

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

FORM 8-K

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

Date of Report (Date of earliest event reported): November 6, 2018

Mitek Systems, Inc.
(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-35231
(Commission File Number)

87-0418827
(IRS Employer
Identification No.)

600 B Street, Suite 100
San Diego, California
(Address of Principal Executive Offices)

92101
(Zip Code)

Registrant's Telephone Number, Including Area Code: (619) 269-6800

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On November 6, 2018, Mitek Systems, Inc. (the “Company”) announced that Scipio “Max” Carneccchia, age 55, was appointed as the Company’s Chief Executive Officer, effective immediately. Mr. Carneccchia was also appointed to serve as a member of the Company’s Board of Directors.

Mr. Carneccchia brings decades of success in the enterprise software industry, and he has deep experience driving consistent profitability, margin expansion and revenue growth, resulting in significant shareholder value creation. Most recently, Mr. Carneccchia was Chief Executive Officer of Illuminate Education, Inc., the leading cloud-based student assessment and reporting platform, where he led an overhaul in operations that drove significant EBITDA growth. From 2009 to 2014, he was Chief Executive Officer of Accelrys, Inc. (“Accelrys”), a publicly-traded global leader in scientific innovation management software, where he drove significant strategic and operational changes. Following the sale of Accelrys in 2014, he continued as Chief Executive Officer of that business, which was renamed BIOVIA. During the past five (5) years, Mr. Carneccchia has served as a member of the boards of directors of the following companies: Guidance Software, Inc.; Agilysys, Inc.; and Accelrys. Mr. Carneccchia holds a Bachelor of Engineering in Electrical Engineering and Computer Science from The Stevens Institute of Technology.

In connection with his appointment as the Company’s Chief Executive Officer, Mr. Carneccchia entered into an Executive Employment Agreement with the Company, dated November 6, 2018 (the “Executive Employment Agreement”). Under the Executive Employment Agreement, he will be paid a cash salary of \$450,000 per year. Mr. Carneccchia will be eligible to receive an annual bonus not to exceed 160% of his then-current base salary, with a target bonus amount equal to 80% of his then-current base salary, subject to the Company’s achievement of certain business and/or financial goals and Mr. Carneccchia’s achievement of individual performance goals to be established by the Board of Directors of the Company in the ordinary course. Mr. Carneccchia will be entitled to receive a guaranteed bonus for the Company’s fiscal year 2019 of not less than \$190,000. Mr. Carneccchia will be eligible to participate in certain Company-sponsored benefits, such as health insurance plans, provided he meets the respective plan eligibility requirements. Under the Company’s reimbursement policies, he will be entitled to reimbursement of his reasonable out of pocket costs and expenses incurred on Company business.

Pursuant to Nasdaq Listing Rule 5635(c)(4), Mr. Carneccchia was granted (i) options (the “Options”) to purchase up to 172,179 shares of the Company’s common stock at an exercise price of \$9.50 per share, the closing market price for a share of the Company’s common stock on the date of the grant and (ii) 94,738 shares of restricted common stock units (the “RSUs”), each as a material inducement to accept employment with the Company. As long as Mr. Carneccchia remains employed by the Company, 90,939 of the Options will vest over a four-year period from the date of grant, with twenty-five percent (25%) vesting on November 6, 2019 and the remaining vesting ratably monthly thereafter, and 81,240 of the Options will vest over a five-year period from the date of grant, with twenty-five percent (25%) vesting on November 6, 2020 and the remaining vesting ratably monthly thereafter. As long as Mr. Carneccchia remains employed by the Company, half of the RSUs will vest in four equal annual installments, with the first installment vesting on November 6, 2019, and the other half of the RSUs will vest in four equal annual installments, with the first installment vesting on November 6, 2020. In the event of a Change of Control (as defined in the Executive Employment Agreement), all of the unvested Options and RSUs will vest and become exercisable, subject to certain terms and conditions contained in the Executive Employment Agreement, *provided* that if the Change of Control occurs prior to the six month anniversary of Mr. Carneccchia’s start of employment with the Company, all Options and RSUs subject to conditional equity award agreements will not vest and will not become exercisable.

Also as an inducement grant pursuant to Nasdaq Listing Rule 5635(c)(4), Mr. Carneccchia was granted performance options (the “Performance Options”) to purchase up to 800,000 shares of the Company’s common stock at an exercise price of \$9.50 per share, the closing market price for a share of the Company’s common stock on the date of the grant. As long as Mr. Carneccchia remains employed by the Company, such Performance Options shall vest upon the closing market price of the Company’s common stock achieving certain predetermined levels and Mr. Carneccchia’s serving as the Chief Executive Officer of the Company for at least three (3) years. In the event of a Change of Control, all of the unvested Performance Options will vest if the per share price payable to the stockholders of the Company in connection with the Change of Control is an amount reaching those certain predetermined levels required for the Performance Options to otherwise vest.

Pursuant to Mr. Carneccchia’s Executive Employment Agreement, if Mr. Carneccchia’s employment with the Company is terminated by the Company without “cause” or by Mr. Carneccchia for “good reason” (each as defined in the Executive Employment Agreement), in each case, other than in connection with a Change of Control, then as long as Mr. Carneccchia signs a release of any claims against the Company, he will be entitled to the following severance benefits: (i) a lump-sum cash amount equal to his earned but unpaid salary as of his termination date; (ii) a lump-sum cash amount equal to 100% of his base salary as of his termination date; (iii) a lump-sum cash amount equal to the value of twelve (12) months of COBRA

continuation coverage; (iv) all equity awards granted to him will be treated as set forth in the applicable award agreements and plan documents to which such equity awards are subject; and (v) a lump-sum pro-rated amount of his target bonus as of his termination date.

Pursuant to Mr. Carneccchia's Executive Employment Agreement, if Mr. Carneccchia's employment with the Company is terminated without "cause" or for "good reason" at any time two months prior to or within 24 months after a Change of Control, then as long as Mr. Carneccchia signs a release of any claims against the Company, he will be entitled to the following severance benefits: (i) a lump-sum cash amount equal to his earned but unpaid salary as of his termination date; (ii) a lump-sum cash amount equal to 200% of his base salary as of his termination date; (iii) a lump-sum cash amount equal to the value of twelve (12) months of COBRA continuation coverage; (iv) (A) all non-performance equity awards granted to him will vest and become immediately exercisable, (B) (1) any time vesting requirement of any Performance Options shall be satisfied and (2) the share price for determining whether the performance vesting requirement of any Performance Options is satisfied shall be the per share price payable to the stockholders of the Company in connection with the Change of Control, and (C) any restrictions of any kind imposed by the Company or any Company equity award plan or equity award agreement that relate to any equity securities or equity awards held by Mr. Carneccchia will lapse; and (v) a lump-sum pro-rated amount of his target bonus as of his termination date.

Mr. Carneccchia is considered an employee director and he will not receive any separate compensation for his service on the Board of Directors of the Company. Mr. Carneccchia has entered into the Company's standard form of indemnification agreement for directors and officers providing for the indemnification by the Company in certain circumstances for actions taken in connection with his service to or for the Company.

There are no arrangements or understandings between Mr. Carneccchia and any other persons pursuant to which he was selected as the Company's Chief Executive Officer and pursuant to which he was elected as a director of the Company. There are no family relationships between Mr. Carneccchia and any director or executive officer of the Company, and he has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

Copies of Mr. Carneccchia's Executive Employment Agreement and Indemnification Agreement are attached as exhibits to this Current Report on Form 8-K and are hereby incorporated by reference.

Item 8.01. Other Events.

On November 6, 2018, the Company issued a press release, announcing the changes described above. A copy of such press release is attached as Exhibit 99.1 and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
10.1	Executive Employment Agreement, dated November 6, 2018, between Mitek Systems, Inc. and Scipio "Max" Carneccchia.
10.2	Indemnification Agreement, dated November 6, 2018, between Mitek Systems, Inc. and Scipio "Max" Carneccchia.
10.3	Stock Option Agreement, dated as of November 6, 2018, between Scipio "Max" Carneccchia and Mitek Systems, Inc.
10.4	Conditional Stock Option Agreement, dated as of November 6, 2018, between Scipio "Max" Carneccchia and Mitek Systems, Inc.
10.5	Performance Stock Option Agreement, dated as of November 6, 2018, between Scipio "Max" Carneccchia and Mitek Systems, Inc.
10.6	Restricted Stock Unit Award Agreement, dated as of November 6, 2018, between Scipio "Max" Carneccchia and Mitek Systems, Inc.
10.7	Conditional Restricted Stock Unit Award Agreement, dated as of November 6, 2018, between Scipio "Max" Carneccchia and Mitek Systems, Inc.
99.1	Press Release issued on November 6, 2018.

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

Mitek Systems, Inc.

November 6, 2018

By:

/s/ Jason Gray

Jason Gray
General Counsel

Exhibit Index

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EXECUTIVE EMPLOYMENT AGREEMENT

This Executive Employment Agreement (“Agreement”) is made, effective as of November 6, 2018 (“Effective Date”), by and between Mitek Systems, Inc. (the “Company”) and Scipio “Max” Carnecchia (“Executive”). Capitalized terms used herein and not otherwise defined shall have those meanings set forth in Appendix I hereto.

RECITALS

WHEREAS, the Company wishes to engage Executive as the Company’s Chief Executive Officer and Executive wishes to accept the chief executive officer position of a publicly traded company; and

WHEREAS, as an inducement to Executive accepting the significant duties and responsibilities of a chief executive officer position of a publicly traded company, the Company shall provide the compensation and benefits set forth in this Agreement.

NOW THEREFORE, the parties agree as follows:

1. Employment. The Company hereby agrees to employ Executive, and Executive hereby accepts such employment, upon the terms and conditions set forth herein.

2. Duties.

2.1 Position. Executive shall be employed as Chief Executive Officer of the Company and shall have the duties and responsibilities as set forth in the Company’s Second Amended and Restated Bylaws, as amended (the “Bylaws”) and such other duties to Executive as may be reasonably assigned from time to time by the Company consistent with that position. Executive shall perform faithfully and diligently all duties assigned to Executive and Executive agrees to at all times comply with all present and future policies, handbooks and other reasonable directions and requests of the Company. The Company reserves the right to modify Executive’s position and duties at any time in its sole and absolute discretion (subject to Executive’s rights under Section 7.2 below), provided that the duties assigned are consistent with the position of the Chief Executive Officer. Executive shall report directly to the Board of Directors of the Company (the “Board”).

2.2 Board Position. Upon the Effective Date, the Board shall elect Executive as a member of the Board, to serve until the next annual meeting of the Company’s stockholders after the Effective Date. During Executive’s employment with the Company, at each annual meeting of the Company’s stockholders, the Board (or designated committee thereof) shall nominate Executive for election to the Board by the Company’s stockholders consistent with all other directors and subject to the Company’s Certificate of Incorporation and Bylaws, each as may be amended from time to time, applicable laws and rules of the NASDAQ Stock Market or any stock exchange on which the Company’s securities are or become listed.

2.3 Best Efforts/Full-time. Executive will expend Executive’s reasonable best efforts on behalf of the Company, and will abide by all policies of the Company applicable to the Company’s executives generally and all decisions made by the Board, all in accordance with applicable federal, state and local laws, regulations or ordinances, and subject to the terms of this Agreement. Executive will at all times during Executive’s employment with the Company act in the best interest of the Company and its stockholders. Executive shall devote Executive’s full business time and efforts to the performance of

Executive's assigned duties for the Company; provided that nothing herein shall preclude Executive, subject to prior consent of the Board, from serving on the boards of directors of other for-profit companies so long as, in each case, and in the aggregate, such service is in accordance with the Company's policies governing such activities and does not otherwise, either directly or indirectly, conflict with or interfere with the performance of Executive's duties hereunder or is in any way competitive with the business or proposed business of the Company, whether for compensation or otherwise. Notwithstanding the foregoing, Executive may participate in charitable and non-profit organizations and otherwise manage Executive's and his family's affairs, in each case without prior notice to or approval from the Board, so long as no such activities compete with the activities of the Company or unreasonably interfere with the performance of Executive's duties hereunder.

2.4 Work Location. Executive's principal place of work shall be located in San Diego, California, or such other location as the parties may agree upon in writing from time to time.

