

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): May 15, 2014



Delaware  
(State or other jurisdiction of incorporation)

0-21121  
(Commission file number)

06-1456680  
(I.R.S. employer identification no.)

One Hamden Center  
2319 Whitney Ave, Suite 3B, Hamden, CT  
(Address of principal executive offices)

06518  
(Zip Code)

Registrant's telephone number, including area code: (203) 859-6800

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240-14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

**(e) 2014 Equity Incentive Plan**

On May 15, 2014, we held our Annual Meeting of Stockholders (the “Annual Meeting”) at which our stockholders approved the adoption of the 2014 Equity Incentive Plan (the “Plan”). The Plan provides for the issuance of up to 600,000 shares of our common stock in satisfaction of awards made under the Plan. Pursuant to the Plan, our Compensation and Corporate Governance Committee is given the authority to administer the Plan (such Committee and its permissible delegates under the Plan, the “Administrator”) and to grant awards in the form of stock options, stock appreciation rights, restricted stock, unrestricted stock, stock units (including restricted stock units), performance awards and cash awards to our directors, executives, key employees as well as consultants and advisors of TransAct and our subsidiaries. Upon adoption of the Plan, no new awards will be made under our existing equity plan. In the event of a change in control (as defined in the Plan), any award requiring exercise will become fully exercisable, the restrictions on any outstanding share of stock and any outstanding stock unit under the Plan will lapse, and the delivery of shares of stock deliverable under any outstanding award of stock units will, to the extent consistent with the deferred compensation rules under Section 409A of the Internal Revenue Code, be accelerated and such shares will be delivered prior to the transaction, in each case, on a basis that will give the holder of the award a reasonable opportunity to participate as a stockholder in the change in control transaction. The Administrator has approved a form of nonstatutory stock option agreement and a form of deferred stock award agreement to be used for grants made under the Plan. A copy of the 2014 Equity Incentive Plan is filed as Exhibit 10.1 to this report and is incorporated herein by reference. A copy of the form of Nonstatutory Stock Option Agreement is filed as Exhibit 10.2 to this report and is incorporated herein by reference. A copy of the form of Deferred Stock Award Agreement is filed as Exhibit 10.3 to this report and is incorporated herein by reference.

**Item 5.07. Submission of Matters to a Vote of Security Holders.**

At our Annual Meeting, the Company’s stockholders voted on the following proposals:

Proposal 1: Election of Directors

To elect Thomas R. Schwarz as director of the Company to serve until the 2017 Annual Meeting of Stockholders or until the director’s successor has been duly elected and qualified:

For	Withheld	Broker Non-Votes
3,653,863	408,151	3,879,847

To elect Bart C. Shuldman as director of the Company to serve until the 2017 Annual Meeting of Stockholders or until the director’s successor has been duly elected and qualified:

For	Withheld	Broker Non-Votes
3,764,897	297,117	3,879,847

Proposal 2: Ratification of Independent Registered Public Accounting Firm

To ratify the selection of PricewaterhouseCoopers LLP as the Company’s independent registered public accounting firm for 2014:

For	Against	Abstain
7,596,451	344,866	544

Proposal 3: Advisory Vote on Executive Compensation

To approve, on an advisory basis, the Company’s compensation of our named executive officers:

For	Against	Abstain	Broker Non-Votes
3,542,767	248,989	270,258	3,879,847

Proposal 4: Vote to approve the 2014 Equity Incentive Plan

To approve the Company's 2014 Equity Incentive Plan:

For	Against	Abstain	Broker Non-Votes
3,234,060	825,806	2,148	3,879,847

**Item 9.01 Financial Statements and Exhibits.**

(c) Exhibits:

<u>Exhibit</u>	<u>Description</u>
10.1	2014 Equity Incentive Plan
10.2	Form of Nonstatutory Stock Option Agreement
10.3	Form of Deferred Stock Award Agreement

**SIGNATURE**

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

**TRANSACT TECHNOLOGIES  
INCORPORATED**

By: /s/Steven A. DeMartino  
Steven A. DeMartino  
President, Chief Financial Officer, Treasurer and  
Secretary

Date: May 19, 2014

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**TRANSACT TECHNOLOGIES INCORPORATED**  
**2014 EQUITY INCENTIVE PLAN**

**1. DEFINED TERMS**

Exhibit A, which is incorporated by reference, defines the terms used in the Plan and sets forth certain operational rules related to those terms.

**2. PURPOSE**

The Plan has been established to advance the interests of the Company by providing for the grant to Participants of Stock-based and other incentive Awards.

**3. ADMINISTRATION**

The Administrator has discretionary authority, subject only to the express provisions of the Plan, to interpret the Plan; determine eligibility for and grant Awards; determine, modify or waive the terms and conditions of any Award; prescribe forms, rules and procedures relating to the Plan; and otherwise do all things necessary or appropriate to carry out the purposes of the Plan. Determinations of the Administrator made under the Plan will be conclusive and will bind all parties.

**4. LIMITS ON AWARDS UNDER THE PLAN**

(a) **Number of Shares.** The maximum number of shares of Stock that may be delivered in satisfaction of Awards under the Plan is 600,000. Up to the total number of shares available for awards to employee Participants may be issued in satisfaction of ISOs, but nothing in this Section 4(a) will be construed as requiring that any, or any fixed number of, ISOs be awarded under the Plan. The number of shares of Stock delivered in satisfaction of Awards will, for purposes of this Section 4(a), be determined net of shares of Stock withheld by the Company in payment of the exercise price of the Award or in satisfaction of tax withholding requirements with respect to the Award. For the avoidance of doubt, shares of Stock underlying the portion of any Award that is settled in cash or the portion of any Award that expires, terminates or is forfeited prior to the issuance of Stock thereunder shall not be treated as having been delivered. The limit set forth in this Section 4(a) will be construed to comply with Section 422 and regulations thereunder. To the extent consistent with the requirements of Section 422 and regulations thereunder, and with other applicable legal requirements (including applicable stock exchange requirements), Stock issued under awards of an acquired company that are converted, replaced, or adjusted in connection with the acquisition will not reduce the number of shares available for Awards under the Plan.

