of descent and distribution and may be exercised during the lifetime of Participant only by Participant or, in the event of Participant's incapacity, by Participant's legal representative. If the Option is not an ISO, upon the Administrator's written approval the Option may be transferred by gift or domestic relations order to a Permitted Transferee pursuant to Section 6.5 of the Plan.

9 . **Privileges of Stock Ownership.** Participant will not have any of the rights of a shareholder with respect to any Option Shares before the Option Shares are issued to Participant.

10. **Restrictions on Transfer**

10.1 *Securities Law Restrictions.* Regardless of whether the offering and sale of shares of Common Stock under the Plan have been registered under the Securities Act or have been registered or qualified under the securities laws of any state or foreign jurisdiction, the Company at its discretion may impose restrictions on the sale, pledge or other transfer of the Option Shares (including the placement of appropriate legends on stock certificates or the imposition of stop-transfer instructions) if, in the judgment of the Company, such restrictions are necessary or desirable to achieve compliance with the Securities Act, the securities laws of any state or foreign jurisdiction, or any other law.

10.2 *Consent to Market Stand-Off.* If an underwritten public offering by the Company of its equity securities occurs, the Participant agrees not to sell, make any short sale of, loan, hypothecate, pledge, grant any option for the repurchase of, transfer the economic consequences of ownership, or otherwise dispose or transfer for value or otherwise agree to engage in any of the foregoing transactions with respect to any Option Shares without the prior written consent of the Company or its underwriters, for such period of time from and after the effective date of such registration statement as may be requested by the Company or such underwriters. In order to enforce such Market Stand-Off, the Company may impose stop-transfer instructions with respect to the Option Shares acquired under this Agreement until the end of the applicable stand-off period. If there is any change in the number of outstanding shares of Common Stock by reason of a stock split, reverse stock split, stock dividend, recapitalization, combination, reclassification, dissolution or liquidation of the Company, any corporate separation or division (including, but not limited to, a split-up, a split-off, or a spin-off), a merger or consolidation, a reverse merger, or similar transaction, then any new, substituted, or additional securities which are by reason of such transaction distributed with respect to any Option Shares subject to the Market Stand-Off, or into which such Option Shares thereby become convertible, will immediately be subject to the Market Stand-Off.

10.3 *Administration.* Any determination by the Administrator and its counsel in connection with any of the matters set forth in this Section 10 will be conclusive and binding on Participant and all other persons.

10.4 *Right of Repurchase.* Unvested Option Shares acquired pursuant to the exercise of this Option will be subject to the Company's Right of Repurchase in accordance with Section 10.6 of the Plan.

11. **Obligation to Sell.** Notwithstanding anything herein to the contrary, if at any time following Participant's acquisition of Option Shares hereunder, shareholders of the Company owning 51% or more of the Common Stock (on a fully diluted basis) (the "**Control Sellers**") enter into an agreement (including any agreement in principal) to transfer all of their shares to any person or group of persons who are not affiliated with the Control Sellers, such Control Sellers may require each shareholder who is not a Control Seller (a "**Non-Control Seller**") to sell all of their shares to such person or group of persons at a price and on terms and conditions the same as those on which such Control Sellers have agreed to sell their shares, other than terms and conditions relating to the performance or non-performance of services. For the purposes of the preceding sentence, an affiliate of a Control Seller is a person who controls, is controlled by, or which is under common control with, the Control Seller.

12. **No Right to Continued Service.** Nothing in this Agreement or the Plan imposes or may be deemed to impose, by implication or otherwise, any limitation on any right of the Company or any Affiliate to terminate Participant's Continuous Service at any time.

13. **General**

13.1 *Interpretation.* Any dispute regarding the interpretation of this Agreement must be submitted by Participant or the Company to the Administrator for review. The resolution of such a dispute by the Administrator will be final and binding on the Company and Participant.

13.2 *Entire Agreement.* The Plan and the Certificate are incorporated herein by reference, and together with this Agreement constitute the entire agreement of the parties and supersede all prior undertakings and agreements with respect to the subject matter hereof. In the event of a conflict or inconsistency between the terms and conditions of this Agreement, the Certificate, and the Plan, the Plan will govern.

13.3 *Notices.* Any notice required under this Agreement to be delivered to the Company must be in writing and addressed to the Corporate Secretary of the Company at its principal corporate offices. Any notice required to be delivered to Participant must be in writing and addressed to Participant at the address indicated on the Certificate or to such other address as Participant designates in writing to the Company. All notices will be deemed to have been delivered: (a) upon personal delivery, (b) five days after deposit in the United States mails by certified or registered mail (return receipt requested), (c) two business days after deposit with any return receipt express courier (prepaid), or (d) one business day after transmission by facsimile.