3. At-Will Employment. The Company and Executive acknowledge that Executive's employment is and shall continue to be at-will, as defined under applicable law. This means that Executive's employment is not for any specified period of time and, except as otherwise expressly provided for herein and subject to the terms and conditions herein, can be terminated by Executive or the Company at any time, with or without advance notice, and for any or no particular reason or cause. It also means that Executive's job duties, title, and responsibility and reporting level, work schedule, compensation and benefits, as well as the Company's personnel policies and procedures, may be changed with prospective effect, with or without notice, at any time in the sole discretion of the Company (subject to any consequences such changes may have under Section 7 of this Agreement, including, without limitation, Executive's right, if applicable, to terminate for "Good Reason"). This "at-will" nature of Executive's employment shall remain unchanged during Executive's tenure as an employee and may not be changed, except in an express writing signed by the Chairman of the Board, or if Executive is then Chairman of the Board, by a writing signed by a majority of the members of the Board (excluding the Executive). If Executive's employment terminates for any lawful reason, Executive will not be entitled to any payments, benefits, damages, award or compensation other than as expressly provided in this Agreement. Effective upon termination of Executive's employment with the Company, for any reason, Executive shall be deemed to have resigned from all offices and board memberships, if any, then held with the Company or any of its affiliates, and, at the Company's request, Executive shall execute such documents as are necessary or desirable to effectuate such resignations.

4. Compensation.

4.1 Base Salary. As compensation for Executive's performance of Executive's duties hereunder, the Company shall pay to Executive an initial base salary of \$450,000 per year (such initial base salary and any increases thereto that may be approved by the Board in its sole discretion, is referred to herein as the "Base Salary"), payable in accordance with the normal payroll practices of the Company. The Base Salary for the period from the Effective Date through December 31, 2018 shall be pro-rated to reflect such partial year.

4.2 Bonus Compensation. Subject to the last sentence hereof, Executive will be eligible to receive an annual bonus (the "Bonus") not to exceed 160% of Executive's then current Base Salary, with a target Bonus amount equal to 80% of Executive's then current Base Salary, subject to the Company's achievement of certain business and/or financial goals and Executive's achievement of individual performance goals to be established by the Board (or designated committee thereof) in the

ordinary course. Executive shall be entitled to receive a fiscal year 2019 bonus of not less than \$190,000, which shall be payable within sixty (60) days after the Company has finalized its audit of the fiscal year 2019 financial statements (but in any event not later than January 31, 2020). In order to be eligible to receive any Bonus, Executive must be an employee of the Company on the date on which the applicable goal or achievement is attained or satisfied and any Bonus to be paid to Executive shall become payable within sixty (60) days after the Company has finalized its audit of the financial statements of the Company for such year to which the Bonus relates (but in any event not later than January 31st of the subsequent fiscal year).

4.3 Equity Compensation. Effective upon the commencement of Executive's employment with the Company, Executive shall be granted inducement Equity Awards, the terms of which shall be set forth in applicable Equity Award grant documents. Executive shall be entitled to receive additional annual grants of equity awards in such amounts and containing such terms as the Board (or designated committee thereof) shall determine in its sole discretion. Notwithstanding the foregoing, Executive shall not be entitled to receive any further Equity Awards for the Company's fiscal years 2019 and 2020.

4.4 Performance and Salary Review. The Company will periodically review Executive's performance on no less than an annual basis. Adjustments to Base Salary, Bonus or other compensation, if any, will be made by the Board in its sole and absolute discretion.

5. Other Benefits.

5.1 Benefit Plans. Executive will be eligible for all customary and usual executive benefit programs as the Company may from time to time offer generally to other executives of the Company subject to the terms and conditions of any such benefit plan documents. The Company reserves the right to change or eliminate any and all benefits on a prospective basis, at any time, and nothing herein is intended, nor shall it be construed, to require the Company to institute or keep in effect or continue any benefit plan or any benefits thereunder.

5.2 Business Expenses. Executive will be reimbursed for all reasonable, out-of-pocket business expenses incurred in the performance of Executive's duties on behalf of the Company. To obtain reimbursement, expenses must be submitted promptly with appropriate supporting documentation in accordance with the Company's policies.

5.3 Vacation. Executive shall be entitled to not less than fifteen (15) days of paid time off each calendar year, pro-rated for partial calendar years of service, which may be taken in accordance with the Company's Paid Time Off policy.

5.4 Indemnification Agreement; Insurance. As an officer of the Company, Executive shall be entitled to enter in the Company's standard form of indemnification agreement generally available to directors and officers of the Company. Executive will also be covered under a directors and officers liability insurance policy paid for by the Company for so long as Executive serves as an officer of the Company.

6. Withholding. The Company shall have the right to deduct or withhold from any payments made pursuant to this Agreement any and all amounts it is required by applicable law (e.g., for federal income and employee social security taxes and all state or local income taxes now applicable or

that may be enacted and become applicable during the then current term of employment) to deduct or withhold and any other amounts Executive agrees or requests the Company to deduct or withhold.

7. Termination of Executive's Employment. In the event Executive's employment with the Company terminates pursuant to any provision of this Section 7, then Executive shall be entitled to the applicable payments and benefits set forth below subject to Executive delivering to the Company a waiver and release of claims agreement in standard reasonable form approved by the Company that becomes effective and irrevocable in accordance with Section 7.6 hereof (a "Release").

7.1 Termination by the Company for Cause. The Company may terminate Executive's employment with the Company for Cause immediately upon written notice to Executive. In the event Executive's employment is terminated in accordance with this Section 7.1, the Company shall pay to Executive a lump-sum cash amount equal to that prorated portion of any Base Salary then earned, but not yet paid, as of the date of Executive's termination of employment with the Company, and any reimbursement of expenses pursuant to Section 5.2 and any accrued paid time off through the date of termination (collectively with any such Base Salary amount, the "Basic Separation Payment"). All other Company obligations to Executive pursuant to this Agreement will, upon the date of such termination, automatically terminate and be completely extinguished and Executive will not be entitled to any Bonus payment (whether earned or not) or other compensation or other Company benefits upon a termination of employment by the Company for Cause. In the event Executive is terminated by the Company for Cause, Executive shall forfeit, effective as of the date Executive engages in such conduct giving rise to his termination for Cause, all unexercised, unearned and/or unpaid Equity Awards, including without limitation, Equity Awards earned but not yet paid, all unpaid dividends and dividend equivalents and all interest, if any, accrued on the foregoing.

7.2 Termination by the Company Without Cause/Termination by Executive for Good Reason. The Company may terminate Executive's employment with the Company without Cause and not due to any Disability at any time and for any reason or no reason at all, upon not less than ten (10) days prior written notice to Executive. Executive may terminate his employment with the Company for Good Reason; *provided, however,* that before Executive shall be entitled to terminate his employment with the Company for Good Reason, (i) Executive must provide the Company with thirty (30) days prior written notice of Executive's intent to terminate his employment and a description of the event Executive believes constitutes Good Reason within thirty (30) days after the initial existence of the event, and (ii) the Company shall have thirty (30) days after Executive provides the notice described above to cure the default that constitutes Good Reason (the "Cure Period"). Executive will have ten (10) days following the end of the Cure Period (if the Company has not otherwise cured the event that otherwise constituted Good Reason) to terminate Executive's employment, after which time "Good Reason" will no longer be deemed to exist based on such event and Executive will not be entitled to terminate his employment for Good Reason based on such event. In the event Executive's employment with the Company is terminated without Cause and not due to Executive's Disability or Executive terminates his employment with the Company for Good Reason outside a Change of Control Period (as defined below), then in either case, the Company shall pay to Executive (i) a lump-sum cash amount equal to the Basic Separation Payment, (ii) a lump-sum cash amount equal to 100% of Executive's annual Base Salary then in effect (ignoring any reduction that gives rise to a termination for Good Reason), (iii) a lump-sum cash amount equal to twelve (12) times the amount Executive would be required to pay for one month of COBRA continuation coverage under the Company's medical, vision and dental programs for Executive and his dependents, excluding any flexible spending account, (iv) any Equity Awards held by Executive shall be governed by the terms and conditions of the relevant Equity Plan and Equity Award grant documents, and (v) a lump-

sum pro-rated amount of the target Bonus equal to a fraction, the numerator of which is the number of lapsed days in such fiscal year and the denominator of which is 365.

7.3 Termination of Employment Within 2 Months Prior to or 24 Months Following a Change of Control. In the event that during the two (2) month period prior to the consummation of a Change of Control or the twenty-four (24) month period following the consummation of a Change of Control (the “Change of Control Period”), Executive’s employment with the Company is terminated by the Company without Cause and not due to Executive’s Disability, or Executive terminates employment with the Company for Good Reason, then in either case, the Company shall pay to Executive (i) a lump-sum cash amount equal to the Basic Separation Payment, (ii) a lump-sum cash amount equal to 200% of Executive’s annual Base Salary then-in effect (ignoring any reduction that gives rise to a termination for Good Reason), (iii) a lump-sum cash amount equal to twenty-four (24) times the amount Executive would be required to pay for one month of COBRA continuation coverage under the Company’s medical, vision and dental programs for Executive and his dependents, excluding any flexible spending account, (iv) notwithstanding anything to the contrary contained in any Company Equity Plan or Equity Award (including any restrictions contained in Section 17 of the Company’s Amended and Restated 2012 Incentive Plan or in any other section of any Company Equity Plan or Equity Award), (a) the vesting of all unvested shares of Company stock underlying outstanding non-performance Equity Awards then held by Executive shall automatically accelerate and become vested and exercisable (to the extent applicable, or settled in cash or stock, as applicable) and all such non-performance Equity Awards shall remain exercisable (to the extent applicable) at all times prior to the expiration of the original term of each such non-performance Equity Award, (b) (1) any time vesting requirement of any performance Equity Awards shall be deemed to be satisfied, (2) the share price for determining whether any performance vesting requirement of such performance Equity Awards have vested, in whole or in part, to the extent such shares have not already vested under the performance vesting target applicable to an Equity Award agreement, shall be the per share price payable to the stockholders of the Company in connection with a Change of Control and all such performance Equity Awards shall remain exercisable (to the extent applicable) at all times prior to the expiration of the original term of each such performance Equity Award, *provided* that in the event that the consummation of a Change of Control occurs prior to the six month anniversary of the Effective Date, all Equity Awards entitled “Conditional Stock Option Agreement” or “Conditional Restricted Stock Unit Award Agreement” shall automatically terminate, shall not vest, shall not become exercisable and shall be void and of no further force or effect, and (c) all restrictions of any kind imposed by the Company or contained in any Equity Plan or any Equity Award and that relate to any equity securities or Equity Awards of the Company then held by Executive shall lapse, and (v) a lump-sum pro-rated amount of the target Bonus equal to a fraction, the numerator of which is the number of lapsed days in such fiscal year and the denominator of which is 365.

7.4 Termination of Employment Upon Death Or Disability.

(a) Death. Executive's employment hereunder shall terminate automatically upon Executive's death during Executive's employment with the Company. Upon such termination, the Company shall pay to such person as Executive shall have designated in a notice filed with the Company, or, if no such person shall be designated, to his estate as a death benefit, a lump-sum cash amount equal to the Basic Separation Payment, as of the date of Executive's death. Any Equity Awards held by Executive shall be governed by the terms and conditions of the relevant Equity Plan and Equity Award grant documents.

(b) Disability. If the Company determines in good faith that the Disability of Executive has occurred during Executive's employment with Company, subject to applicable laws, it may give written notice to Executive of its intention to terminate his employment. In such event, Executive's employment with the Company shall terminate effective on the thirtieth (30th) day after receipt of such notice by Executive, provided that, within the thirty (30) days after such receipt, Executive shall not have returned to full-time performance of his duties. During any period that Executive fails to perform his duties hereunder as a result of the Disability, Executive shall continue to receive his full Base Salary until Executive's employment is terminated pursuant to this Section 7.4(b). Upon a termination of employment due to Disability, the Company will pay Executive (i) the Basic Separation Payment and (ii) a lump-sum cash amount equal to twelve (12) times the amount Executive would be required to pay for one month of COBRA continuation coverage under the Company's medical, vision and dental programs for Executive and his dependents. Upon the termination of Executive's employment with the Company under this Section 7.4(b) and the payment of the foregoing amounts, the Company shall not be obligated to make any further payments of any kind to Executive. Termination of Executive's employment with the Company under this Section 7.4(b) shall not be deemed termination "without Cause." Any Equity Awards held by Executive shall be governed by the terms and conditions of the relevant Equity Plan and Equity Award grant documents.