(b) **Type of Shares.** Stock delivered by the Company under the Plan may be authorized but unissued Stock or previously issued Stock acquired by the Company. No fractional shares of Stock will be delivered under the Plan.

(c) **Section 162(m) Limits.** The following additional limits will apply to Awards of the specified type granted, or in the case of Cash Awards payable, to any person in any calendar year:

- (1) Stock Options: 500,000 shares of Stock.
- (2) SARs: 500,000 shares of Stock.
- (3) Awards other than Stock Options, SARs or Cash Awards: 500,000 shares of Stock.
- (4) Cash Awards: \$750,000.

In applying the foregoing limits, (i) all Awards of the specified type granted to the same person in the same calendar year will be aggregated and made subject to one limit; (ii) the limits applicable to Stock Options and SARs refer to the number of shares of Stock subject to those Awards; (iii) the share limit under clause (3) refers to the maximum number of shares of Stock that may be delivered, or the value of which could be paid in cash or other property, under an Award or Awards of the type specified in clause (3) assuming a maximum payout; and (iv) the dollar limit under clause (4) refers to the maximum dollar amount payable under an Award or Awards of the type specified in clause (4) assuming a maximum payout. The foregoing provisions will be construed in a manner consistent with Section 162(m), including, without limitation, where applicable, the rules under Section 162(m) pertaining to permissible deferrals of exempt awards.

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## 5. ELIGIBILITY AND PARTICIPATION

The Administrator will select Participants from among key Employees and directors of, and consultants and advisors to, the Company and its Affiliates. Eligibility for ISOs is limited to individuals described in the first sentence of this Section 5 who are employees of the Company or of a "parent corporation" or "subsidiary corporation" of the Company as those terms are defined in Section 424 of the Code. Eligibility for Stock Options other than ISOs is limited to individuals described in the first sentence of this Section 5 who are providing direct services on the date of grant of the Stock Option to the Company or to a subsidiary of the Company that would be described in the first sentence of Section 1.409A-1(b)(5)(iii)(E) of the Treasury Regulations.

## 6. RULES APPLICABLE TO AWARDS

### (a) All Awards

(1) **Award Provisions.** The Administrator will determine the terms of all Awards, subject to the limitations provided herein. By accepting (or, under such rules as the Administrator may prescribe, being deemed to have accepted) an Award, the Participant will be deemed to have agreed to the terms of the Award and the Plan. Notwithstanding any provision of this Plan to the contrary, awards of an acquired company that are converted, replaced or adjusted in connection with the acquisition may contain terms and conditions that are inconsistent with the terms and conditions specified herein as determined by the Administrator.

(2) **Term of Plan.** No Awards may be made after ten years from the Date of Adoption, but previously granted Awards may continue beyond that date in accordance with their terms.

(3) **Transferability.** Neither ISOs nor, except as the Administrator otherwise expressly provides in accordance with the last sentence of this Section 6(a)(3), other Awards may be transferred other than by will or by the laws of descent and distribution. During a Participant's lifetime, ISOs and, except as the Administrator otherwise expressly provides in accordance with the last sentence of this Section 6(a)(3), SARs and NSOs may be exercised only by the Participant. The Administrator may permit the gratuitous transfer (*i.e.*, transfer not for value) of Awards other than ISOs to any transferee eligible to be covered by the provisions of Form S-8 (under the Securities Act of 1933), subject to such limitations as the Administrator may impose.

(4) **Vesting.** The Administrator will determine the time or times at which an Award will vest or become exercisable and the terms on which a Stock Option or SAR will remain exercisable. Without limiting the foregoing, the Administrator may at any time accelerate the vesting or exercisability of an Award, regardless of any adverse or potentially adverse tax or other consequences resulting from such acceleration. Unless the Administrator expressly provides otherwise, however, the following rules will apply if a Participant's Employment ceases:

(A) Immediately upon the cessation of the Participant's Employment and except as provided in (B) and (C) below, each Stock Option and SAR that is then held by the Participant or by the Participant's permitted transferees, if any, will cease to be exercisable and will terminate, and all other Awards that are then held by the Participant or by the Participant's permitted transferees, if any, to the extent not already vested will be forfeited.

(B) Subject to (C) and (D) below, all Stock Options and SARs held by the Participant or the Participant's permitted transferees, if any, immediately prior to the cessation of the Participant's Employment, to the extent then exercisable, will remain exercisable for the lesser of (i) a period of three months or (ii) the period ending on the latest date on which such Stock Option or SAR could have been exercised without regard to this Section 6(a)(4), and will thereupon immediately terminate.

(C) All Stock Options and SARs held by a Participant or the Participant's permitted transferees, if any, immediately prior to the Participant's death or voluntary resignation from active employment at or after age 55, to the extent then exercisable, will remain exercisable for the lesser of (i) the one year period ending with the first anniversary of the Participant's death or voluntary resignation from active employment at or after age 55 or (ii) the period ending on the latest date on which such Stock Option or SAR could have been exercised without regard to this Section 6(a)(4), and will thereupon immediately terminate.

(D) All Stock Options and SARs (whether or not exercisable) held by a Participant or the Participant's permitted transferees, if any, immediately prior to the cessation of the Participant's Employment will immediately terminate upon such cessation of Employment if the Administrator determines that such cessation of Employment has resulted for reasons or in circumstances that cast such discredit on the Participant as to justify immediate termination of the Award.

(5) **Additional Restrictions.** The Administrator may cancel, rescind, withhold or otherwise limit or restrict any Award at any time if the Participant is not in compliance with all applicable provisions of the Award agreement and the Plan, or if the Participant breaches any agreement with the Company or its Affiliates with respect to non-competition, non-solicitation or confidentiality. Without limiting the generality of the foregoing, the Administrator may recover Awards made under the Plan and payments under or gain in respect of any Award to the extent required to comply with Section 10D of the Securities Exchange Act of 1934, as amended, or any stock exchange or similar rule adopted under said Section.