13.4 *Successors and Assigns.* The Company may assign any of its rights under this Agreement. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement is binding upon Participant and Participant's heirs, executors, administrators, legal representatives, successors, and assigns.

13.5 *Governing Law.* This Agreement is governed by and construed in accordance with the laws of the State of Delaware without giving effect to its conflict of law principles. If any provision of this Agreement is determined by a court of law to be illegal or unenforceable, then such provision will be enforced to the maximum extent possible and the other provisions of the Agreement will remain fully effective and enforceable.

14. **Receipt and Acceptance.** Participant acknowledges receipt of a copy of the Plan, a copy of the prospectus dated [_____, 2011] covering the shares of Common Stock reserved for issuance under the Plan, the Certificate, and this Agreement. Participant has read and understands the terms of the Plan, the Certificate, and this Agreement, and agrees to be bound by their terms and conditions. Participant acknowledges that there may be adverse tax consequences upon exercise of the Option or disposition of the Option Shares and that Participant should consult a tax advisor before such exercise or disposition.

STOCK OPTION EXERCISE AGREEMENT

- Incentive Stock Option
- Nonstatutory Stock Option

Option Holder: _____

Date: _____

Laredo Oil, Inc.

Attention: Chief Financial Officer

Ladies and Gentlemen:

1. **Option.** I was granted an option (the "**Option**") to purchase shares of the common stock (the "**Option Shares**") of Laredo Oil, Inc., a Delaware corporation (the "**Company**"), pursuant to the Company's 2011 Equity Incentive Plan (the "**Plan**"), my Certificate of Stock Option Award (the "**Certificate**") and my Stock Option Agreement (the "**Option Agreement**") as follows:

Stock Option Award Number: _____

Date of Grant: _____

Number of Option Shares: _____

Exercise Price per Share: \$ _____

2. **Exercise of Option.** I hereby elect to exercise the Option to purchase the following number of Option Shares, all of which are vested Option Shares in accordance with the Certificate and the Option Agreement:

Total Option Shares Purchased: _____

Total Exercise Price
(Total Option Shares Purchased
X Exercise Price per Share) \$ _____

3. **Payments.** I enclose payment in full of the Total Exercise Price for the Option Shares in the following form or forms, as authorized by the Option Agreement:

Cash: \$ _____

Check: \$ _____

Tender of Company Stock: Contact Plan Administrator

4. **Tax Withholding.** As a condition of exercise, I authorize payroll withholding and otherwise will make adequate provision for the federal, state, local, and foreign tax withholding obligations of the Company, if any, in connection with the Option in one or more of the following forms:

Cash: \$ _____

Check: \$ _____

Tender of Company Stock: Contact Plan Administrator

5. **Option Holder Information.**

My address is: _____

My Social Security Number is: _____

6. **No Detrimental Activity.** I hereby certify that I am in compliance with the terms and conditions of the Plan and have not engaged in any Detrimental Activity as defined in the Plan.

7. **Notice of Disqualifying Disposition.** If the Option is an Incentive Stock Option, I agree that I will promptly notify the Treasurer of the Company if I transfer any of the Option Shares within **one year** from the date I exercise all or part of the Option or within **two years** of the Date of Grant of the Option.

8. **Binding Effect.** I understand and agree that I am purchasing the Option Shares pursuant to the terms of the Plan, the Certificate, and the Option Agreement, copies of which I have received and read carefully and understand, and to all of which I hereby expressly assent. This Agreement will inure to the benefit of and be binding upon my heirs, executors, administrators, successors, and assigns.

Signed,

(Signature)

Receipt of the above is hereby acknowledged.

Laredo Oil, Inc.

