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

FORM 10-K
☑ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2021
or
☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 001-38823

HYLIION HOLDINGS CORP.

(Exact name of registrant as specified in its charter)

Delaware	83-2538002
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1202 BMC Drive, Suite 100 Cedar Park, Texas	78613
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(833) 495-4466**

Securities Registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock $0.0001 per share	**HYLN**	**The New York Stock Exchange**

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☑

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☑

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☑	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		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. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☑

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☑

The aggregate market value of the registrant's voting and non-voting common equity held by non-affiliates of the registrant as of June 30, 2021, based upon the closing price of such stock on The New York Stock Exchange on such date of $11.65, was $1.41 billion. This calculation excludes shares held by the registrant's current directors and executive officers and stockholders that the registrant has concluded are affiliates of the registrant.

As of February 14, 2022, 173,568,127 shares of the registrant's common stock, par value $0.0001 per share, were outstanding.

Portions of the registrant's definitive proxy statement for the 2022 Annual Meeting of Stockholders, to be filed no later than 120 days after the end of the fiscal year to which this Annual Report on Form 10-K relates, are incorporated by reference into Part III of this Annual Report on Form 10-K.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K ("Form 10-K") contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements, other than statements of historical fact, contained in this Annual Report on Form 10-K are forward-looking statements, including, but not limited to, statements regarding our strategy, prospects, plans, objectives, future operations, future revenue and earnings, projected margins and expenses, markets for our services, potential acquisitions or strategic alliances, financial position, and liquidity and anticipated cash needs and availability. The words "anticipates," "believes," "estimates," "expects," "intends," "may," "plans," "projects," "will," "would," variations of such words and similar expressions or the negatives thereof are intended to identify forward-looking statements. However, not all forward-looking statements contain these identifying words. These forward-looking statements represent our management's expectations as of the date of this filing and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance and achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. We cannot guarantee the accuracy of the forward-looking statements, and you should be aware that results and events could differ materially and adversely from those contained in the forward-looking statements due to a number of risks and uncertainties including, but not limited to, those described in the section entitled "Risk Factors" included in this Annual Report on Form 10-K and in other documents we file from time to time with the U.S. Securities and Exchange Commission (the "Commission" or the "SEC") that disclose risks and uncertainties that may affect our business. Readers are urged to carefully review and consider the various disclosures made in this Annual Report on Form 10-K and in other documents we file from time to time with the Commission. Furthermore, such forward-looking statements speak only as of the date of this Annual Report on Form 10-K. Except as required by law, we do not undertake, and expressly disclaim any duty, to publicly update or revise these statements, whether as a result of new information, new developments, or otherwise and even if experience or future changes make it clear that any projected results expressed in this Annual Report on Form 10-K or future quarterly reports, press releases or company statements will not be realized. Unless specifically indicated otherwise, the forward-looking statements in this Form 10-K do not reflect the potential impact of any divestitures, mergers, acquisitions or other business combinations that have not been completed as of the date of this filing. In addition, the inclusion of any statement in this Annual Report on Form 10-K does not constitute an admission by us that the events or circumstances described in such statement are material. We qualify all of our forward-looking statements by these cautionary statements. In addition, the industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors including those described in the section entitled "Risk Factors." These and other factors could cause our results to differ materially from those expressed in this Annual Report on Form 10-K.

Note Regarding Third-Party Information

Unless otherwise indicated, information contained in this Annual Report on Form 10-K concerning our industry and the markets in which we operate, including our general expectations and market position, market opportunity and market size, is based on information from various sources, on assumptions that we have made that are based on those data and other similar sources, and on our knowledge of the markets for our services. This information includes a number of assumptions and limitations, and you are cautioned not to give undue weight to such information. In addition, projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the section entitled "Risk Factors" and elsewhere in this Annual Report on Form 10-K and in other documents we file from time to time with the Commission that disclose risks and uncertainties that may affect our business. These and other factors could cause results to differ materially and adversely from those expressed in the estimates made by third parties and by us.

Unless otherwise indicated or unless the context requires otherwise, all references in this document to "Hyliion," "our company," "we," "us," "our," and similar names refer to Hyliion Holdings Corp. and, where appropriate, its subsidiary.

Part I

ITEM 1. BUSINESS

Overview

Hyliion is a Delaware corporation headquartered in Cedar Park, Texas. As previously reported in our Amended Annual Report on Form 10-K for the year ended December 31, 2020, on June 18, 2020, Tortoise Acquisition Corp. (“TortoiseCorp”) entered into a business combination agreement (the "Business Combination Agreement") with each of the shareholders of Hyliion Inc., a Delaware corporation (“Legacy Hyliion”), and consummated the merger contemplated by the Business Combination Agreement (the "Business Combination"), with Legacy Hyliion surviving the merger as a wholly-owned subsidiary of TortoiseCorp, which was renamed “Hyliion Holdings Corp.” As a result of the Business Combination, we became an NYSE listed company.