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(6) **Taxes.** The delivery, vesting and retention of Stock, cash or other property under an Award are conditioned upon full satisfaction by the Participant of all tax withholding requirements with respect to the Award. The Administrator will prescribe such rules for the withholding of taxes as it deems necessary. The Administrator may, but need not, hold back shares of Stock from an Award or permit a Participant to tender previously owned shares of Stock in satisfaction of tax withholding requirements (but not in excess of the minimum withholding required by law).

(7) **Dividend Equivalents, etc.** The Administrator may provide for the payment of amounts (on terms and subject to conditions established by the Administrator) in lieu of cash dividends or other cash distributions with respect to Stock subject to an Award whether or not the holder of such Award is otherwise entitled to share in the actual dividend or distribution in respect of such Award. Any entitlement to dividend equivalents or similar entitlements will be established and administered either consistent with an exemption from, or in compliance with, the requirements of Section 409A. Dividends or dividend equivalent amounts payable in respect of Awards that are subject to restrictions may be subject to such limits or restrictions as the Administrator may impose.

(8) **Rights Limited.** Nothing in the Plan will be construed as giving any person the right to continued employment or service with the Company or its Affiliates, or any rights as a stockholder except as to shares of Stock actually issued under the Plan. The loss of existing or potential profit in Awards will not constitute an element of damages in the event of termination of Employment for any reason, even if the termination is in violation of an obligation of the Company or any Affiliate to the Participant.

(9) **Section 162(m).** In the case of any Performance Award (other than a Stock Option or SAR) intended to qualify for the performance-based compensation exception under Section 162(m), the Administrator will establish the applicable Performance Criterion or Criteria in writing no later than ninety (90) days after the commencement of the period of service to which the performance relates (or at such earlier time as is required to qualify the Award as performance-based under Section 162(m)) and, prior to the event or occurrence (grant, vesting or payment, as the case may be) that is conditioned on the attainment of such Performance Criterion or Criteria, will certify whether it or they have been attained.

(10) **Coordination with Other Plans.** Awards under the Plan may be granted in tandem with, or in satisfaction of or substitution for, other Awards under the Plan or awards made under other compensatory plans or programs of the Company or its Affiliates. For example, but without limiting the generality of the foregoing, awards under other compensatory plans or programs of the Company or its Affiliates may be settled in Stock (including, without limitation, Unrestricted Stock) if the Administrator so determines, in which case the shares delivered will be treated as awarded under the Plan (and will reduce the number of shares thereafter available under the Plan in accordance with the rules set forth in Section 4). In any case where an award is made under another plan or program of the Company or its Affiliates and such award is intended to qualify for the performance-based compensation exception under Section 162(m), and such award is settled by the delivery of Stock or another Award under the Plan, the applicable Section 162(m) limitations under both the other plan or program and under the Plan will be applied to the Plan as necessary (as determined by the Administrator) to preserve the availability of the Section 162(m) performance-based compensation exception with respect thereto.

(11) **Section 409A.** Each Award will contain such terms as the Administrator determines, and will be construed and administered, such that the Award either qualifies for an exemption from the requirements of Section 409A or satisfies such requirements.

(12) **Fair Market Value.** In determining the fair market value of any share of Stock under the Plan, the Administrator will make the determination in good faith consistent with the rules of Section 422 and Section 409A to the extent applicable.

**(b) Stock Options and SARs**

(1) **Time And Manner Of Exercise.** Unless the Administrator expressly provides otherwise, no Stock Option or SAR will be deemed to have been exercised until the Administrator receives a notice of exercise (in form acceptable to the Administrator), which may be an electronic notice, signed (including electronic signature in form acceptable to the Administrator) by the appropriate person and accompanied by any payment required under the Award. A Stock Option or SAR exercised by any person other than the Participant will not be deemed to have been exercised until the Administrator has received such evidence as it may require that the person exercising the Award has the right to do so.

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(2) **Exercise Price.** The exercise price (or the base value from which appreciation is to be measured) of each Award requiring exercise will be no less than 100% (or in the case of an ISO granted to a ten-percent shareholder within the meaning of subsection (b)(6) of Section 422, 110%) of the fair market value of the Stock subject to the Award, determined as of the date of grant, or such higher amount as the Administrator may determine in connection with the grant. No such Award, once granted, may be repriced other than with stockholder approval.

(3) **Payment of Exercise Price.** Where the exercise of an Award is to be accompanied by payment, the Administrator may determine the required or permitted forms of payment, subject to the following: all payments will be by cash or check acceptable to the Administrator, or, if so permitted by the Administrator and if legally permissible, (i) through the delivery of shares of Stock that have been outstanding for at least six months (unless the Administrator approves a shorter period) and that have a fair market value equal to the exercise price, (ii) by delivery to the Company of a promissory note of the person exercising the Award, payable on such terms as are specified by the Administrator, (iii) through a broker-assisted exercise program acceptable to the Administrator, (iv) by other means acceptable to the Administrator, or (v) by any combination of the foregoing permissible forms of payment. The delivery of shares in payment of the exercise price under clause (a)(i) above may be accomplished either by actual delivery or by constructive delivery through attestation of ownership, subject to such rules as the Administrator may prescribe.

(4) **Maximum Term.** Stock Options and SARs will have a maximum term not to exceed ten (10) years from the date of grant (five (5) years from the date of grant in the case of an ISO granted to a ten-percent shareholder described in Section 6(b)(2) above).

## 7. EFFECT OF CERTAIN TRANSACTIONS

(a) **Change in Control.** In the event of a Change in Control, each Stock Option and SAR will become fully exercisable, any restrictions on each outstanding share of Stock will lapse, and each outstanding Award of Stock Units (including Restricted Stock Units and Performance Awards to the extent consisting of Stock Units) will become vested and the delivery of shares of Stock deliverable under each such Stock Unit will be accelerated and such shares will be delivered, in each case prior to the Change in Control on a basis that gives the holder of the Award a reasonable opportunity, as determined by the Administrator, following exercise of the Award or the vesting or delivery of the shares, as the case may be, to participate as a stockholder in the Change in Control. Notwithstanding the foregoing, payment of any amount constituting “nonqualified deferred compensation” subject to Section 409A will be accelerated pursuant to this Section 7(a) only if the event or circumstances constituting the Change in Control would also qualify as a “change in control event” under Section 1.409A-3(i)(5) of the Treasury Regulations.