7.5 Termination by Executive Without Good Reason. Executive may terminate employment with the Company without Good Reason upon not less than thirty (30) days prior written notice to the Company. Any such termination of employment by Executive without Good Reason shall be deemed, and shall be treated as, a termination for "Cause", and accordingly, the Company shall only be obligated to pay to Executive the amounts described in Section 7.1 above, as of the date of Executive's termination of employment with the Company. All other Company obligations to Executive pursuant to this Agreement will, upon the date of such termination, automatically terminate and be completely extinguished and Executive will not be entitled to any Bonus payment (whether earned or not) or other compensation or other Company benefits upon a termination of employment by Executive without Good Reason. In the event Executive terminates employment with the Company without Good Reason, Executive shall forfeit, effective as of the date Executive terminates employment, all unexercised, unearned and/or unpaid Equity Awards, including without limitation, Equity Awards earned but not yet paid, all unpaid dividends and dividend equivalents and all interest, if any, accrued on the foregoing.

7.6 Conditions To Receive Termination Payments. Upon any termination of Executive's employment with the Company under any provision of this Section 7, Executive will only be entitled to receive the compensation and other benefits, including any benefits related to Equity Awards, if Executive: (i) complies with all surviving provisions of this Agreement as specified in Section 14.9 below; and (ii) executes, delivers to the Company, does not revoke a Release and such Release has become irrevocable, in each case, within thirty (30) days following Executive's termination (with the

acknowledgment that such Release will contain, among other things, a release of all claims, known or unknown, that Executive may have against the Company arising out of or any way related to Executive's employment or termination of employment with the Company (other than any claims Executive may have related to the compensation or benefits to which Executive may be entitled under this Agreement, and other than any existing or future claims Executive may have under the Indemnification Agreement which, for the avoidance of doubt, will survive any termination of Executive's employment and shall not be waived in the Release)), which Release shall be provided to Executive within five (5) days following Executive's termination. Any compensation or other benefits to be paid under this Agreement shall be paid to Executive on the Company's next regularly scheduled payroll date after any relevant Release has become irrevocable. All other Company obligations (other than any rights to indemnification Executive may have under the Company's charter documents or any contract entered into by Executive) to Executive will be automatically terminated and completely extinguished.

8. No Conflict of Interest. During Executive's employment with the Company, Executive must not engage in any work, paid or unpaid, that creates an actual or reasonably predictable potential conflict of interest with the Company. Such work shall include, but is not limited to, directly or indirectly competing with the Company in any way, or acting as an officer, director, employee, consultant, stockholder of more than five percent (5%) of the outstanding securities, or agent of any business enterprise of the same nature as, or which is in competition with, the business in which the Company is now engaged or in which the Company becomes engaged during Executive's employment with the Company. If such a conflict exists during Executive's employment with the Company, the Company shall be entitled to ask Executive to, and Executive shall be obligated to, immediately terminate Executive's employment with the Company, and any compensation to be paid by the Company to Executive in connection with any such termination (and all rights of Executive with respect to all Equity Awards then held by Executive) shall be governed by Section 7.1 hereof.

9. Confidentiality and Proprietary Rights. Executive agrees to read, sign and abide by the Company's Invention Assignment and Proprietary Information Agreement, which is provided with this Agreement and incorporated herein by reference. Executive shall deliver an executed copy of the Company's Invention Assignment and Proprietary Information Agreement concurrent with Executive's commencement of employment with the Company.

10. Nonsolicitation of the Company's Employees. Executive agrees that during Executive's employment with the Company and during the 12-month period immediately following Executive's termination of employment with the Company, Executive will not, either directly or indirectly (including on behalf of any other Person), separately or in association with others, interfere with, impair, disrupt or damage the Company's business by soliciting, encouraging or attempting to hire any of the Company's or its subsidiaries' employees or causing others to solicit or encourage any of the Company's or its subsidiaries' employees to discontinue their employment with the Company.

11. Reasonable Legal Expenses. The Company shall reimburse the Executive for all of Executive's reasonable legal expenses incurred in the initial negotiation and execution of this Agreement and other agreements related to Executive's employment hereunder, which legal expenses shall not exceed \$15,000 without the Company's prior written consent. For the avoidance of doubt, the Company shall not reimburse Executive for any attorneys' fees arising from any dispute.

12. Agreement to Arbitrate. To the fullest extent permitted by applicable law, Executive and the Company agree to arbitrate any controversy, claim or dispute between them arising out of or in any

way related to this Agreement, the employment relationship between the Company and Executive and any disputes upon termination of employment, including but not limited to breach of contract, tort, discrimination, harassment, wrongful termination, demotion, discipline, failure to accommodate, family and medical leave, compensation or benefits claims, constitutional claims; and any claims for violation of any local, state or federal law, statute, regulation or ordinance or common law. Claims for injunctive relief pursuant to Section 13 below are excluded. For the purpose of this agreement to arbitrate, references to the "Company" include all direct and indirect parent and subsidiary or related entities and their employees, supervisors, officers, directors, agents, pension or benefit plans, pension or benefit plan sponsors, fiduciaries, administrators, affiliates and all successors and assigns of any of them, and this agreement to arbitrate shall apply to them to the extent Executive's claims arise out of or relate to their actions on behalf of the Company.

12.1 Consideration. The mutual promise by the Company and Executive to arbitrate any and all disputes between them (except for those referenced above) rather than litigate them before the courts or other bodies, provides the consideration for this agreement to arbitrate.

12.2 Initiation of Arbitration. Either party may exercise the right to arbitrate by providing the other party with written notice of any and all claims forming the basis of such right in sufficient detail to inform the other party of the substance of such claims. In no event shall the request for arbitration be made after the date when institution of legal or equitable proceedings based on such claims would be barred by the applicable statute of limitations.

12.3 Arbitration Procedure. The arbitration will be conducted in San Diego, California by a single neutral arbitrator and in accordance with the then current rules for resolution of employment disputes of JAMS ("JAMS"). The parties are entitled to representation by an attorney or other representative of their choosing. The arbitrator shall have the power to enter any award that could be entered by a judge of the trial court of the State of California, and only such power, and shall follow the law. The parties agree to abide by and perform any award rendered by the arbitrator. The arbitrator shall issue the award in writing and therein state the essential findings and conclusions on which the award is based. Judgment on the award may be entered in any court having jurisdiction thereof.

12.4 Costs of Arbitration. The Company shall bear the costs of the arbitration filing and hearing fees and the cost of the arbitrator. Each of the Company and Executive shall pay its own attorney's fees in connection with the arbitration unless otherwise provided by the arbitrator.

13. Specific Performance. Recognizing that irreparable damage will result to the Company in the event of the breach or threatened breach of any of the covenants and assurances by the Executive contained in Sections 8, 9, 10 and 12, and that the Company's remedies at law for any such breach or threatened breach are inadequate, the Company and its successors and assigns, in addition to such other remedies which may be available to them, shall be entitled to an injunction to be issued by any court of competent jurisdiction ordering compliance with this Agreement or enjoining and restraining Executive, and each and every person, firm or company acting in concert or participation with Executive, from the continuation of such breach. The obligations of Executive and rights of the Company pursuant to this Section 13 shall survive the termination of Executive's employment under this Agreement. The covenants and obligations of Executive set forth in this Section 13 are in addition to and not in lieu of or exclusive of any other obligations and duties Executive owes to the Company, whether expressed or implied in fact or law. No equitable remedies referred to above will be deemed to be the exclusive remedy

for a breach of this Agreement, but rather will be in addition to all other remedies available under this Agreement, at law or in equity.

14. General Provisions.

14.1 Prior Employment. Executive represents and warrants that Executive's acceptance of employment with the Company has not breached, and the performance of Executive's duties hereunder will not breach, any duty owed by Executive to any prior employer or other Person.

14.2 Successors and Assigns. This Agreement is binding upon the parties hereto and their respective successors, assigns, heirs and personal representatives. Except as otherwise provided herein, the Company may assign its rights and obligations under this Agreement to any successor to all or substantially all of the Company's assets or business of the Company (by sale, transfer, merger or otherwise). None of Executive's rights or obligations under this Agreement may be assigned or transferred by Executive to any Person, other than Executive's rights to payments hereunder which may only be transferred by will.

14.3 Waiver. Either party's failure to enforce any provision of this Agreement shall not in any way be construed as a waiver of any such provision, or prevent that party thereafter from enforcing each and every other provision of this Agreement.

14.4 Attorneys' Fees. Each party will bear its own attorneys' fees in any dispute unless a statutory section at issue, if any, authorizes the award of attorneys' fees to the prevailing party.

14.5 Severability. In the event any provision of this Agreement is found to be unenforceable by an arbitrator or court of competent jurisdiction, such provision shall be deemed modified to the extent necessary to allow enforceability of the provision as so limited, it being intended that the parties shall receive the benefit contemplated herein to the fullest extent permitted by law. If a deemed modification is not satisfactory in the judgment of such arbitrator or court, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.

14.6 Interpretation; Construction. The headings set forth in this Agreement are for convenience only and shall not be used in interpreting this Agreement. This Agreement has been drafted by legal counsel representing the Company, but Executive has participated in the negotiation of its terms. Furthermore, Executive acknowledges that Executive has had an opportunity to review and revise the Agreement and have it reviewed by legal counsel, if desired, and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

14.7 Governing Law. This Agreement will be governed by and construed in accordance with the laws of the United States and the State of California. Subject to Section 12 above, each party consents to the jurisdiction and venue of the state or federal courts in San Diego, California, if applicable, in any action, suit, or proceeding arising out of or relating to this Agreement.

14.8 Notices. Any notice required or permitted by this Agreement shall be in writing and shall be delivered as follows with notice deemed given as indicated: (a) by personal delivery when delivered personally; (b) by overnight courier upon written verification of receipt; (c) by email transmission with a written or electronic confirmation of delivery; or (d) by certified or registered mail,

return receipt requested, upon verification of receipt. Notice shall be sent to the addresses set forth below, or such other address as either party may specify in writing.

14.9 Survival. Section 9 (“Confidentiality and Proprietary Rights”), Section 10 (“Nonsolicitation”), Section 12 (“Agreement to Arbitrate”), Section 13 (“Specific Performance”), this Section 13 (“General Provisions”), Section 15 (“Section 409A”), and Section 16 (“Entire Agreement”) of this Agreement, and all provisions requiring the payment of amounts to Executive upon termination, shall survive the termination of this Agreement for any reason or Executive’s termination of employment with the Company.

15. Section 409A. If any benefit or amount payable to Executive hereunder on account of Executive’s termination of employment constitutes “nonqualified deferred compensation” within the meaning of Section 409A (“409A”) of the Internal Revenue Code of 1986, as amended (the “Code”), payment of such benefit or amount shall commence at the time Executive incurs a “separation from service” from the Company within the meaning of Treasury Regulation Section 1.409A-1(h). If, at the time Executive incurs a separation from service, Executive is a “specified employee” within the meaning of 409A, any benefit or amount payable to Executive under this Agreement on account of Executive’s termination of employment that constitutes nonqualified deferred compensation subject to 409A shall be delayed until the first day of the seventh month following Executive’s separation from service (the “409A Suspension Period”). Within fourteen (14) days after the end of the 409A Suspension Period, the Company shall pay to Executive a lump-sum payment in cash (or the form such payment otherwise would take) equal to any payments that the Company would otherwise have been required to provide under this Agreement but for the imposition of the 409A Suspension Period. Thereafter, Executive shall receive any remaining payments due under this Agreement in accordance with the terms of this Agreement (as if there had not been any suspension period beforehand). For purposes of Section 409A, each payment hereunder shall be considered a separate identifiable payment.

16. Entire Agreement. This Agreement, including the Company’s Invention Assignment and Proprietary Information Agreement incorporated herein by reference and any documents related to Executive’s Equity Awards and Bonus, constitutes the entire agreement between the parties relating to this subject matter and supersedes all prior or simultaneous representations, discussions, negotiations, and agreements, whether written or oral. This Agreement may be amended or modified only with the written consent of Executive and the Company upon authorization of the Board. No oral waiver, amendment or modification will be effective under any circumstances whatsoever.

17. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. The parties agree that facsimile copies of signatures shall be deemed originals for all purposes hereof and that a party may produce such copies, without the need to produce original signatures, to prove the existence of this Agreement in any proceeding brought hereunder.

THE PARTIES TO THIS AGREEMENT HAVE READ THE FOREGOING AGREEMENT AND FULLY UNDERSTAND EACH AND EVERY PROVISION CONTAINED HEREIN. WHEREFORE, THE PARTIES HAVE EXECUTED THIS AGREEMENT ON THE DATES SHOWN BELOW.