By: _____
Title: _____
Date: _____

LAREDO OIL, INC.
2011 EQUITY INCENTIVE PLAN

Restricted Stock Award (#) _____

LAREDO OIL, INC.
2011 EQUITY INCENTIVE PLAN
RESTRICTED STOCK AWARD CERTIFICATE

THIS IS TO CERTIFY that Laredo Oil, Inc., a Delaware corporation (the "**Company**"), has offered you (the "**Participant**") the right to receive Common Stock of the Company under its 2011 Equity Incentive Plan (the "**Plan**"), as follows:

Name of Participant: _____
Address of Participant: _____

Number of Shares: _____

Purchase Price: \$[Y] per share

Offer Date of Grant: _____

Offer Expiration Date: 15 Days after the Offer Date of Grant

Vesting Commencement Date: _____

Vesting Schedule:

Anniversary of Vesting Commencement Date	Percentage of Shares Vested
	%
	%
	%
	%

By your signature and the signature of the Company's representative below, you and the Company agree to be bound by all of the terms and conditions of the Restricted Stock Award Agreement attached hereto as Annex I (the "**Award Agreement**") and the Plan, which is attached hereto as Annex II (both incorporated herein by this reference as if set forth in full in this document). By executing this Certificate, you hereby irrevocably elect to accept the Restricted Stock Award rights granted pursuant to this Certificate and the Award Agreement and to receive the Restricted Shares (as defined in the Award Agreement) designated above subject to the terms of the Plan, this Certificate, and the Award Agreement.

Participant:

Name: _____

Laredo Oil, Inc.
By: _____
Name: _____
Title: _____

Dated: _____

Dated: _____

LAREDO OIL, INC.
2011 EQUITY INCENTIVE PLAN

RESTRICTED STOCK AWARD AGREEMENT

This Restricted Stock Award Agreement (this "**Agreement**"), is entered into on the execution date of the Restricted Stock Award Certificate to which it is attached (the "**Certificate**"), between Laredo Oil, Inc., a Delaware corporation (the "**Company**"), and the Participant named in the Certificate.

Pursuant to the Laredo Oil, Inc. 2011 Equity Incentive Plan (the "**Plan**"), the Administrator has authorized the grant to Participant of the right to receive shares of the Company's Common Stock (the "**Award**"), upon the terms and subject to the conditions set forth in the Plan, the Certificate, and in this Agreement. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Plan.

NOW, THEREFORE, in consideration of the premises and the benefits to be derived from the mutual observance of the covenants and promises contained herein and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1 . **Restricted Stock Award.** The Company hereby awards and grants to Participant, for valid consideration with a value in excess of the aggregate par value of the Common Stock awarded to Participant, the number of shares of Common Stock set forth in the Certificate, which are subject to the restrictions and conditions set forth in the Plan, the Certificate, and in this Agreement (the "**Restricted Shares**"). One or more stock certificates representing the number of shares of Common Stock specified in the Certificate will hereby be registered in Participant's name (the "**Stock Certificate**"), but will be deposited and held in the custody of the Company for Participant's account as provided in Section 4 hereof until such Restricted Shares become vested and all restrictions thereon have lapsed. Participant acknowledges and agrees that those shares of Common Stock may be issued as a book entry with the Company's transfer agent and that no physical certificates need be issued for as long as such shares remain subject to forfeiture and restrictions on transfer.

2 . **Vesting.** Except as otherwise provided in an employment agreement or service agreement, the terms of which have been approved by the Administrator, the Restricted Shares will vest and restrictions on transfer will lapse pursuant to the Vesting Schedule set forth in the Certificate.

(a) **Forfeiture of Unvested Shares.** Except as otherwise provided in this Section or in an employment agreement or service agreement, the terms of which have been approved by the Administrator, if Participant ceases Continuous Service for any reason Participant will immediately forfeit the Restricted Shares that have not vested and as to which restrictions have not lapsed ("**Unvested Shares**"), and such Unvested Shares will be cancelled as outstanding shares of Common Stock. If Participant provided consideration other than in the form of prior or future services, the Company may repurchase Participant's Unvested Shares as provided in Section 10.6 of the Plan. The Right of Repurchase may be exercised by the Company at any time within six months after the date of termination of Participant's Continuous Service, provided that the Company may in any event elect to extend such exercise to a date that is at least 60 days after the date that is six months after the date on which Participant acquired the Unvested Shares.

(b) *Restriction on Transfer of Unvested Shares.* Participant is not permitted to transfer, assign, grant a lien or security interest in, pledge, hypothecate, encumber, or otherwise dispose of any of the Unvested Shares, except as permitted by this Agreement.

3 . **Deposit of the Unvested Shares.** Participant shall deposit all of the Unvested Shares with the Company to hold in its custody until they become vested, at which time such vested Restricted Shares will no longer constitute Unvested Shares. If requested by the Company, Participant shall execute and deliver to the Company, concurrently with the execution of this Agreement (and/or, if requested by the Company, from time to time thereafter during the Restricted Period) blank stock powers for use in connection with the transfer to the Company or its designee of Unvested Shares that do not become vested. The Company will deliver to Participant the Stock Certificate for the shares of Common Stock that become vested upon the lapse of the forfeiture and non-transferability restrictions thereon.