(b) **Covered Transactions.** After giving effect to Section 7(a) above to the extent applicable, and except as otherwise provided in an Award agreement, the following provisions will apply in the event of a Covered Transaction:

(1) **Assumption or Substitution.** If the Covered Transaction is one in which there is an acquiring or surviving entity, the Administrator may (but, for the avoidance of doubt, need not) provide (i) for the assumption or continuation of some or all outstanding Awards or any portion thereof or (ii) for the grant of new awards in substitution therefor by the acquirer or survivor or an affiliate of the acquirer or survivor.

(2) **Cash-Out of Awards.** Subject to Section 7(b)(5) below the Administrator may (but, for the avoidance of doubt, need not) provide for payment (a “cash-out”), with respect to some or all Awards or any portion thereof, equal in the case of each affected Award or portion thereof to the excess, if any, of (A) the fair market value of one share of Stock (as determined by the Administrator in its reasonable discretion) times the number of shares of Stock subject to the Award or such portion, over (B) the aggregate exercise or purchase price, if any, under the Award or such portion (in the case of an SAR, the aggregate base value above which appreciation is measured), in each case on such payment terms (which need not be the same as the terms of payment to holders of Stock) and other terms, and subject to such conditions, as the Administrator determines.

(3) **Acceleration of Certain Awards.** Subject to Section 7(b)(5) below, the Administrator may (but, for the avoidance of doubt, need not) provide that any Award requiring exercise will become exercisable, in full or in part and/or that the delivery of any shares of Stock remaining deliverable under any outstanding Award of Stock Units (including Restricted Stock Units and Performance Awards to the extent consisting of Stock Units) will be accelerated in full or in part, in each case on a basis that gives the holder of the Award a reasonable opportunity, as determined by the Administrator, following exercise of the Award or the delivery of the shares, as the case may be, to participate as a stockholder in the Covered Transaction.

(4) **Termination of Awards Upon Consummation of Covered Transaction.** Except as the Administrator may otherwise determine in any case, each Award will automatically terminate (and in the case of outstanding shares of Restricted Stock that have not vested pursuant to Section 7(a) above or otherwise, will automatically be forfeited) upon consummation of the Covered Transaction, other than Awards assumed pursuant to Section 7(b)(1) above.

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(5) **Additional Limitations.** Any share of Stock and any cash or other property delivered pursuant to Section 7(b)(2) or Section 7(b)(3) above with respect to an Award may, in the discretion of the Administrator, contain such restrictions, if any, as the Administrator deems appropriate to reflect any performance or other vesting conditions to which the Award was subject and that did not lapse (and were not satisfied) in connection with the Covered Transaction. For purposes of the immediately preceding sentence, a cash-out under Section 7(b)(2) above or acceleration under Section 7(b)(3) above will not, in and of itself, be treated as the lapsing (or satisfaction) of a performance or other vesting condition. In the case of Restricted Stock that does not vest and is not forfeited in connection with the Covered Transaction, the Administrator may require that any amounts delivered, exchanged or otherwise paid in respect of such Stock in connection with the Covered Transaction be placed in escrow or otherwise made subject to such restrictions as the Administrator deems appropriate to carry out the intent of the Plan.

**(c) Changes in and Distributions With Respect to Stock**

(1) **Basic Adjustment Provisions.** In the event of a stock dividend, stock split or combination of shares (including a reverse stock split), recapitalization or other change in the Company's capital structure that constitutes an equity restructuring within the meaning of FASB ASC Topic 718, the Administrator will make appropriate adjustments to the maximum number of shares specified in Section 4(a) that may be delivered under the Plan and to the maximum share limits described in Section 4(c), and will also make appropriate adjustments to the number and kind of shares of stock or securities subject to Awards then outstanding or subsequently granted, any exercise prices relating to Awards and any other provision of Awards affected by such change.

(2) **Certain Other Adjustments.** The Administrator may also make adjustments of the type described in Section 7(c)(1) above to take into account distributions to stockholders other than those provided for in Section 7(b) and 7(c)(1), or any other event, if the Administrator determines that adjustments are appropriate to avoid distortion in the operation of the Plan, having due regard for the qualification of ISOs under Section 422, the requirements of Section 409A, and for the performance-based compensation rules of Section 162(m), where applicable.

(3) **Continuing Application of Plan Terms.** References in the Plan to shares of Stock will be construed to include any stock or securities resulting from an adjustment pursuant to this Section 7.

**8. LEGAL CONDITIONS ON DELIVERY OF STOCK**

The Company will not be obligated to deliver any shares of Stock pursuant to the Plan or to remove any restriction from shares of Stock previously delivered under the Plan until: (i) the Company is satisfied that all legal matters in connection with the issuance and delivery of such shares have been addressed and resolved; (ii) if the outstanding Stock is at the time of delivery listed on any stock exchange or national market system, the shares to be delivered have been listed or authorized to be listed on such exchange or system upon official notice of issuance; and (iii) all conditions of the Award have been satisfied or waived. The Company may require, as a condition to exercise of the Award, such representations or agreements as counsel for the Company may consider appropriate to avoid violation of the Securities Act of 1933 or any applicable state or non-U.S. securities law. Any Stock required to be issued to Participants under the Plan will be evidenced in such manner as the Administrator may deem appropriate, including book-entry registration or delivery of stock certificates. In the event that the Administrator determines that Stock certificates will be issued to Participants under the Plan, the Administrator may require that certificates evidencing Stock issued under the Plan bear an appropriate legend reflecting any restriction on transfer applicable to such Stock, and the Company may hold the certificates pending lapse of the applicable restrictions.

**9. AMENDMENT AND TERMINATION**

The Administrator may at any time or times amend the Plan or any outstanding Award for any purpose which may at the time be permitted by law, and may at any time terminate the Plan as to any future grants of Awards; *provided*, that except as otherwise expressly provided in the Plan the Administrator may not, without the Participant's consent, alter the terms of an Award so as to affect materially and adversely the Participant's rights under the Award, unless the Administrator expressly reserved the right to do so at the time the Award was granted. Any amendments to the Plan will be conditioned upon stockholder approval only to the extent, if any, such approval is required by law (including the Code and applicable stock exchange requirements), as determined by the Administrator.