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EXECUTIVE:

Scipio "Max" Carnecchia

By: /s/ Scipio "Max" Carnecchia

Dated: November 6, 2018

MITEK SYSTEMS, INC.

By: /s/ Jason L. Gray

Jason L. Gray

600 B. Street, #100

San Diego, CA 92101

Dated: November 6, 2018

[SIGNATURE PAGE – EXECUTIVE EMPLOYMENT AGREEMENT]

APPENDIX I DEFINITIONS

All defined terms used in this Appendix I that are not otherwise defined in this Appendix I shall have the meaning ascribed to such terms in the Executive Employment Agreement to which this Appendix I relates.

“**Acquiring Company**” shall mean the resulting or surviving corporation, or the company issuing cash or securities (or its ultimate parent company), in a merger consolidation, tender offer or share exchange involving the Company, or the successor corporation to the Company (whether in any such transaction or otherwise).

“**Cause**” shall mean the occurrence of any one or more of the following events or conditions:

- (i) any material failure on the part of Executive (other than by reason of disability of Executive) to faithfully and professionally carry out Executive’s duties which failure continues for ten (10) days after written notice detailing such failure is delivered to Executive by the Company;
- (ii) Executive’s dishonesty or other misconduct, if such dishonesty or other misconduct is intended to or likely to materially injure the business or reputation of the Company;
- (iii) Executive’s conviction or no contest plea to any misdemeanor involving dishonesty, theft, fraud or moral turpitude, or any felony.
- (iv) Executive’s insobriety or illegal use of drugs, chemicals or controlled substances either (A) in the course of performing Executive’s duties and responsibilities under this Agreement or (B) otherwise materially affecting the ability of Executive to perform the same;
- (v) Executive’s material breach of any written agreement with the Company or any of its affiliates or material violation of the Company’s Code of Conduct or any other material written policy of the Company; or
- (vi) Any wanton or willful dereliction of duties by Executive.

“**Change of Control**” shall mean the occurrence of any of the following events or circumstances:

- (i) any “person” (within the meaning of Section 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), including a “group” within the meaning of such Section 13(d) but excluding the Company and any of its subsidiaries and any employee benefit plan sponsored or maintained by the Company or any subsidiary thereof, shall become the “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the combined voting power of the Company’s then outstanding securities entitled to vote generally in the election of directors (“Company Voting Securities”);
 - (ii) the consummation of a merger or consolidation involving the Company, or the acceptance by the stockholders of the Company of equity securities in a share exchange, where the Persons who were the beneficial owners of the Company Voting Securities outstanding
-

immediately prior to such merger, consolidation or share exchange, do not beneficially own, directly or indirectly, immediately after such merger, consolidation or share exchange, securities representing more than fifty percent (50%) of the combined voting power of the then-outstanding Company Voting Securities or voting securities of the Acquiring Company in such merger, consolidation or share exchange, in substantially the same proportions as their ownership of the Company Voting Securities immediately prior to such merger, consolidation or share exchange;

(iii) a sale, exchange or other disposition or transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Company; *provided, however*, that a Change of Control shall not be deemed to have occurred where: (x) the Company sells, exchanges or otherwise disposes or transfers all or substantially all of its assets to another Person which is beneficially owned, directly or indirectly, immediately following such transaction by the holders of Company Voting Securities in substantially the same proportions as their ownership of the Company Voting Securities immediately prior to such transaction; and (y) such Person expressly assumes this Agreement; or

(iv) such time as the Continuing Directors (as defined below) do not constitute at least a majority of the Board of Directors of the Company (or, if applicable, the board of directors of a successor to the Company), where the term “Continuing Director” means at any date a member of the Board who was: (x) a member of the Board of Directors of the Company on the Effective Date; or (y) nominated or elected subsequent to the Effective Date by at least a majority of the directors who were Continuing Directors at the time of such nomination or election or whose election to the Board of Directors of the Company was recommended or endorsed by at least a majority of the directors who were Continuing Directors at the time of such nomination or election (it being understood that no individual whose initial assumption of office occurred as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board shall be a Continuing Director).

“Disability” shall mean Executive’s physical or mental illness, injury or infirmity which prevents Executive from performing Executive’s material duties for a period of (A) ninety (90) consecutive calendar days or (B) an aggregate of one hundred eighty (180) calendar days out of any consecutive twelve (12) month period.

“Equity Award” shall mean any equity security, stock option, restricted stock, restricted stock unit, stock appreciation right, phantom stock unit or other right to acquire equity securities of the Company or any right to payment tied to the value of equity securities of the Company, whether such equity security, stock option, restricted stock, restricted stock unit, stock appreciation right, phantom stock unit or other right to acquire equity securities of the Company or right to payment based on the value of equity securities of the Company is granted or issued pursuant to an Equity Plan, outside an Equity Plan or otherwise.

“Equity Plan” shall mean the Company Stock Option Plans and any other plan, agreement or arrangement (whether written or oral and whether issued outside of any Company Stock Option Plan) pursuant to or out of which the Company issues or grants any Equity Awards to any Person.

“Good Reason” shall mean any one or more of the following events or conditions:

- (i) the Company’s breach of any of the material terms of this Agreement;
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(ii) the Company's relocating its office at which Executive is principally employed on the Effective Date to a location either outside of the United States or outside of the San Diego County, and that reassignment materially and adversely affects Executive's commute based on Executive's principal place of employment immediately prior to the time such relocation is announced and Executive is required to commute to such location without Executive's written consent;

(iii) a material diminution in Executive's title, duties or responsibilities or conditions of employment from those in effect on the Effective Date; or

(iv) a reduction of Executive's Base Salary or a reduction of the target Bonus percentage without Executive's consent.

"Person" shall mean any individual, corporation, limited liability corporation, partnership, or other business entity.

"Stock Option Plans" shall mean each of the Company's 1999 Stock Option Plan, Amended 2000 Stock Option Plan, 2002 Stock Option Plan, 2006 Stock Option Plan, 2010 Stock Option Plan, Amended and Restated 2012 Incentive Plan, and the 2011 Director Restricted Stock Unit Plan.

INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT (this “*Agreement*”) is made and entered into as of November 6, 2018, by and among MITEK SYSTEMS, INC., a Delaware corporation (the “*Company*”) and SCIPIO “MAX” CARNECCHIA (the “*Indemnitee*”).

RECITALS

WHEREAS, the Company values Indemnitee’s service to the Company as Chief Executive Officer and desires that Indemnitee continue to serve the Company in such capacity;

WHEREAS, Indemnitee does not regard the protection available under the organizational documents of the Company and any insurance policies maintained by the Company as adequate in the present circumstances, and Indemnitee may not be willing to continue to serve in Indemnitee’s capacity as Chief Executive Officer of the Company without the additional protections set forth in this Agreement;

WHEREAS, the Board of Directors of the Company (the “*Board*”) has determined that, on the basis of the foregoing, it is reasonable, prudent and necessary for the Company to obligate itself contractually to indemnify, and to advance expenses on behalf of, Indemnitee to the fullest extent permitted by applicable law so that Indemnitee will serve or continue to serve the Company free from undue concern that Indemnitee will not be so indemnified; and

WHEREAS, this Agreement is a supplement to and in furtherance of the organizational documents of the Company and any resolutions adopted pursuant thereto, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder;

NOW, THEREFORE, in consideration of the mutual promises and agreements herein contained, and intending to be legally bound, the parties hereto agree as follows:

AGREEMENT

1. INDEMNIFICATION OF INDEMNITEE. The Company hereby agrees to hold harmless and indemnify Indemnitee to the fullest extent permitted by applicable law, as such may be amended from time to time. In furtherance of the foregoing indemnification, and without limiting the generality thereof:

(a) Indemnitee shall be entitled to the rights of indemnification provided in this Section 1(a) if, by reason of Indemnitee’s Corporate Status (as defined in Section 13(a)), the Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding (as defined in Section 13(e)) other than a Proceeding by or in the right of the Company. Pursuant to this Section 1(a), Indemnitee shall be indemnified against all Expenses (as defined in Section 13(f)), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by Indemnitee, or on Indemnitee’s behalf, in connection with such Proceeding or any claim, issue or matter therein, if the Indemnitee acted in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and with respect to any criminal Proceeding, had no reasonable cause to believe the Indemnitee’s conduct was unlawful.

(b) Indemnitee shall be entitled to the rights of indemnification provided in this Section 1(b) if, by reason of Indemnitee’s Corporate Status, the Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding brought by or in the right of the Company. Pursuant to this Section 1(b), Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by the Indemnitee, or on the Indemnitee’s behalf, in connection with such Proceeding if the Indemnitee acted in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the

Company; provided, however, that if applicable law so provides, no indemnification against such Expenses shall be made in respect of any claim, issue or matter in such Proceeding as to which Indemnatee shall have been adjudged to be liable to the Company unless and to the extent that a court of competent jurisdiction shall determine that such indemnification may be made.

(c) Notwithstanding any other provision of this Agreement, to the extent that Indemnatee is, by reason of Indemnatee's Corporate Status, a party to and is successful, on the merits or otherwise, in any Proceeding, Indemnatee shall be indemnified to the maximum extent permitted by law, as such may be amended from time to time, against all Expenses actually and reasonably incurred by Indemnatee or on Indemnatee's behalf in connection therewith. If Indemnatee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnatee against all Expenses actually and reasonably incurred by Indemnatee or on Indemnatee's behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Section 1(c) and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

2. ADDITIONAL INDEMNITY. In addition to, and without regard to any limitations on, the indemnification provided for in Section 1 of this Agreement, the Company shall and hereby does indemnify and hold harmless Indemnatee against all Expenses, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by Indemnatee or on Indemnatee's behalf if, by reason of Indemnatee's Corporate Status, Indemnatee is, or is threatened to be made, a party to or participant in any Proceeding (including a Proceeding by or in the right of the Company), including, without limitation, all liability arising out of the negligence or active or passive wrongdoing of Indemnatee. The only limitation that shall exist upon the Company's obligations pursuant to this Agreement shall be that the Company shall not be obligated to make any payment to Indemnatee that is finally determined (under the procedures, and subject to the presumptions, set forth in Sections 6 and 7 hereof) to be unlawful.

3. CONTRIBUTION.

(a) Whether or not the indemnification provided in Sections 1 and 2 hereof is available, in respect of any Proceeding in which the Company is jointly liable with Indemnatee (or would be if joined in such Proceeding), the Company shall pay, in the first instance, the entire amount of any judgment or settlement of such Proceeding without requiring Indemnatee to contribute to such payment and the Company hereby waives and relinquishes any right of contribution it may have against Indemnatee. The Company shall not enter into any settlement of any Proceeding in which the Company is jointly liable with Indemnatee (or would be if joined in such Proceeding) unless such settlement provides for a full and final release of all claims asserted against Indemnatee.

(b) Without diminishing or impairing the obligations of the Company set forth in Section 3(a), if, for any reason, Indemnatee shall elect or be required to pay all or any portion of any judgment or settlement in any Proceeding in which the Company is jointly liable with Indemnatee (or would be if joined in such Proceeding), the Company shall contribute to the amount of Expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Indemnatee in proportion to the relative benefits received by the Company and all officers, directors or employees of the Company, other than Indemnatee, who are jointly liable with Indemnatee (or would be if joined in such Proceeding), on the one hand, and Indemnatee, on the other hand, from the transaction from which such Proceeding arose; provided, however, that the proportion determined on the basis of relative benefit may, to the extent necessary to conform to law, be further adjusted by reference to the relative fault of the Company and all officers, directors or employees of the Company other than Indemnatee who are jointly liable with Indemnatee (or would be if joined in such Proceeding), on the one hand, and Indemnatee, on

the other hand, in connection with the events that resulted in such expenses, judgments, fines or settlement amounts, as well as any other equitable considerations which the Law may require to be considered. The relative fault of the Company and all officers, directors or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such Proceeding), on the one hand, and Indemnitee, on the other hand, shall be determined by reference to, among other things, the degree to which their actions were motivated by intent to gain personal profit or advantage, the degree to which their liability is primary or secondary and the degree to which their conduct is active or passive.

(c) The Company hereby agrees to fully indemnify and hold Indemnitee harmless from any claims of contribution which may be brought by officers, directors or employees of the Company, other than Indemnitee, who may be jointly liable with Indemnitee.