4 . **Rights as a Shareholder, Dividends.** Subject to the terms of this Agreement, Participant will have all the rights of a shareholder with respect to the Restricted Shares, including the right to vote the Restricted Shares and to receive any dividends thereon; provided that any dividends paid with respect to Unvested Shares will not be paid to Participant until the Unvested Shares pursuant to which the dividends were paid become vested and are no longer subject to forfeiture and restrictions on transfer. Any such dividends will be deposited with a third party escrow agent or a third party trustee selected by the Administrator in its discretion, until such time as the Unvested Shares relating to such dividends become vested and deliverable to Participant, at which time such dividends will be released from escrow and paid to Participant. If the Unvested Shares relating to dividends held in escrow are subsequently forfeited, such dividends will be automatically forfeited and released from escrow and returned to the Company.

5 . **Compliance with Laws and Regulations.** The issuance and transfer of Common Stock is subject to the Company's and Participant's full compliance, to the satisfaction of the Company and its counsel, with all applicable requirements of federal, state, and foreign securities laws and with all applicable requirements of any securities exchange on which the Common Stock may be listed at the time of such issuance or transfer. Participant understands that the Company is under no obligation to register or qualify the shares of Common Stock with the Securities Exchange Commission, any state securities commission, foreign securities regulatory authority, or any securities exchange to effect such compliance.

6. **Tax Withholding.**

(a) As a condition to the release of shares of Common Stock from escrow and lapse of restrictions on transfer, no later than the first to occur of (i) the date as of which the all or any of the Restricted Shares vest and the restrictions on their transfer lapse, or (ii) the date required by Section 6(b), Participant shall pay to the Company any federal, state, or local taxes required by law to be withheld with respect to the Restricted Shares that vest and for which the restrictions lapse. Participant shall pay such amount to the Company in cash or, to the extent permitted by the Administrator, by tendering Common Stock held by Participant, including Restricted Shares held in escrow that become vested, with a Fair Market Value on the date the Restricted Shares vest equal to the amount of Participant's minimum statutory tax withholding liability, or a combination thereof. If Participant fails to make such payments, the Company will, to the extent permitted by law, have the right to deduct from any payment of any kind otherwise due to Participant any federal, state, or local taxes required by law to be withheld with respect to such shares of Common Stock. Payment of the tax withholding by a Participant who is an Insider by tendering Common Stock, including shares held in escrow, is subject to pre-approval by the Administrator, in its sole discretion, which in the case of a Participant who is an Officer or Director will be in a manner that complies with the specificity requirements of Rule 16b-3, including the name of the Participant involved in the transaction, the nature of the transaction, the number of shares to be acquired or disposed of by the Participant and the material terms of the Award involved in the transaction.

(b) Participant may elect, within 30 days of the Offer Date of Grant, to include in gross income for federal income tax purposes pursuant to Section 83(b) of the Code, an amount equal to the aggregate Fair Market Value on the Date of Grant of the Restricted Shares less the amount, if any, paid by Participant (other than by prior or future services) for the Restricted Shares granted hereunder. In connection with any such election, Participant shall promptly provide the Company with a copy of such election as filed with the Internal Revenue Service, and pay to the Company, or make such other arrangements satisfactory to the Administrator to pay to the Company based on the Fair Market Value of the Restricted Shares on the Offer Date of Grant, any federal, state, or local taxes required by law to be withheld with respect to such Restricted Shares at the time of such election. If Participant fails to make such payments, the Company will, to the extent permitted by law, have the right to deduct from any payment of any kind otherwise due to Participant any federal, state, or local taxes required by law to be withheld with respect to such Restricted Shares.

7. **No Right to Continued Service.** Nothing in this Agreement or in the Plan imposes or may be deemed to impose, by implication or otherwise, any limitation on any right of the Company or any Affiliate to terminate Participant's Continuous Service at any time.

8. **Representations and Warranties of Participant.** Participant represents and warrants to the Company as follows:

(a) *Agrees to Terms of the Plan.* Participant has received a copy of the Plan and has read and understands the terms of the Plan, the Certificate, and this Agreement, and agrees to be bound by their terms and conditions. Participant acknowledges that there may be adverse tax consequences upon the vesting of Restricted Shares or disposition of the shares of Common Stock once vested, and that Participant should consult a tax advisor before such time.