**10. OTHER COMPENSATION ARRANGEMENTS**

The existence of the Plan or the grant of any Award will not in any way affect the Company's right to Award a person bonuses or other compensation in addition to Awards under the Plan.

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## 11. WAIVER OF JURY TRIAL

By accepting an Award under the Plan, each Participant waives any right to a trial by jury in any action, proceeding or counterclaim concerning any rights under the Plan and any Award, or under any amendment, waiver, consent, instrument, document or other agreement delivered or which in the future may be delivered in connection therewith, and agrees that any such action, proceedings or counterclaim will be tried before a court and not before a jury. By accepting an Award under the Plan, each Participant certifies that no officer, representative, or attorney of the Company has represented, expressly or otherwise, that the Company would not, in the event of any action, proceeding or counterclaim, seek to enforce the foregoing waivers. Notwithstanding anything to the contrary in the Plan, nothing herein is to be construed as limiting the ability of the Company and a Participant to agree to submit disputes arising under the terms of the Plan or any Award made hereunder to binding arbitration or as limiting the ability of the Company to require any eligible individual to agree to submit such disputes to binding arbitration as a condition of receiving an Award hereunder.

## 12. LIMITATION OF LIABILITY

Notwithstanding anything to the contrary in the Plan, neither the Company, nor any Affiliate, nor the Administrator, nor any person acting on behalf of the Company, any Affiliate, or the Administrator, will be liable to any Participant or to the estate or beneficiary of any Participant or to any other holder of an Award by reason of any acceleration of income, or any additional tax (including any interest and penalties), asserted by reason of the failure of an Award to satisfy the requirements of Section 422 or Section 409A or by reason of Section 4999 of the Code, or otherwise asserted with respect to the Award; provided, that nothing in this Section 12 will limit the ability of the Administrator or the Company, in its discretion, to provide by separate express written agreement with a Participant for any payment in connection with any such acceleration of income or additional tax.

## 13. ESTABLISHMENT OF SUB-PLANS

The Administrator may from time to time establish one or more sub-plans under the Plan for purposes of satisfying applicable blue sky, securities or tax laws of various jurisdictions. The Administrator will establish such sub-plans by adopting supplements to the Plan setting forth (i) such limitations on the Administrator's discretion under the Plan as it deems necessary or desirable and (ii) such additional terms and conditions not otherwise inconsistent with the Plan as it deems necessary or desirable. All supplements so established will be deemed to be part of the Plan, but each supplement will apply only to Participants within the affected jurisdiction (as determined by the Administrator).

## 14. GOVERNING LAW

(a) **Certain Requirements.** Awards will be granted and administered consistent with the requirements of applicable Delaware law relating to the issuance of stock and the consideration to be received therefor, and with the applicable requirements of the stock exchanges or other trading systems on which the Stock is listed or entered for trading, in each case as determined by the Administrator.

(b) **Other Matters.** Except as otherwise provided by the express terms of an Award agreement, under a sub-plan described in Section 13 or as provided in Section 14(a) above, the provisions of the Plan and of Awards under the Plan and all claims or disputes arising out of or based upon the Plan or any Award under the Plan or relating to the subject matter hereof or thereof will be governed by and construed in accordance with the domestic substantive laws of the State of Connecticut without giving effect to any choice or conflict of laws provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction.

(c) **Jurisdiction.** By accepting an Award, each Participant will be deemed to (a) have submitted irrevocably and unconditionally to the jurisdiction of the federal and state courts located within the geographic boundaries of the United States District Court for the District of Connecticut for the purpose of any suit, action or other proceeding arising out of or based upon the Plan or any Award; (b) agree not to commence any suit, action or other proceeding arising out of or based upon the Plan or an Award, except in the federal and state courts located within the geographic boundaries of the United States District Court for the District of Connecticut; and (c) waive, and agree not to assert, by way of motion as a defense or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that the Plan or an Award or the subject matter thereof may not be enforced in or by such court.

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## EXHIBIT A

### Definition of Terms

The following terms, when used in the Plan, will have the meanings and be subject to the provisions set forth below:

**“Administrator”:** The Compensation Committee, except that the Compensation Committee may delegate (i) to one or more of its members (or one or more other members of the Board (including the full Board)) such of its duties, powers and responsibilities as it may determine; (ii) to one or more officers of the Company the power to grant Awards to the extent permitted by Section 157(c) of the Delaware General Corporation Law; and (iii) to such Employees or other persons as it determines such ministerial tasks as it deems appropriate. In the event of any delegation described in the preceding sentence, the term “Administrator” will include the person or persons so delegated to the extent of such delegation.

**“Affiliate”:** Any corporation or other entity owning, directly or indirectly, 50% or more of the outstanding Stock of the Company, or in which the Company or any such corporation or other entity owns, directly or indirectly, 50% of the outstanding capital stock (determined by aggregate voting rights) or other voting interests.

**“Award”:** Any or a combination of the following:

- (i) Stock Options
- (ii) SARs
- (iii) Restricted Stock
- (iv) Unrestricted Stock
- (v) Stock Units, including Restricted Stock Units.
- (vi) Performance Awards
- (vii) Cash Awards
- (viii) Awards (other than Awards described in (i) through (vii) above) that are convertible into or otherwise based on Stock

**“Board”:** The Board of Directors of the Company.

**“Cash Award”:** An Award denominated in cash.

**“Change in Control”:** Any of (i) a reorganization, merger, consolidation or similar transaction in which the surviving corporation is not, and is not a subsidiary of, a publicly owned corporation in which the stockholders of the Company immediately prior to the transaction continue to own beneficially securities representing more than 50% of the voting power of all outstanding voting securities of the Company, (ii) a sale, exchange or other disposition of all or substantially all the Company’s assets, or (iii) any acquisition of voting securities of the Company by any person or group (as such term is used in Sections 13(d) and 14(d) of the Exchange Act), but excluding (a) the Company or any of its subsidiaries, (b) any person who was an officer or director of the Company on the day prior to the Effective Date, or (c) any savings, pension or other benefits plan for the benefit of employees of the Company or any of its subsidiaries, which theretofore did not beneficially own voting securities representing more than 50% of the voting power of all outstanding voting securities of the Company, if such acquisition results in such entity, person or group owning beneficially securities representing more than 50% of the voting power of all outstanding voting securities of the Company. As used herein, “voting power” means ordinary voting power for the election of directors of the Company.