(d) To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect: (i) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such Proceeding; and/or (ii) the relative fault of the Company (and its directors, officers, employees and agents) and Indemnitee in connection with such event(s) and/or transaction(s).

4. INDEMNIFICATION FOR EXPENSES OF A WITNESS. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of Indemnitee's Corporate Status, a witness, or is made (or asked) to respond to discovery requests, in any Proceeding to which Indemnitee is not a party, Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith.

5. ADVANCEMENT OF EXPENSES. Notwithstanding any other provision of this Agreement, the Company shall advance all Expenses incurred by or on behalf of Indemnitee in connection with any Proceeding by reason of Indemnitee's Corporate Status within fourteen (14) days after the receipt by the Company of a statement or statements from Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnitee and shall include or be preceded or accompanied by a written undertaking by or on behalf of Indemnitee to repay any Expenses advanced if it shall ultimately be determined that Indemnitee is not entitled to be indemnified against such Expenses. Any advances and undertakings to repay pursuant to this Section 5 shall be unsecured and interest free.

6. PROCEDURES AND PRESUMPTIONS FOR DETERMINING ENTITLEMENT TO INDEMNIFICATION. It is the intent of this Agreement to secure for Indemnitee rights of indemnification that are as favorable as may be permitted under applicable law. Accordingly, the parties agree that the following procedures and presumptions shall apply in the event of any question as to whether Indemnitee is entitled to indemnification under this Agreement:

(a) To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The Secretary of the Company shall, promptly upon receipt of such a request for indemnification, advise the Board in writing that Indemnitee has requested indemnification. Notwithstanding the foregoing, any failure of Indemnitee to provide such a request to the Company, or to

provide such a request in a timely fashion, shall not relieve the Company of any liability that it may have to Indemnitee unless, and to the extent that, such failure actually and materially prejudices the interests of the Company.

(b) Upon written request by Indemnitee for indemnification pursuant to the first sentence of Section 6(a) hereof, a determination with respect to Indemnitee's entitlement thereto shall be made in the specific case by one of the following four methods, which shall be at the election of the Board: (i) by a majority vote of the Disinterested Directors (as defined in Section 13(b)), even though less than a quorum; (ii) by a committee of those Disinterested Directors designated by a majority vote of the Disinterested Directors, even though less than a quorum; (iii) if there are no Disinterested Directors or if the Disinterested Directors so direct, by independent legal counsel in a written opinion to the Board, a copy of which shall be delivered to the Indemnitee, or (iv) if so directed by the Board, by the stockholders of the Company.

(c) If the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 6(b) hereof, the Independent Counsel shall be selected as provided in this Section 6(c). The Independent Counsel shall be selected by the Board. Indemnitee may, within 10 days after such written notice of selection shall have been given, deliver to the Company a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 13 of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If a written objection is made and substantiated, the Independent Counsel selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court has determined that such objection is without merit. If, within 20 days after submission by Indemnitee of a written request for indemnification pursuant to Section 6(a) hereof, no Independent Counsel shall have been selected and not objected to, either the Company or Indemnitee may petition a court of competent jurisdiction for resolution of any objection which shall have been made by the Indemnitee to the Company's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the court or by such other person as the court shall designate, and the person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 6(b) hereof. The Company shall pay any and all reasonable fees and expenses of Independent Counsel incurred by such Independent Counsel in connection with acting pursuant to Section 6(b) hereof, and the Company shall pay all reasonable fees and expenses incident to the procedures of this Section 6(c), regardless of the manner in which such Independent Counsel was selected or appointed.

(d) In making a determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence. Neither the failure of the Company (including by its directors or independent legal counsel) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including by its directors or independent legal counsel) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(e) Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Enterprise (as defined in Section 13(c)), including financial statements, or on information supplied to Indemnitee by the officers of the Enterprise in the course of their duties, or on the advice of legal counsel for the Enterprise or on information or records given or

reports made to the Enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Enterprise. In addition, the knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement. Whether or not the foregoing provisions of this Section 6(e) are satisfied, it shall in any event be presumed that Indemnitee has at all times acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

(f) If the person, persons or entity empowered or selected under this Section 6 to determine whether Indemnitee is entitled to indemnification shall not have made a determination within sixty (60) days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall be deemed to have been made and Indemnitee shall be entitled to such indemnification absent: (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification; or (ii) a prohibition of such indemnification under applicable law; provided, however, that such 60-day period may be extended for a reasonable time, not to exceed an additional thirty (30) days, if the person, persons or entity making such determination with respect to entitlement to indemnification in good faith requires such additional time to obtain or evaluate documentation and/or information relating thereto; and provided, further, that the foregoing provisions of this Section 6(f) shall not apply if the determination of entitlement to indemnification is to be made by the stockholders pursuant to Section 6(b) of this Agreement and if (A) within fifteen (15) days after receipt by the Company of the request for such determination, the Board or the Disinterested Directors, if appropriate, resolve to submit such determination to the stockholders for their consideration at an annual meeting thereof to be held within seventy-five (75) days after such receipt and such determination is made thereat or (B) a special meeting of stockholders is called within fifteen (15) days after such receipt for the purpose of making such determination, such meeting is held for such purpose within sixty (60) days after having been so called and such determination is made thereat.

(g) Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any Independent Counsel, member of the Board or stockholder of the Company shall act reasonably and in good faith in making a determination regarding the Indemnitee's entitlement to indemnification under this Agreement. Any costs or expenses (including attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

(h) The Company acknowledges that a settlement or other disposition short of final judgment may be successful if it permits a party to avoid expense, delay, distraction, disruption and uncertainty. In the event that any Proceeding to which Indemnitee is a party is resolved in any manner other than by adverse judgment against Indemnitee (including, without limitation, settlement of such Proceeding with or without payment of money or other consideration) it shall be presumed that Indemnitee has been successful on the merits or otherwise in such Proceeding. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

(i) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as

otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that Indemnitee's conduct was unlawful.

7. REMEDIES OF INDEMNITEE.

(a) In the event that: (i) a determination is made pursuant to Section 6 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement; (ii) advancement of Expenses is not timely made pursuant to Section 5 of this Agreement; (iii) no determination of entitlement to indemnification is made pursuant to Section 6(b) of this Agreement within ninety (90) days after receipt by the Company of the request for indemnification; (iv) payment of indemnification is not made pursuant to this Agreement within ten (10) days after receipt by the Company of a written request therefor; or (v) payment of indemnification is not made within ten (10) days after a determination has been made that Indemnitee is entitled to indemnification or such determination is deemed to have been made pursuant to Section 6 of this Agreement, Indemnitee shall be entitled to an adjudication in any court of competent jurisdiction of Indemnitee's entitlement to such indemnification. Indemnitee shall commence such proceeding seeking an adjudication within one hundred eighty (180) days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 7(a). The Company shall not oppose Indemnitee's right to seek any such adjudication.

(b) In the event that a determination shall have been made pursuant to Section 6(b) of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding commenced pursuant to this Section 7 shall be conducted in all respects as a de novo trial on the merits, and Indemnitee shall not be prejudiced by reason of the adverse determination under Section 6(b).

(c) If a determination shall have been made pursuant to Section 6(b) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding commenced pursuant to this Section 7, absent: (i) a misstatement by Indemnitee of a material fact or an omission of a material fact necessary to make Indemnitee's misstatement not materially misleading in connection with the application for indemnification; or (ii) a prohibition of such indemnification under applicable law.

(d) In the event that Indemnitee, pursuant to this Section 7, seeks a judicial adjudication of Indemnitee's rights under, or to recover damages for breach of, this Agreement, or to recover under any directors' and officers' liability insurance policies maintained by the Company, the Company shall pay on Indemnitee's behalf, in advance, any and all expenses (of the types described in the definition of "Expenses" in Section 13(d) of this Agreement) actually and reasonably incurred by Indemnitee in such judicial adjudication, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement of expenses or insurance recovery.

(e) The Company shall be precluded from asserting in any judicial proceeding commenced pursuant to this Section 7 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court that the Company is bound by all the provisions of this Agreement. The Company shall indemnify Indemnitee against any and all Expenses and, if requested by Indemnitee, shall (within ten (10) days after receipt by the Company of a written request therefor) advance, to the extent not prohibited by law, such expenses to Indemnitee, which are incurred by Indemnitee in connection with any action brought by Indemnitee for indemnification or advance of Expenses from the Company under this Agreement or under any directors' and officers' liability insurance

policies maintained by the Company, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement of Expenses or insurance recovery, as the case may be.

(f) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding.

8. NON-EXCLUSIVITY, SURVIVAL OF RIGHTS, ETC.

(a) The rights of indemnification as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the organizational documents of the Company, any other agreement with the Company, a vote of the Company's stockholders, a resolution of the Board or otherwise. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in Indemnitee's Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in any applicable law, whether by statute or judicial decision, permits greater indemnification than would be afforded currently under the Company's organizational documents and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, or agents or fiduciaries of the Company or of any other Enterprise, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any director, officer, employee, agent or fiduciary under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has directors' and officers' liability insurance in effect, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

9. EXCEPTION TO RIGHT OF INDEMNIFICATION. Notwithstanding any provision in this Agreement, the Company shall not be obligated under this Agreement to provide any indemnification in connection with any claim made against Indemnitee: (i) for which payment has actually been made to or on behalf of Indemnitee under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision; (ii) for an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Securities Exchange Act of 1934, as amended, or similar provisions of state statutory law or common law; or (iii) in connection with any Proceeding (or any part of any Proceeding) initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against the Company or its directors, officers, employees or other indemnitees, unless (A) the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation or (B) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law; it being understood that a counterclaim or cross-complaint by Indemnitee shall not be deemed the initiation of a Proceeding by Indemnitee.

10. DURATION OF AGREEMENT. All agreements and obligations of the Company contained herein shall continue until the date that is six (6) years after the date upon which Indemnitee's Corporate Status terminates and shall continue thereafter so long as Indemnitee shall be subject to any Proceeding (or any proceeding commenced under Section 7 hereof) by reason of Indemnitee's Corporate Status, whether or not Indemnitee is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Agreement. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), assigns, spouses, heirs, executors and personal and legal representatives.

11. SECURITY. To the extent requested by Indemnitee and approved by the Board, the Company may at any time and from time to time provide security to Indemnitee for the Company's obligations hereunder through an irrevocable bank line of credit, funded trust or other collateral. Any such security, once provided to Indemnitee, may not be revoked or released without the prior written consent of the Indemnitee.

12. ENFORCEMENT. The Company expressly confirms and agrees that it has entered into this Agreement and assumes the obligations imposed on it hereby in order to induce Indemnitee to serve as an officer or director of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as an officer or director of the Company.

13. DEFINITIONS. For purposes of this Agreement:

(a) **"Corporate Status"** describes the status of a person who is or was at any time (including, without limitation, any time prior to the date of this Agreement) a director, officer, employee, agent or fiduciary of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving at the express written request of the Company.

(b) **"Disinterested Director"** means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

(c) **"Enterprise"** shall mean the Company and any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that Indemnitee is or was serving at the express written request of the Company as a director, officer, employee, agent or fiduciary.

(d) **"Expenses"** shall include all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, participating, or being or preparing to be a witness in a Proceeding, or responding to, or objecting to, a request to provide discovery in any Proceeding. Expenses also shall include Expenses incurred in connection with any appeal resulting from any Proceeding and any federal, state, local or foreign taxes imposed on the Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, including without limitation the premium, security for, and other costs relating to any cost bond, supersedeas bond, or other appeal bond or its equivalent. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(e) **"Independent Counsel"** means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with

respect to matters concerning Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement. The Company agrees to pay the reasonable fees of the Independent Counsel referred to above and to fully indemnify such counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

(f) "**Proceeding**" includes any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding (including one pending on or before the date of this Agreement but excluding one initiated by an Indemnitee pursuant to Section 7 of this Agreement to enforce Indemnitee's rights under this Agreement), whether brought by or in the right of the Company or otherwise and whether civil, criminal, administrative or investigative, in which Indemnitee was, is or will be involved as a party or otherwise, by reason of the fact that Indemnitee is or was an officer or director of the Company, by reason of any action taken by Indemnitee or of any inaction on Indemnitee's part while acting as an officer or director of the Company, or by reason of the fact that Indemnitee is or was serving at the request of the Company as a director, officer, employee, agent or fiduciary of another corporation, partnership, joint venture, trust or other Enterprise, in each case whether or not Indemnitee is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Agreement.