(b) *Stock Ownership.* Participant is the record and beneficial owner of the Restricted Shares with full right and power to transfer the Unvested Shares to the Company free and clear of any liens, claims, or encumbrances and Participant understands that the Stock Certificates evidencing the Restricted Shares will bear a legend referencing this Agreement.

(c) *Rule 144*. Participant understands that Rule 144 promulgated under the Securities Act may indefinitely restrict transfer of the Common Stock if Participant is an "affiliate" of the Company (as defined in Rule 144), or for up to one year if "current public information" about the Company (as defined in Rule 144) is not publicly available regardless of whether Participant is an affiliate of the Company.

9. **Compliance with Securities Laws**. Participant understands and acknowledges that, notwithstanding any other provision of the Agreement to the contrary, the vesting and holding of the Restricted Shares is expressly conditioned upon compliance with the Securities Act and all applicable federal, state, and foreign securities laws. Participant agrees to cooperate with the Company to ensure compliance with such laws.

10. **Adjustments**. If, as a result of any adjustment pursuant to Section 11.1 of the Plan, Participant becomes entitled to receive any additional shares of Common Stock or other securities ("**Additional Securities**") in respect of the Unvested Shares, the total number of Unvested Shares will be equal to the sum of (i) the initial Unvested Shares, and (ii) the number of Additional Securities issued or issuable in respect of the initial Unvested Shares and any Additional Securities previously issued to Participant.

11. **Restrictive Legends and Stop-Transfer Orders**.

(a) *Legends*. To the extent that a Stock Certificate or Certificates representing Unvested Shares is issued in physical form rather than through book entry with the Company's transfer agent, Participant understands and agrees that the Company will place the legends set forth below or similar legends on any Stock Certificate evidencing the Common Stock, together with any other legends that may be required by federal, state, or foreign securities laws, the Company's articles of incorporation or bylaws, any other agreement between Participant and the Company, or any agreement between Participant and any third party:

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON PUBLIC RESALE AND TRANSFER, AS SET FORTH IN A RESTRICTED STOCK AWARD AGREEMENT BETWEEN THE ISSUER AND THE ORIGINAL HOLDER OF THESE SHARES. SUCH PUBLIC RESALE AND TRANSFER RESTRICTIONS ARE BINDING ON TRANSFEREES OF THESE SHARES.

The Company will remove the above legend at such time as the shares of Common Stock in question are no longer subject to restrictions on public resale and transfer pursuant to this Agreement. Any legends required by applicable federal, state, or foreign securities laws will be removed at such time as such legends are no longer required.

(b) *Stop-Transfer Instructions*. To ensure compliance with the restrictions imposed by this Agreement, the Company may issue appropriate "stop-transfer" instructions to its transfer agent, if any, and if the Company transfers its own Common Stock, it may make appropriate notations to the same effect in its own records.

(c) *Refusal to Transfer*. The Company will not be required (i) to transfer on its books any shares of Common Stock that have been sold or otherwise transferred in violation of this Agreement; or (ii) to treat as owner of such shares, or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such shares have been so transferred.

1 2 . **Obligation to Sell.** Notwithstanding anything herein to the contrary, if at any time following Participant's acquisition of Common Stock hereunder, shareholders of the Company owning 51% or more of the Common Stock (on a fully diluted basis) (the "**Control Sellers**") enter into an agreement (including any agreement in principal) to transfer all of their shares to any person or group of persons who are not affiliated with the Control Sellers, such Control Sellers may require each shareholder who is not a Control Seller (a "**Non-Control Seller**") to sell all of their shares to such person or group of persons at a price and on terms and conditions the same as those on which such Control Sellers have agreed to sell their shares, other than terms and conditions relating to the performance or non-performance of services. For the purposes of the preceding sentence, an affiliate of a Control Seller is a person who controls, is controlled by, or is under common control with, the Control Seller.

13. **Modification.** The Agreement may be modified only in writing signed by both parties.

1 4 . **Interpretation.** Any dispute regarding the interpretation of this Agreement must be submitted by Participant or the Company to the Administrator for review. The resolution of such a dispute by the Administrator will be final and binding on the Company and Participant.

15. **Entire Agreement.** The Plan and the Certificate are incorporated herein by reference, and Participant hereby acknowledges receiving a copy of the Plan. This Agreement, the Certificate and the Plan constitute the entire agreement of the parties and supersede all prior undertakings and agreements with respect to the subject matter hereof. In the event of a conflict or inconsistency between the terms and conditions of this Agreement, the Certificate, and the Plan, the Plan will govern.