**“Code”:** The U.S. Internal Revenue Code of 1986 as from time to time amended and in effect, or any successor statute as from time to time in effect.

**“Compensation Committee”:** The Compensation and Corporate Governance Committee of the Board.

**“Company”:** TransAct Technologies Incorporated.

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**“Covered Transaction”:** Any of (i) a reorganization, merger, consolidation or similar transaction or series of related transactions, including a sale or other disposition of stock, in which the Company is not the surviving corporation or which results in the acquisition of all or substantially all of the Company’s then outstanding common stock by a single person or entity or by a group of persons and/or entities acting in concert, (ii) a sale or transfer of all or substantially all the Company’s assets, or (iii) a dissolution or liquidation of the Company. Where a Covered Transaction involves a tender offer that is reasonably expected to be followed by a merger described in clause (i) (as determined by the Administrator), the Covered Transaction will be deemed to have occurred upon consummation of the tender offer.

**“Date of Adoption”:** The earlier of the date the Plan was approved by the Company’s stockholders or adopted by the Board, as determined by the Committee. The Date of Adoption of the Plan is April 1, 2014.

**“Employee”:** Any person who is employed by the Company or an Affiliate.

**“Employment”:** A Participant’s employment or other service relationship with the Company or an Affiliate. Employment will be deemed to continue, unless the Administrator expressly provides otherwise, so long as the Participant is employed by, or otherwise is providing services in a capacity described in Section 5 to the Company or an Affiliate. If a Participant’s employment or other service relationship is with an Affiliate and that entity ceases to be an Affiliate, the Participant’s Employment will be deemed to have terminated when the entity ceases to be an Affiliate unless the Participant transfers Employment to the Company or its remaining Affiliates. Notwithstanding the foregoing and the definition of “Affiliate” above, in construing the provisions of any Award relating to the payment of “nonqualified deferred compensation” (subject to Section 409A) upon a termination or cessation of Employment, references to termination or cessation of employment, separation from service, retirement or similar or correlative terms will be construed to require a “separation from service” (as that term is defined in Section 1.409A-1(h) of the Treasury Regulations) from the Company and from all other corporations and trades or businesses, if any, that would be treated as a single “service recipient” with the Company under Section 1.409A-1(h)(3) of the Treasury Regulations. The Company may, but need not, elect in writing, subject to the applicable limitations under Section 409A, any of the special elective rules prescribed in Section 1.409A-1(h) of the Treasury Regulations for purposes of determining whether a “separation from service” has occurred. Any such written election will be deemed a part of the Plan.

**“ISO”:** A Stock Option intended to be an “incentive stock option” within the meaning of Section 422. Each Stock Option granted pursuant to the Plan will be treated as providing by its terms that it is to be an NSO unless, as of the date of grant, it is expressly designated as an ISO.

**“NSO”:** A Stock Option that is not intended to be an “incentive stock option” within the meaning of Section 422.

**“Participant”:** A person who is granted an Award under the Plan.

**“Performance Award”:** An Award subject to Performance Criteria. The Committee in its discretion may grant Performance Awards that are intended to qualify for the performance-based compensation exception under Section 162(m) and Performance Awards that are not intended so to qualify.

**“Performance Criteria”:** Specified criteria, other than the mere continuation of Employment or the mere passage of time, the satisfaction of which is a condition for the grant, exercisability, vesting or full enjoyment of an Award. For purposes of Awards that are intended to qualify for the performance-based compensation exception under Section 162(m), a Performance Criterion will mean an objectively determinable measure of performance relating to any or any combination of the following (measured either absolutely or by reference to an index or indices and determined either on a consolidated basis or, as the context permits, on a divisional, subsidiary, line of business, project or geographical basis or in combinations thereof): sales; revenues; assets; expenses; earnings before or after deduction for all or any portion of interest, taxes, depreciation, or amortization, whether or not on a continuing operations or an aggregate or per share basis; return on equity, investment, capital or assets; one or more operating ratios; borrowing levels, leverage ratios or credit rating; market share; capital expenditures; cash flow; stock price; stockholder return; sales of particular products or services; customer acquisition or retention; acquisitions and divestitures (in whole or in part); joint ventures and strategic alliances; spin-offs, split-ups and the like; reorganizations; or recapitalizations, restructurings, financings (issuance of debt or equity) or refinancings. A Performance Criterion and any targets with respect thereto determined by the Administrator need not be based upon an increase, a positive or improved result or avoidance of loss. To the extent consistent with the requirements for satisfying the performance-based compensation exception under Section 162(m), the Administrator may provide in the case of any Award intended to qualify for such exception that one or more of the Performance Criteria applicable to such Award will be adjusted in an objectively determinable manner to reflect events (for example, but without limitation, acquisitions or dispositions) occurring during the performance period that affect the applicable Performance Criterion or Criteria.

**“Plan”:** The TransAct Technologies Incorporated 2014 Equity Incentive Plan as from time to time amended and in effect.

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**“Restricted Stock”:** Stock subject to restrictions requiring that it be redelivered or offered for sale to the Company if specified conditions are not satisfied.

**“Restricted Stock Unit”:** A Stock Unit that is, or as to which the delivery of Stock or cash in lieu of Stock is, subject to the satisfaction of specified performance or other vesting conditions.

**“SAR”:** A right entitling the holder upon exercise to receive an amount (payable in cash or in shares of Stock of equivalent value) equal to the excess of the fair market value of the shares of Stock subject to the right over the base value from which appreciation under the SAR is to be measured.

**“Section 162(m)”:** Section 162(m) of the Code.

**“Section 409A”:** Section 409A of the Code.

**“Section 422”:** Section 422 of the Code.

**“Stock”:** Common stock of the Company, par value \$0.01 per share.

**“Stock Option”:** An option entitling the holder to acquire shares of Stock upon payment of the exercise price.

**“Stock Unit”:** An unfunded and unsecured promise, denominated in shares of Stock, to deliver Stock or cash measured by the value of Stock in the future.