14. SEVERABILITY. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision. Without limiting the generality of the foregoing, this Agreement is intended to confer upon Indemnitee indemnification rights to the fullest extent permitted by applicable laws. In the event any provision hereof conflicts with any applicable law, such provision shall be deemed modified, consistent with the aforementioned intent, to the extent necessary to resolve such conflict.

15. MODIFICATION AND WAIVER. No supplement, modification, termination or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

16. NOTICE BY INDEMNITEE. Indemnitee agrees to promptly notify the Company in writing upon being served with or otherwise receiving any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification covered hereunder. The failure to so notify the Company shall not relieve the Company of any obligation which it may have to Indemnitee under this Agreement or otherwise unless and only to the extent that such failure or delay materially prejudices the Company.

17. NOTICES. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified; (ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, and if not so confirmed, then on the next business day; (iii) five (5) business days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one business (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All notices and other communications shall be sent:

(a) To Indemnitee at the address set forth below Indemnitee's signature hereto.

(b) To the Company at:

Mitek Systems, Inc.
600 B Street, Suite 100
San Diego, CA 92101
Attention: Board of Directors

or to such other address as may have been furnished to Indemnitee by the Company or to the Company by Indemnitee, as the case may be.

18. HEADINGS. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

19. GOVERNING LAW. This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules

20. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof

21. COUNTERPARTS. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. This Agreement may also be executed and delivered by facsimile signature (or other similar electronic means) and in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on and as of the day and year first written above.

COMPANY:

MITEK SYSTEMS, INC.

/s/ Jason L. Gray

JASON L. GRAY
GENERAL COUNSEL

INDEMNITEE:

/s/ Scipio "Max" Carnecchia

SCIPIO "MAX" CARNECCHIA

MITEK SYSTEMS, INC.
STOCK OPTION AGREEMENT

Mitek Systems, Inc. (the “Company”) hereby grants to you, Scipio “Max” Camecchia (the “Executive”) an option to purchase that number of shares of Common Stock set forth below (the “Option”), as an inducement grant pursuant to Nasdaq Listing Rule 5635(c)(4) and subject to the terms and conditions below. Capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Amended and Restated Mitek Systems, Inc. 2012 Incentive Plan (the “Plan”), a copy of which is attached hereto as Attachment 1.

1. GOVERNING PLAN DOCUMENT. Your Option is subject to all of the provisions of the Plan, which provisions are hereby made a part of this Stock Option Agreement. In the event of any conflict between the provisions of this Stock Option Agreement and the provisions of the Plan, the provisions of the Plan shall control in all respects, provided that to the extent a term is separately defined in this Stock Option Agreement, such definition will supersede the definition contained in Section 2 of the Plan.

2. DETAILS OF OPTION. The details of your Option are as follows:

Date of Grant:	November 6, 2018
Vesting Commencement Date:	See Vesting Schedule below.
Number of Shares Subject to Option:	90,939
Exercise Price (Per Share):	\$9.50
Expiration Date:	November 6, 2028

Type of Grant:	Non-Qualified Stock Option (inducement grant)
Exercise Schedule:	Same as Vesting Schedule.
Vesting Schedule:	Subject to the terms and conditions of this Award and the Plan, 1/4th of the stock options shall vest on November 6, 2019 (the “Initial Vesting Date”). The remaining 3/4ths of the stock options shall vest ratably on a monthly basis over the three years following the Initial Vesting Date, such that the award shall be fully vested on the four year anniversary of the Date of Grant. The resulting aggregate number of vested stock options shall be rounded to the nearest whole number on each vesting date.

3. EXERCISE. You may exercise your Option only for whole shares of Common Stock and only as set forth in the Plan. In order to exercise your Option, you must submit to the Company payment via any means permitted by the Plan for that number of shares of Common Stock you are electing to purchase pursuant to your Option. In the event that your Option is an Incentive Stock Option, by exercising your Option you expressly agree that you will notify the Company in writing within fifteen (15) days after the date of any disposition of any of the Shares issued upon exercise of your Option that occurs within two (2) years after the date of your Option grant or within one (1) year after such shares of Common Stock are issued upon exercise of your Option. Notwithstanding the foregoing, you expressly acknowledge and agree that no Shares will be delivered to you or any other person on your behalf until you or such other person has made arrangements acceptable to the Committee for the satisfaction of any non-U.S., federal, state or local income and employment tax withholding obligations, including without limitation, obligations incident to the receipt of Shares upon exercise of this Option. Accordingly, but without limiting the generality of the foregoing, you and the Company expressly acknowledge and agree that, as a condition to the exercise of your Option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax withholding obligation of the Company or any of its Subsidiaries or Affiliates arising by reason of the exercise of your Option, the lapse of any substantial risk of forfeiture to which the Shares underlying your Option are subject at the time of exercise or the disposition of Shares acquired upon the exercise of your Option.

4. “EARLY EXERCISE”. If it is indicated in Section 2 that “early exercise” of your Option is permitted, then you may elect, at any time that is both during the period of your full- or part-time employment or service with the Company or any of its Related Entities that employ you, as the case may be, and during the term of your Option, to exercise all or part of your Option,

including the unvested portion of your Option; provided, however, that (i) a partial exercise of your Option shall be deemed to first cover vested Shares and then cover the earliest vesting installment of unvested Shares, (ii) any Shares so purchased from installments that have not vested as of the date of exercise shall be subject to the repurchase option in favor of the Company as described in the Company's form of Early Exercise Stock Purchase Agreement, a copy of which will be provided to you at the time you elect to "early exercise" your Option, and (iii) you shall enter into the Company's form of Early Exercise Stock Purchase Agreement with a vesting schedule that will result in the same vesting as if no early exercise had occurred.

5. TERM. You may not exercise your Option before the commencement of its term or after its term expires. The term of your Option commences on the Date of Grant indicated in Section 2 and expires upon the Expiration Date set forth in Section 2.

6. NOT A CONTRACT OF EMPLOYMENT. By executing this Award, you acknowledge and agree that (i) nothing in this Award or the Plan confers on you any right to be employed by, or continue any employment, service or consulting relationship with, the Company or any of its Subsidiaries or Affiliates, and (ii) the Company would not have granted this Award to you but for this acknowledgement and agreement. Under no circumstances will the Plan or this Stock Option Agreement be considered to be part of the terms and conditions of your employment with the Company or any of its Related Entities that employ you.

7. NOTICES. Any notices to be delivered pursuant to this Stock Option Agreement shall be given in writing and shall be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company.

8. SEVERABILITY. If one or more provisions of this Stock Option Agreement are held to be unenforceable under applicable law, such provision(s) shall be excluded from this Stock Option Agreement and the balance of the Stock Option Agreement shall be interpreted as if such provision(s) were so excluded and shall be enforceable in accordance with its terms.

9. BINDING AND ENTIRE AGREEMENT. The terms and conditions of this Stock Option Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. This Stock Option Agreement, together with the Plan and that certain Executive Employment Agreement between the parties and dated as of the date hereof, and any attachments hereto or thereto, constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and thereof and no party shall be liable or bound to any other party in any manner by any representations, warranties, covenants and agreements except as specifically set forth herein and therein.

10. COUNTERPARTS. This Stock Option Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

COMPANY:

EXECUTIVE:

MITEK SYSTEMS, INC.

By: /s/ Jason L. Gray

By: /s/ Scipio "Max" Carnecchia

Name: Jason L. Gray

Name: Scipio "Max" Carnecchia

Title: General Counsel

GRANT SUMMARY:

On **November 6, 2018**, **Scipio "Max" Carnecchia** hereby receives a non-qualified stock option inducement grant to purchase up to **90,939** shares of Common Stock of the Company at an exercise price of **\$9.50** per share.

MITEK SYSTEMS, INC.

CONDITIONAL STOCK OPTION AGREEMENT

Mitek Systems, Inc. (the "Company") hereby grants to you, Scipio "Max" Camecchia (the "Executive") an option to purchase that number of shares of Common Stock set forth below (the "Conditional Option"), as an inducement grant pursuant to Nasdaq Listing Rule 5635(c)(4) and subject to the terms and conditions below. Capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Amended and Restated Mitek Systems, Inc. 2012 Incentive Plan (the "Plan"), a copy of which is attached hereto as Attachment 1.

1. GOVERNING PLAN DOCUMENT. Your Conditional Option is subject to all of the provisions of the Plan, which provisions are hereby made a part of this Conditional Stock Option Agreement. In the event of any conflict between the provisions of this Conditional Stock Option Agreement and the provisions of the Plan, the provisions of the Plan shall control in all respects, provided that to the extent a term is separately defined in this Conditional Stock Option Agreement, such definition will supersede the definition contained in Section 2 of the Plan.

2. DETAILS OF CONDITIONAL OPTION. The details of your Conditional Option are as follows:

Date of Grant:	November 6, 2018
Vesting Commencement Date:	See Vesting Schedule below.
Number of Shares Subject to Conditional Option:	81,240
Exercise Price (Per Share):	\$9.50
Expiration Date:	November 6, 2028

Type of Grant:	Non-Qualified Stock Option (inducement grant)
Exercise Schedule:	Same as Vesting Schedule.
Vesting Schedule:	Subject to the terms and conditions of this Award and the Plan, 1/4th of the stock options shall vest on November 6, 2020 (the "Initial Vesting Date"). The remaining 3/4ths of the stock options shall vest ratably on a monthly basis over the three years following the Initial Vesting Date, such that the award shall be fully vested on the thirty-sixth month after the Initial Vesting Date. The resulting aggregate number of vested stock options shall be rounded to the nearest whole number on each vesting date.

Notwithstanding anything to the contrary contained in the Plan, any employment agreement to which Executive is a party or otherwise, in the event that the consummation of a Change of Control occurs prior to the six (6) month anniversary of the Date of Grant, this Conditional Option shall terminate, shall not vest, shall not become exercisable and shall be void and of no further force or effect.

3. EXERCISE. You may exercise your Conditional Option only for whole shares of Common Stock and only as set forth in the Plan. In order to exercise your Conditional Option, you must submit to the Company payment via any means permitted by the Plan for that number of shares of Common Stock you are electing to purchase pursuant to your Conditional Option. In the event that your Conditional Option is an Incentive Stock Option, by exercising your Conditional Option you expressly agree that you will notify the Company in writing within fifteen (15) days after the date of any disposition of any of the Shares issued upon exercise of your Conditional Option that occurs within two (2) years after the date of your Conditional Option grant or within one (1) year after such shares of Common Stock are issued upon exercise of your Conditional Option. Notwithstanding the foregoing, you expressly acknowledge and agree that no Shares will be delivered to you or any other person on your behalf until you or such other person has made arrangements acceptable to the Committee for the satisfaction of any non-U.S., federal, state or local income and employment tax withholding obligations, including without limitation, obligations incident to the receipt of Shares upon exercise of this Conditional Option. Accordingly, but without limiting the generality of the foregoing, you and the Company expressly acknowledge and agree that, as a condition to the exercise of your Conditional Option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax

withholding obligation of the Company or any of its Subsidiaries or Affiliates arising by reason of the exercise of your Conditional Option, the lapse of any substantial risk of forfeiture to which the Shares underlying your Conditional Option are subject at the time of exercise or the disposition of Shares acquired upon the exercise of your Conditional Option.

4. "EARLY EXERCISE". If it is indicated in Section 2 that "early exercise" of your Conditional Option is permitted, then you may elect, at any time that is both during the period of your full- or part-time employment or service with the Company or any of its Related Entities that employ you, as the case may be, and during the term of your Conditional Option, to exercise all or part of your Conditional Option, including the unvested portion of your Conditional Option; provided, however, that (i) a partial exercise of your Conditional Option shall be deemed to first cover vested Shares and then cover the earliest vesting installment of unvested Shares, (ii) any Shares so purchased from installments that have not vested as of the date of exercise shall be subject to the repurchase option in favor of the Company as described in the Company's form of Early Exercise Stock Purchase Agreement, a copy of which will be provided to you at the time you elect to "early exercise" your Conditional Option, and (iii) you shall enter into the Company's form of Early Exercise Stock Purchase Agreement with a vesting schedule that will result in the same vesting as if no early exercise had occurred.

5. TERM. You may not exercise your Conditional Option before the commencement of its term or after its term expires. The term of your Conditional Option commences on the Date of Grant indicated in Section 2 and expires upon the Expiration Date set forth in Section 2.