1 6 . **Notices.** Any notice required under this Agreement to be given or delivered to the Company must be in writing and addressed to the Corporate Secretary of the Company at its principal corporate offices. Any notice required to be given or delivered to Participant must be in writing and addressed to Participant at the address indicated on the Certificate or to such other address as Participant designates in writing to the Company. All notices will be deemed to have been given or delivered (a) upon personal delivery, (b) five days after deposit in the United States mails by certified or registered mail (return receipt requested), (c) two business days after deposit with any return receipt express courier (prepaid), or (d) one business day after transmission by facsimile.

17. **Successors and Assigns.** The Company may assign any of its rights under this Agreement. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement is binding upon Participant and Participant's heirs, executors, administrators, legal representatives, successors and assigns.

18 . **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the State of Delaware without giving effect to its conflict of law principles. If any provision of this Agreement is determined by a court of law to be illegal or unenforceable, then such provision will be enforced to the maximum extent possible and the other provisions will remain fully effective and enforceable.

LAREDO OIL, INC.
2011 EQUITY INCENTIVE PLAN



700 Lavaca, Suite 1300
Austin, Texas 78701
(512) 457-8000 phone
(512) 457-8008 fax

November 8, 2011

Laredo Oil, Inc.
111 Congress Avenue, Suite 400
Austin, Texas 78701

Re: Laredo Oil, Inc. Registration Statement on Form S-8

Ladies and Gentlemen:

We are providing this opinion letter to you in connection with Laredo Oil, Inc.'s (the "**Company**") registration statement on Form S-8 filed on or about the date hereof (the "**Registration Statement**") with the Securities and Exchange Commission (the "**Commission**") under the Securities Act of 1933, as amended (the "**Act**"), for the registration of 10,000,000 shares of the Company's common stock, par value \$0.0001 per share (the "**Shares**"). The Shares are issuable under the Company's 2011 Equity Incentive Plan (the "**Plan**").

In reaching the opinion set forth herein, we have examined and are familiar with originals or copies, certified or otherwise identified to our satisfaction, of such documents and records of the Company and such statutes, regulations, and other instruments as we deemed necessary or advisable for purposes of this opinion, including (i) the Registration Statement, (ii) the Company's Certificate of Incorporation and Certificate of Amendment of Certificate of Incorporation, each as filed with the Secretary of State of the State of Delaware, (iii) the Company's Bylaws, (iv) an Officer's Certificated executed by the Company's Chief Financial Officer and Treasurer and dated as of November 8, 2011, and (v) certain resolutions adopted by the board of directors and stockholders of the Company.

We have assumed that (i) all information contained in all documents we reviewed is true, correct, and complete, (ii) all signatures on all documents we reviewed are genuine, (iii) all documents submitted to us as originals are true and complete, (iv) all documents submitted to us as copies are true and complete copies of the originals thereof, and (v) all persons executing and delivering the documents we examined were competent to execute and deliver such documents. In addition, we have assumed that (i) the Shares will be issued in accordance with the terms of the Plan, (ii) the full consideration for each Share shall be paid to the Company and in no event will be less than the par value for each Share, and (iii) certificates evidencing the Shares will be properly executed and delivered by the Company in accordance with the Delaware General Corporation Law.

Based on the foregoing, and having due regard for the legal considerations we deem relevant, we are of the opinion that the Shares have been duly authorized and, when issued by the Company in accordance with the terms of the Plan, will be legally issued, fully paid and non-assessable.

This opinion is limited in all respects to the General Corporation Law of the State of Delaware and the federal laws of the United States of America, and we do not express any opinion as to the laws of any other jurisdiction.

We consent to the filing of this opinion letter as an exhibit to the Registration Statement. In giving this consent, we do not thereby admit that we come within the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission promulgated thereunder.

Very truly yours,

DuBois, Bryant & Campbell LLP



November 1, 2011

To Whom It May Concern:

We consent to the use of our reports dated September 9, 2011 with respect to the balance sheets of Laredo Oil, Inc. as of May 31, 2011 and 2010, and the related statements of operations, stockholders' equity, and cash flows for each of the years then ended and the period ended March 31, 2008 (inception) through May 31, 2011, which appear in the May 31, 2011 annual report on Form 10-K/A of Laredo Oil, Inc. incorporated by reference herein. We consent to the incorporation by reference in the Registration Statement of the aforementioned report.

Very truly yours,

/s/ Kyle L. Tingle

Kyle L. Tingle
Kyle L. Tingle, CPA, LLC