**“Unrestricted Stock”:** Stock not subject to any restrictions under the terms of the Award.

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**TransAct Technologies Incorporated**  
**2014 Equity Incentive Plan**  
**Nonstatutory Stock Option Agreement**

**1. Grant of Option.**

This agreement (the "Agreement") evidences a nonstatutory stock option (this "Stock Option") granted by TransAct Technologies Incorporated, a Delaware corporation (the "Company") on [●] (the "Date of Grant") to [●] (the "Participant") pursuant to and subject to the terms of the Company's 2014 Equity Incentive Plan (as from time to time in effect, the "Plan"). Under this Stock Option, the Participant may purchase, in whole or in part, on the terms provided herein and in the Plan, a total of [●] shares of Stock of the Company (the "Shares") at an exercise price of \$[●] per Share, in each case, subject to adjustment pursuant to Section 7(c) of the Plan in respect of transactions occurring after the date hereof. The latest date on which this Stock Option, or any part thereof, may be exercised is [●] (the "Final Exercise Date").

The Stock Option evidenced by this Agreement is a nonstatutory option (that is, an option that does *not* qualify as an incentive stock option under Section 422).

This Stock Option, unless earlier terminated or forfeited, will become vested and exercisable, subject to the Participant's continuous Employment through the applicable vesting date, in the following installments:

Vesting Percentage	Vesting Date
25%	[●]
25%	[●]
25%	[●]
25%	[●]

Notwithstanding the foregoing, upon termination of the Participant's Employment, any then unvested portion of this Stock Option will immediately be forfeited and expire and any then vested portion of this Stock Option will remain exercisable for three months; *provided*, that any portion of this Stock Option held by the Participant immediately prior to the Participant's death, or immediately prior to the Participant's voluntary resignation from active Employment at or after age 55, to the extent then exercisable, will remain exercisable for one year following the Participant's death or resignation, as the case may be; *and further provided*, that in no event shall any portion of this Stock Option be exercisable after the Final Exercise Date. For the avoidance of doubt, this Stock Option will be subject to Section 6(a)(4)(D) of the Plan.

**2. Exercise of Stock Option.**

Each election to exercise this Stock Option shall be in writing, signed by the Participant or the Participant's executor, administrator, or legally appointed representative (in the event of the Participant's incapacity) or the person or persons to whom this Stock Option is transferred by will or the applicable laws of descent and distribution (collectively, the "Option Holder"), and received by the Company at its principal office, accompanied by this Agreement and payment in full as provided in the Plan. Subject to the further terms and conditions provided in the Plan, the purchase price may be paid as follows: (i) by delivery of cash or check acceptable to the Administrator; (ii) through a broker-assisted exercise program acceptable to the Administrator; (iii) through the delivery of shares of Stock (as defined in the Plan) that have a fair market value equal to the exercise price or (iv) through any combination of the foregoing. In the event that this Stock Option is exercised by an Option Holder other than the Participant, the Company will be under no obligation to deliver Shares hereunder unless and until it is satisfied as to the authority of the Option Holder to exercise this Stock Option.

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### **3. Restrictions on Transfer of Shares.**

If at the time this Stock Option is exercised the Company or any of its shareholders is a party to any agreement restricting the transfer of any outstanding shares of Stock, the Administrator may provide that this Stock Option may be exercised only if the Shares so acquired are made subject to the transfer restrictions set forth in that agreement (or if more than one such agreement is then in effect, the agreement or agreements specified by the Administrator).

### **4. Withholding.**

If at the time this Stock Option is exercised the Company determines that under applicable law and regulations it could be liable for the withholding of any federal or state tax upon or in connection with exercise or with respect to any later vesting of the Shares acquired upon exercise of this Stock Option, this Stock Option may not be exercised unless and until the person exercising this Stock Option remits to the Company any amount determined by the Company to be required to be withheld upon exercise (or makes other arrangements satisfactory to the Company with respect to such taxes). The Participant authorizes the Company and its Affiliates to withhold such amount from any amounts otherwise owed to the Participant.

### **5. Effect on Employment.**

Neither the grant of this Stock Option, nor the issuance of any shares upon exercise of this Stock Option, will give the Participant any right to be retained in the employ of the Company or any of its Affiliates or affect the right of the Company or any of its Affiliates to discharge or discipline such Participant at any time.

### **6. Nontransferability of Stock Option.**

This Stock Option may not be transferred except as expressly permitted under Section 6(a)(3) of the Plan.

### **7. Provisions of the Plan.**

This Agreement is subject in its entirety to the provisions of the Plan, which are incorporated herein by reference. A copy of the Plan as in effect on the Date of Grant has been furnished to the Participant. By exercising all or any part of this Stock Option, the Participant agrees to be bound by the terms of the Plan and this Agreement. In the event of any conflict between the terms of this Agreement and the Plan, the terms of the Plan will control. All capitalized terms used herein have the meaning specified in the Plan, unless another meaning is specified herein.

### **8. Section 409A; Limitation of Liability.**

This Stock Option is intended to be exempt from Section 409A and will be construed and interpreted accordingly. Notwithstanding the foregoing, or anything to the contrary in this Stock Option or the Plan, the Company makes no representations that the payments and benefits provided under this Agreement either are exempt from or comply with Section 409A, and in no event will the Company, any Affiliate, the Administrator, or any person acting on behalf of the Company, any Affiliate or the Administrator, be liable to the Participant or to the estate or beneficiary of the Participant by reason of any acceleration of income, or any additional tax, penalties, interest or other expenses, asserted by reason of the failure of this Stock Option to satisfy the requirements of Section 422 or Section 409A, or by reason of Section 4999 of the Code, or otherwise asserted with respect to this Stock Option.

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IN WITNESS WHEREOF, the Company has caused this instrument to be executed by its duly authorized officer.