6. NOT A CONTRACT OF EMPLOYMENT. By executing this Award, you acknowledge and agree that (i) nothing in this Award or the Plan confers on you any right to be employed by, or continue any employment, service or consulting relationship with, the Company or any of its Subsidiaries or Affiliates, and (ii) the Company would not have granted this Award to you but for this acknowledgement and agreement. Under no circumstances will the Plan or this Conditional Stock Option Agreement be considered to be part of the terms and conditions of your employment with the Company or any of its Related Entities that employ you.

7. NOTICES. Any notices to be delivered pursuant to this Conditional Stock Option Agreement shall be given in writing and shall be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company.

8. SEVERABILITY. If one or more provisions of this Conditional Stock Option Agreement are held to be unenforceable under applicable law, such provision(s) shall be excluded from this Conditional Stock Option Agreement and the balance of the Conditional Stock Option Agreement shall be interpreted as if such provision(s) were so excluded and shall be enforceable in accordance with its terms.

9. BINDING AND ENTIRE AGREEMENT. The terms and conditions of this Conditional Stock Option Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. This Conditional Stock Option Agreement, together with the Plan and that certain Executive Employment Agreement between the parties and dated as of the date hereof, and any attachments hereto or thereto, constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and thereof and no party shall be liable or bound to any other party in any manner by any representations, warranties, covenants and agreements except as specifically set forth herein and therein.

10. COUNTERPARTS. This Conditional Stock Option Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

COMPANY:

EXECUTIVE:

MITEK SYSTEMS, INC.

By: /s/ Jason L. Gray

By: Scipio "Max" Carneccchia

Name: Jason L. Gray

Name: Scipio "Max" Carneccchia

Title: General Counsel

GRANT SUMMARY:

On **November 6, 2018**, **Scipio "Max" Carneccchia** hereby receives a non-qualified stock option inducement grant to purchase up to **81,240** shares of Common Stock of the Company at an exercise price of **\$9.50** per share.

MITEK SYSTEMS, INC.

PERFORMANCE STOCK OPTION AGREEMENT

Mitek Systems, Inc. (the "Company") hereby grants to you, Scipio "Max" Camecchia (the "Executive") an option to purchase that number of shares of Common Stock set forth below (the "Option"), as an inducement grant pursuant to Nasdaq Listing Rule 5635(c)(4) and subject to the terms and conditions below. Capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Amended and Restated Mitek Systems, Inc. 2012 Incentive Plan (the "Plan"), a copy of which is attached hereto as Attachment 1.

1. GOVERNING PLAN DOCUMENT. Your Option is subject to all of the provisions of the Plan, which provisions are hereby made a part of this Performance Stock Option Agreement. In the event of any conflict between the provisions of this Performance Stock Option Agreement and the provisions of the Plan, the provisions of the Plan shall control in all respects, provided that to the extent a term is separately defined in this Performance Stock Option Agreement, such definition will supersede the definition contained in Section 2 of the Plan.

2. DETAILS OF OPTION. The details of your Option are as follows:

Date of Grant:	November 6, 2018
Vesting Commencement Date:	See Vesting Schedule below.
Number of Shares Subject to Option:	Up to 800,000
Exercise Price (Per Share):	\$9.50
Expiration Date:	November 6, 2028

Type of Grant: Non-Qualified Performance Stock Option (inducement grant)

Exercise Schedule: Same as Vesting Schedule.

Vesting Schedule: Subject to the terms and conditions of this Award and the Plan, the Option shall vest only upon the satisfaction of both (1) a time vesting requirement and (2) a performance vesting requirement.

(1) The time vesting requirement with respect to all shares issuable under the Option shall be satisfied on the date that is the third anniversary of the Date of Grant.

(2) The performance vesting requirement must be satisfied during the period beginning on the Date of Grant and ending on the fifth anniversary of the Date of Grant ("*Performance Vesting Period*"), as follows: (a) if the per share closing market price of the Common Stock exceeds 125% of the Exercise Price for 20 consecutive trading days during the Performance Vesting Period, then 200,000 of the shares underlying this Option shall vest at the close of market trading on the 20th consecutive trading day; (b) if the per share closing market price of the Common Stock exceeds 150% of the Exercise Price for 20 consecutive trading days during the Performance Vesting Period, then 200,000 of the shares underlying this Option shall vest at the close of market trading on the 20th consecutive trading day; (c) if the per share closing market price of the Common Stock exceeds 175% of the Exercise Price for 20 consecutive trading days during the Performance Vesting Period, then 200,000 of the shares underlying this Option shall vest at the close of market trading on the 20th consecutive trading day; and (d) if the per share closing market price of the Common Stock exceeds 200% of the

Exercise Price for 20 consecutive trading days during the Performance Vesting Period, then 200,000 of the shares underlying this Option shall vest at the close of market trading on the 20th consecutive trading day. Any of the performance vesting requirements in clauses (a), (b), (c) or (d) of the preceding sentence can only be satisfied once.

3. EXERCISE. You may not exercise this Option, whether any portion is then vested or not, prior to November, 6, 2021. You may exercise this Option only for whole shares of Common Stock and only as set forth in the Plan. In order to exercise your Option, you must submit to the Company payment via any means permitted by the Plan for that number of shares of Common Stock you are electing to purchase pursuant to your Option. In the event that your Option is an Incentive Stock Option, by exercising your Option you expressly agree that you will notify the Company in writing within fifteen (15) days after the date of any disposition of any of the Shares issued upon exercise of your Option that occurs within two (2) years after the date of your Option grant or within one (1) year after such shares of Common Stock are issued upon exercise of your Option. Notwithstanding the foregoing, you expressly acknowledge and agree that no Shares will be delivered to you or any other person on your behalf until you or such other person has made arrangements acceptable to the Committee for the satisfaction of any non-U.S., federal, state or local income and employment tax withholding obligations, including without limitation, obligations incident to the receipt of Shares upon exercise of this Option. Accordingly, but without limiting the generality of the foregoing, you and the Company expressly acknowledge and agree that, as a condition to the exercise of your Option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax withholding obligation of the Company or any of its Subsidiaries or Affiliates arising by reason of the exercise of your Option, the lapse of any substantial risk of forfeiture to which the Shares underlying your Option are subject at the time of exercise or the disposition of Shares acquired upon the exercise of your Option.

4. "EARLY EXERCISE". If it is indicated in Section 2 that "early exercise" of your Option is permitted, then you may elect, at any time that is both during the period of your full- or part-time employment or service with the Company or any of its Related Entities that employ you, as the case may be, and during the term of your Option, to exercise all or part of your Option, including the unvested portion of your Option; provided, however, that (i) a partial exercise of your Option shall be deemed to first cover vested Shares and then cover the earliest vesting installment of unvested Shares, (ii) any Shares so purchased from installments that have not vested as of the date of exercise shall be subject to the repurchase option in favor of the Company as described in the Company's form of Early Exercise Stock Purchase Agreement, a copy of which will be provided to you at the time you elect to "early exercise" your Option, and (iii) you shall enter into the Company's form of Early Exercise Stock Purchase Agreement with a vesting schedule that will result in the same vesting as if no early exercise had occurred.

5. TERM. You may not exercise your Option before the commencement of its term or after its term expires. The term of your Option commences on the Date of Grant indicated in Section 2 and expires upon the Expiration Date set forth in Section 2.

6. NOT A CONTRACT OF EMPLOYMENT. By executing this Award, you acknowledge and agree that (i) nothing in this Award or the Plan confers on you any right to be employed by, or continue any employment, service or consulting relationship with, the Company or any of its Subsidiaries or Affiliates, and (ii) the Company would not have granted this Award to you but for this acknowledgement and agreement. Under no circumstances will the Plan or this Performance Stock Option Agreement be considered to be part of the terms and conditions of your employment with the Company or any of its Related Entities that employ you.

7. NOTICES. Any notices to be delivered pursuant to this Performance Stock Option Agreement shall be given in writing and shall be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company.

8. SEVERABILITY. If one or more provisions of this Performance Stock Option Agreement are held to be unenforceable under applicable law, such provision(s) shall be excluded from this Performance Stock Option Agreement and the balance of

the Performance Stock Option Agreement shall be interpreted as if such provision(s) were so excluded and shall be enforceable in accordance with its terms.

9. BINDING AND ENTIRE AGREEMENT. The terms and conditions of this Performance Stock Option Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. This Performance Stock Option Agreement, together with the Plan and that certain Executive Employment Agreement between the parties and dated as of the date hereof, and any attachments hereto or thereto, constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and thereof and no party shall be liable or bound to any other party in any manner by any representations, warranties, covenants and agreements except as specifically set forth herein and therein.

10. COUNTERPARTS. This Performance Stock Option Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

COMPANY:

EXECUTIVE:

MITEK SYSTEMS, INC.

By: /s/ Jason L. Gray

By: /s/ Scipio "Max" Carnecchia

Name: Jason L. Gray

Name: Scipio "Max" Carnecchia

Title: General Counsel

GRANT SUMMARY:

On **November 6, 2018**, **Scipio "Max" Carnecchia** hereby receives a non-qualified performance stock option to purchase up to **800,000** shares of Common Stock of the Company at an exercise price of **\$9.50** per share.

MITEK SYSTEMS, INC.

RESTRICTED STOCK UNIT AWARD AGREEMENT

Mitek Systems, Inc. (the “Company”) hereby grants to you, Scipio “Max” Camecchia (the “Executive”) that number of restricted units of the Company’s Common Stock set forth below (the “*Restricted Stock Unit Award*”), as an inducement grant pursuant to Nasdaq Listing Rule 5635(c)(4) and subject to the terms and conditions below. Capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Amended and Restated Mitek Systems, Inc. 2012 Incentive Plan (the “*Plan*”), a copy of which is attached hereto as Attachment 1.

1. GOVERNING PLAN DOCUMENT. Your Restricted Stock Unit Award is subject to all of the provisions of the Plan, which provisions are hereby made a part of this Restricted Stock Unit Award Agreement. In the event of any conflict between the provisions of this Restricted Stock Unit Award Agreement and the provisions of the Plan, the provisions of the Plan shall control in all respects, provided that to the extent a term is separately defined in this Restricted Stock Unit Award Agreement, such definition will supersede the definition contained in Section 2 of the Plan.

2. DETAILS OF RESTRICTED STOCK UNIT AWARD. The details of your Restricted Stock Unit Award are as follows:

Number of Shares of Common Stock Subject to Award:	47,369
Award Date:	November 6, 2018
Vesting Schedule:	Subject to the terms and conditions of this Award and the Plan, the restricted stock units subject to this Award shall vest in four equal annual installments with the first installment vesting on November 6, 2019, such that the award shall be fully vested on the four year anniversary of the Award Date. The resulting aggregate number of restricted stock units shall be rounded to the nearest whole number on each vesting date.

3. SATISFACTION OF VESTING RESTRICTIONS; ACCOUNT. No Shares will be issued to you pursuant to your Restricted Stock Unit Award until such Shares vest in accordance with the Vesting Schedule indicated in Section 2. As soon as practicable after the date on which any Shares subject to your Restricted Stock Unit Award vest, the Company will issue to you, free from further vesting restrictions, uncertificated shares in book entry form or share certificates representing such vested whole Shares. Prior to the time any Shares subject to your Restricted Stock Unit Award vest, whenever dividends, whether payable in cash, stock or other property, are declared on such Shares, on the date any such dividend is paid, the Company will credit to a bookkeeping account (the “*Account*”) maintained by the Company for your benefit appropriate Dividend Equivalents in respect of the number of unvested Shares subject to your Restricted Stock Unit Award on the record date for such dividend. Any such Dividend Equivalent will be released from the Account and paid or issued to you as your Restricted Stock Unit Award vests. In the event that any such Dividend Equivalent consists of Shares, the Company shall issue such Shares to you free from any vesting restrictions, in uncertificated book entry form or in share certificates representing whole Shares.

4. TERMINATION OF EMPLOYMENT OR SERVICE WITH THE COMPANY OR ANY OF ITS RELATED ENTITIES. If, at any time prior to the vesting in full of the Shares subject to your Restricted Stock Unit Award, your full- or part-time employment or service with the Company or any of its Related Entities terminates for any reason, the unvested portion of your Restricted Stock Unit Award shall be canceled and become automatically null and void.