TransAct Technologies Incorporated

By: \_\_\_\_\_

Name: Steven A. DeMartino

Title: President, Chief Financial Officer, Treasurer and Secretary

Acknowledged and agreed:

Participant: [●] \_\_\_\_\_

Dated: [●]

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**TRANSACT TECHNOLOGIES INCORPORATED**  
**2014 EQUITY INCENTIVE PLAN**  
**DEFERRED STOCK AWARD AGREEMENT**

This agreement (the “Agreement”) evidences an award (the “Award”) of deferred stock granted on [●] to the Grantee named below (“Grantee”) pursuant to and subject to the terms of the 2014 Equity Incentive Plan, as from time to time amended (the “Plan”) of TransAct Technologies Incorporated (the “Company”). The Agreement is subject in its entirety to the provisions of the Plan, which are incorporated by reference in this Agreement. In the event of any conflict between the terms of this Agreement and the Plan, the terms of the Plan shall control. Except as otherwise defined herein, all capitalized terms used herein have the same meaning as in the Plan.

**1. GRANTEE. [●]**

**2. NATURE OF AWARD.**

The Company agrees to transfer to Grantee on the date of grant specified in Section 4, and subject to the terms and conditions of the Plan and the Award, the number of shares of Stock specified in Section 3, subject to adjustment pursuant to Section 7. If Grantee dies prior to the date of transfer, the Company shall instead transfer the shares to Grantee’s beneficiary designated prior to death in a manner acceptable to the Company (or, if no such beneficiary has been so designated, to Grantee’s estate) (such designated beneficiary or the estate, as the case may be, being herein referred to as Grantee’s “Beneficiary”). The Award is unfunded and unsecured, and Grantee’s rights to any Stock hereunder shall be no greater than those of an unsecured general creditor of the Company. The Award may not be assigned, transferred, pledged, hypothecated or otherwise disposed of, except for disposition at death as provided above. The Award does not entitle Grantee to any rights as a shareholder with respect to any shares of Stock subject to the Award, unless and until such shares of Stock have been transferred to Grantee.

**3. NUMBER OF SHARES OF DEFERRED STOCK. [●]**

**4. DATE OF GRANT OF AWARD: [●]**

**5. DELIVERY OF SHARES.**

The number of shares of Stock specified in Section 3, as adjusted pursuant to Section 7, shall be delivered upon the earliest to occur of the following:

(a) [●];

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(b) The date of a Change in Control that also qualifies as a “change in control event” (as defined in Section 1.409A-3(i)(5) of the Treasury Regulations under Section 409A); or

(c) The date of the Grantee’s “separation from service” (as defined in Section 1.409A-1(h) of the Treasury Regulations under Section 409A) from the Company;

*provided*, that in the event the Shares become deliverable under (b) above, they may be delivered, in the discretion of the Company, as early as (but not earlier than) thirty (30) days prior to the consummation of the “change in control” event; *and further provided*, that in the event the shares become deliverable under (c) above and if, at such time, the Grantee is deemed a “specified employee” within the meaning of Section 409A, as determined by the Administrator, the shares shall instead be delivered on the date that follows the Grantee’s separation from service by six (6) months (or, if earlier, to the extent consistent with the requirements of Section 409A, upon a payment event described in (a) or (b)).

**6. DIVIDENDS.**

Grantee shall not be entitled to any dividends or other distributions, including amounts in lieu of dividends, with respect to shares of Stock subject to the Award except as to shares of Stock actually transferred to Grantee under Section 5 above as to which Grantee is the record owner on the record date for the dividend or other distribution.

**7. ADJUSTMENTS.**

The Award and the shares of Stock subject to the Award are subject to adjustment as provided in Section 7(c) of the Plan.

**8. WITHHOLDING.**

Grantee or Beneficiary shall, no later than the date on which any share of Stock is transferred to Grantee or Beneficiary and as a condition to such transfer, pay to the Company in cash, or make arrangements satisfactory to the Committee regarding payment of, any Federal, state, or local taxes of any kind required by law to be withheld with respect to such income. If any taxes are required to be withheld by the Company prior to such transfer of such share of Stock (for example, upon the vesting of the right to receive such share), the Grantee or Beneficiary must (i) pay such taxes timely in cash by separate payment, (ii) instruct the Company to withhold the required taxes from other amounts payable to Grantee or Beneficiary, (iii) deliver shares of Stock or Restricted Stock Units that have a fair market value equal to the required tax amount, or (iv) make other arrangements for the payment of such taxes as the Administrator determines in its discretion. If Grantee or Beneficiary does not timely elect a method to pay such taxes, the Company may require Grantee or Beneficiary to make any required tax payment by any of (i), (ii) or (iv) above as the Administrator determines in its sole discretion.

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**9. SECTION 83(b) NOT APPLICABLE.**

The Participant expressly acknowledges that because the Award does not give to Grantee a present ownership right in any Stock, but only consists of an unfunded and unsecured promise by the Company to deliver shares of Stock in the future, it is not possible to make a so-called "83(b) election" with respect to the Award.

**10. EFFECT ON EMPLOYMENT.**

Neither the grant of this Award, nor the delivery of any shares hereunder, will give the Participant any right to be retained in the employ of the Company or any of its Affiliates or affect the right of the Company or any of its Affiliates to discharge or discipline such Participant at any time.

**11. SECTION 409A; LIMITATION OF LIABILITY.**

This Award is intended to comply with Section 409A, and will be construed and interpreted accordingly. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Award are exempt from or comply with Section 409A, and in no event will the Company, any Affiliate, the Administrator, or any person acting on behalf of the Company, any Affiliate or the Administrator, be liable to the Participant or to the estate or beneficiary of any Participant by reason of the acceleration of income, or any additional tax, penalties, interest or other expenses, asserted by reason of the failure of the Award to satisfy the requirements of Section 409A, or by reason of Section 4999 of the Code, or otherwise asserted with respect to the Award.

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IN WITNESS WHEREOF, the Company has caused this instrument to be executed by its duly authorized officer.

TransAct Technologies Incorporated

By: \_\_\_\_\_  
Name: Bart C. Shuldman  
Title: Chairman and CEO

Acknowledged and agreed:

\_\_\_\_\_  
Grantee: [●]

Dated: [●]

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