5. REPRESENTATIONS. In connection with the acquisition of Shares pursuant to this Restricted Stock Unit Award Agreement, you represent and warrant to the Company that you have no present intention of distributing or selling the Shares, except as permitted under applicable securities laws. You further acknowledge and agree that your ability to sell the Shares may be limited by the Securities Act of 1933, as amended (including without limitation, Rule 144 promulgated thereunder), and by the terms and conditions of this Restricted Stock Unit Award Agreement and the Plan.

6. NOT A CONTRACT OF EMPLOYMENT. By executing this Award, you acknowledge and agree that (i) nothing in this Award or the Plan confers on you any right to be employed by, or continue any employment, service or consulting relationship with, the Company or any of its Related Entities, and (ii) the Company would not have granted this Award to you but for this acknowledgement and agreement. Under no circumstances will the Plan or this Restricted Stock Unit Award Agreement be considered to be part of the terms and conditions of your employment with the Company or any of its Related Entities that employ you.

7. NOTICES. Any notices to be delivered pursuant to this Restricted Stock Unit Award Agreement shall be given in writing and shall be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company.

8. SEVERABILITY. If one or more provisions of this Restricted Stock Unit Award Agreement are held to be unenforceable under applicable law, such provision(s) shall be excluded from this Restricted Stock Unit Award Agreement and the balance of the Restricted Stock Unit Award Agreement shall be interpreted as if such provision(s) were so excluded and shall be enforceable in accordance with its terms.

9. BINDING AND ENTIRE AGREEMENT. The terms and conditions of this Restricted Stock Unit Award Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. This Restricted Stock Unit Award Agreement, together with the Plan and that certain Executive Employment Agreement between the parties and dated as of the date hereof, and any attachments hereto or thereto, constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and thereof and no party shall be liable or bound to any other party in any manner by any representations, warranties, covenants and agreements except as specifically set forth herein and therein.

10. COUNTERPARTS. This Restricted Stock Unit Award Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

COMPANY:

EXECUTIVE:

MITEK SYSTEMS, INC.

By: /s/ Jason L. Gray

By: /s/ Scipio "Max" Carnecchia

Name: Jason L. Gray

Name: Scipio "Max" Carnecchia

Title: General Counsel

GRANT SUMMARY:

On **November 6, 2018**, **Scipio "Max" Carnecchia** hereby receives a Restricted Stock Unit Award inducement grant for 47,369 shares of Common Stock of the Company.

MITEK SYSTEMS, INC.

CONDITIONAL RESTRICTED STOCK UNIT AWARD AGREEMENT

Mitek Systems, Inc. (the "Company") hereby grants to you, Scipio "Max" Camecchia (the "Executive") that number of restricted units of the Company's Common Stock set forth below (the "Conditional Restricted Stock Unit Award"), as an inducement grant pursuant to Nasdaq Listing Rule 5635(c)(4) and subject to the terms and conditions below. Capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Amended and Restated Mitek Systems, Inc. 2012 Incentive Plan (the "Plan"), a copy of which is attached hereto as Attachment 1.

1. GOVERNING PLAN DOCUMENT. Your Conditional Restricted Stock Unit Award is subject to all of the provisions of the Plan, which provisions are hereby made a part of this Conditional Restricted Stock Unit Award Agreement. In the event of any conflict between the provisions of this Conditional Restricted Stock Unit Award Agreement and the provisions of the Plan, the provisions of the Plan shall control in all respects, provided that to the extent a term is separately defined in this Conditional Restricted Stock Unit Award Agreement, such definition will supersede the definition contained in Section 2 of the Plan.

2. DETAILS OF CONDITIONAL RESTRICTED STOCK UNIT AWARD. The details of your Conditional Restricted Stock Unit Award are as follows:

Number of Shares of Common Stock Subject to Award:	47,369
Award Date:	November 6, 2018
Vesting Schedule:	Subject to the terms and conditions of this Award and the Plan, the restricted stock units subject to this Award shall vest in four equal annual installments with the first installment vesting on November 6, 2020, such that the award shall be fully vested on the five year anniversary of the Award Date. The resulting aggregate number of restricted stock units shall be rounded to the nearest whole number on each vesting date.
	Notwithstanding anything to the contrary contained in the Plan, any employment agreement to which Executive is a party or otherwise, in the event that the consummation of a Change of Control occurs prior to the six (6) month anniversary of the Date of Grant, this Conditional Restricted Stock Unit Award shall terminate, shall not vest and shall be void and of no further force or effect.

3. SATISFACTION OF VESTING RESTRICTIONS; ACCOUNT. No Shares will be issued to you pursuant to your Conditional Restricted Stock Unit Award until such Shares vest in accordance with the Vesting Schedule indicated in Section 2. As soon as practicable after the date on which any Shares subject to your Conditional Restricted Stock Unit Award vest, the Company will issue to you, free from further vesting restrictions, uncertificated shares in book entry form or share certificates representing such vested whole Shares. Prior to the time any Shares subject to your Conditional Restricted Stock Unit Award vest, whenever dividends, whether payable in cash, stock or other property, are declared on such Shares, on the date any such dividend is paid, the Company will credit to a bookkeeping account (the "Account") maintained by the Company for your benefit appropriate Dividend Equivalents in respect of the number of unvested Shares subject to your Conditional Restricted Stock Unit Award on the record date for such dividend. Any such Dividend Equivalent will be released from the Account and paid or issued to you as your Conditional Restricted Stock Unit Award vests. In the event that any such Dividend Equivalent consists of Shares, the Company shall issue such Shares to you free from any vesting restrictions, in uncertificated book entry form or in share certificates representing whole Shares.

4. TERMINATION OF EMPLOYMENT OR SERVICE WITH THE COMPANY OR ANY OF ITS RELATED ENTITIES. If, at any time prior to the vesting in full of the Shares subject to your Conditional Restricted Stock Unit Award, your full- or part-time employment or service with the Company or any of its Related Entities terminates for any reason, the unvested portion of your Conditional Restricted Stock Unit Award shall be canceled and become automatically null and void.

5. REPRESENTATIONS. In connection with the acquisition of Shares pursuant to this Conditional Restricted Stock Unit Award Agreement, you represent and warrant to the Company that you have no present intention of distributing or selling the Shares, except as permitted under applicable securities laws. You further acknowledge and agree that your ability to sell the Shares may be limited by the Securities Act of 1933, as amended (including without limitation, Rule 144 promulgated thereunder), and by the terms and conditions of this Conditional Restricted Stock Unit Award Agreement and the Plan.

6. NOT A CONTRACT OF EMPLOYMENT. By executing this Award, you acknowledge and agree that (i) nothing in this Award or the Plan confers on you any right to be employed by, or continue any employment, service or consulting relationship with, the Company or any of its Related Entities, and (ii) the Company would not have granted this Award to you but for this acknowledgement and agreement. Under no circumstances will the Plan or this Conditional Restricted Stock Unit Award Agreement be considered to be part of the terms and conditions of your employment with the Company or any of its Related Entities that employ you.

7. NOTICES. Any notices to be delivered pursuant to this Conditional Restricted Stock Unit Award Agreement shall be given in writing and shall be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company.

8. SEVERABILITY. If one or more provisions of this Conditional Restricted Stock Unit Award Agreement are held to be unenforceable under applicable law, such provision(s) shall be excluded from this Conditional Restricted Stock Unit Award Agreement and the balance of the Conditional Restricted Stock Unit Award Agreement shall be interpreted as if such provision(s) were so excluded and shall be enforceable in accordance with its terms.

9. BINDING AND ENTIRE AGREEMENT. The terms and conditions of this Conditional Restricted Stock Unit Award Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. This Conditional Restricted Stock Unit Award Agreement, together with the Plan and that certain Executive Employment Agreement between the parties and dated as of the date hereof, constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and thereof and no party shall be liable or bound to any other party in any manner by any representations, warranties, covenants and agreements except as specifically set forth herein and therein.

10. COUNTERPARTS. This Conditional Restricted Stock Unit Award Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

COMPANY:

EXECUTIVE:

MITEK SYSTEMS, INC.

By: /s/ Jason L. Gray

By: /s/ Scipio "Max" Carnecchia

Name: Jason L. Gray

Name: Scipio "Max" Carnecchia

Title: General Counsel

GRANT SUMMARY:

On **November 6, 2018**, **Scipio "Max" Carnecchia** hereby receives a Conditional Restricted Stock Unit Award inducement grant for 47,369 shares of Common Stock of the Company.

Mitek Appoints Max Carnecchia as Chief Executive Officer

SAN DIEGO, CA, Nov. 6, 2018 - Mitek Systems, Inc. (NASDAQ: MITK, www.miteksystems.com), a global leader in mobile capture and digital identity verification solutions, announced today that Max Carnecchia has been named Chief Executive Officer and appointed to the company's Board of Directors, effective immediately.

Mr. Carnecchia brings decades of success leading enterprise software, SaaS, and analytics companies, and he has deep experience driving revenue growth, consistent profitability, and margin expansion, resulting in significant shareholder value creation. Among other companies, he was CEO of publicly-traded Accelrys, where he achieved significant growth, increasing revenue from \$75 million to \$185 million, while successfully transitioning the company into the leading global provider of scientific product lifecycle management software and services. Max remained as the CEO of Accelrys (renamed BIOVIA) following its acquisition by Dassault Systèmes in 2014 for a significant premium.

"Powerful trends in digital transformation are creating major opportunities for our solutions," said Bruce Hansen, Chairman of the Board. "With Mr. Carnecchia's impressive record of shareholder value creation at multiple public companies, Max is joining Mitek at a pivotal time. His proven record of driving growth and operational excellence will propel Mitek to the next level."

Most recently, Mr. Carnecchia was CEO of Illuminate Education, Inc., the leading cloud-based student assessment and reporting platform, where he led an overhaul in operations that resulted in significant EBITDA growth. Prior to Accelrys he served as interim CEO of Interwoven, a publicly-traded content management solutions company, which he led through numerous acquisitions and initiatives to significantly grow revenue while improving operating margins, profitability and cash flow. Under his leadership, Interwoven was acquired in 2009 for a significant premium.

"Mitek is an exciting company with market leadership in Mobile Deposit and on a path to accelerated growth with its digital identify verification solutions," said Mr. Carnecchia. "I'm thrilled to join this team, which has consistently delivered outstanding results. Together, I am confident we can execute on the strategy and pursue all opportunities available to us to create value for shareholders."

Required Information regarding inducement equity grants:

In connection with Mr. Carnecchia's employment, the Board of Directors of the Company granted to Mr. Carnecchia options to purchase up to 172,179 shares of the Company's common stock and 94,738 restricted stock unit awards. The options have an exercise price of \$9.50 per share, the closing price of the Company's common stock as quoted on The NASDAQ Stock Market on the grant date. 90,939 of the options vest over four years, with 25% of such options vesting on the first anniversary of the date of grant, with the remaining 75% vesting ratably on a monthly basis thereafter. 81,240 of the options vest over five years, with 25% of such options vesting on the second anniversary of the date of grant, with the remaining 75% vesting ratably on a monthly basis thereafter. The options have a ten-year term. 47,369 of the restricted stock unit awards will vest in four equal annual installments, with the first installment vesting on the first anniversary of the date of grant. The other 47,369 restricted stock unit awards will vest in four equal annual installments, with the first installment vesting on the second anniversary of the date of grant. In addition to the foregoing, Mr. Carnecchia was also granted performance options to purchase 800,000 shares of the Company's common stock at an exercise price of \$9.50 per share, the closing price of the Company's common stock as quoted on The NASDAQ Stock Market on the grant date. The performance options vest upon the price per share of the Company's common stock reaching certain predetermined levels above the exercise price during the five-year period after the date of grant.

In addition, none of the performance options will vest prior to the third anniversary of the date of grant outside a change of control of the Company. The options (including the performance options) and restricted stock unit awards were granted as an inducement to Mr. Carnecchia to accept employment with the Company and were granted in accordance with NASDAQ Listing Rule 5635(c)(4).

About Mitek

Mitek (NASDAQ: MITK) is a global leader in mobile capture and digital identity verification solutions built on the latest advancements in AI and machine learning. Mitek's identity verification solutions enable an enterprise to verify a user's identity during a digital transaction, which assists financial institutions, payments companies and other businesses operating in highly regulated markets in mitigating financial risk and meeting regulatory requirements while increasing revenue from digital channels. Mitek also reduces the friction in the users' experience with advanced data prefill and automation of the onboarding process. Mitek's innovative solutions are embedded into the apps of more than 6,100 organizations and used by more than 80 million consumers for mobile check deposit, new account opening and more. Learn more at www.miteksystems.com. [(MITK-F)]