Our mission is to be the leading provider of electrified powertrain solutions for the commercial vehicle industry. Our goal is to reduce the carbon intensity and the Greenhouse Gas ("GHG") emissions of the transportation sector by providing electrified powertrain solutions for Class 8 semi-trucks at the lowest total cost of ownership ("TCO"). Throughout our product offerings, we utilize our battery systems, control software and data analytics, combined with fully integrated electric motors and power electronics, to produce electrified powertrain systems. Hyliion currently offers two different product lines; a Hybrid system which is designed as an add-on to electric powertrain to trucks which can augment power needs, and the Hypertruck which is a complete powertrain option that is fully electric drive and leverages an onboard generator to recharge the batteries as the vehicle is in operation. By reducing both GHG emissions and TCO, our environmentally conscious solutions support our customers’ pursuit of their sustainability and financial objectives.

We are currently selling the Hybrid eX version of our Hybrid product and are developing our Hypertruck electrified powertrain systems for long-haul Class 8 commercial vehicles. Our Hybrid eX system has been installed in low volumes on our initial customers’ commercial vehicles. Across these customer installations and over the entire Hyliion fleet, we have accumulated millions of real-world road miles on Class 8 commercial vehicles. Our Hybrid eX system can either be installed on a new vehicle prior to entering fleet service or retrofit to an existing in-service vehicle. The Hypertruck platform leverages the experience and operating data from our Hybrid eX system to offer a solution to replace the traditional diesel or Compressed Natural Gas ("CNG") powertrain installed in new vehicles.

The Hypertruck powertrain which is a range-extender vehicle, is addressing the market needs of having a fully electric drive truck that can travel long distance between refuels and can leverage existing natural gas infrastructure. Our initial expected deliveries of our Hypertruck systems to customers are designed to have their batteries recharged by a CNG generator, called the Hypertruck ERX. Our Hypertruck ERX system can offer commercial vehicle owners and operators a net carbon negative electrified powertrain option, when using Renewable Natural Gas (“RNG”). We believe CNG/RNG is the correct fuel source to begin with, but there are other fuels that will become available to address this climate change initiative, including Hydrogen. Hyliion has showcased a multistage roadmap that starts with utilizing a CNG/RNG generator and evolves into offering Hydrogen-based solutions as well. The Hypertruck platform is designed to be generator agnostic while the rest of the electric powertrain can remain the same. Hyliion plans to initially release the Hypertruck ERX natural gas solution, and then expects to release a Fuel Agnostic generator and a Hydrogen Fuel Cell generator for the Hypertruck platform.

CNG fueled recharging is preferable due to both the current comparable cost of fuels and existing availability of CNG refueling infrastructure. Class 8 commercial vehicles can currently be refueled with CNG through existing, geographically diverse and third-party accessible natural gas refueling stations established across North America. Globally, RNG, CNG and liquefied natural gas (“LNG”) are used widely for land-based transport and trucking and Hyliion believes there are established, geographically diverse and third-party accessible refueling stations available in certain areas in which Hyliion expects it may leverage in connection with the use of its electrified powertrain solutions in the future. We believe there is opportunity for adoption of our electrified powertrain solutions across Europe. This existing and accessible refueling infrastructure will significantly reduce the buildout time and cost required to utilize our Hypertruck ERX system as compared to other proposed potential electrified solutions.

Our Hybrid eX and Hypertruck systems are designed to be able to be installed on most major Class 8 commercial vehicles in the long term, which will give our customers the flexibility to continue using their preferred vehicle brands and maintain their existing fleet maintenance and operations strategies. Our early Hybrid eX system deployments include leaders in the transportation and logistics sector. We are focusing our initial marketing efforts on large fleet operators as well as companies committed to reducing the overall environmental impact and fuel costs of their owned and operated trucking fleets.

Market Opportunity

Our solutions are currently addressing Class 8 commercial vehicles with an intent to begin deployments in North America and then expand globally. Based on ACT Research's estimates, there are eight million Class 8 commercial vehicles currently in operation globally. In addition, ACT Research estimates that the active Class 8 commercial vehicle population will grow by approximately 4.5% annually from 2022 to 2025.

Challenges with Other Solutions

With the global focus on reducing the environmental impact of commercial transportation, a number of companies have begun developing solutions to lower GHG emissions in commercial vehicles, including plug-in commercial battery electric vehicles ("BEVs") and commercial fuel cell electric vehicles ("FCEVs"). However, neither of these solutions have been commercialized or delivered in volume for the long-haul Class 8 commercial vehicle space at this time. While we do see market opportunities for these solutions, we believe they will face unique challenges for widespread adoption in the near term, which may include:

- limited availability of such commercial vehicles or solutions;
- a higher TCO relative to currently available diesel commercial vehicles;
- limited availability and capacity of electric charging infrastructure and hydrogen fueling infrastructure;
- higher lifecycle GHG emissions due to emissions from electricity generation to recharge the batteries (from the electrical grid or hydrogen production) and the emissions associated with the production of the battery cells;
- the need or choice to completely redesign the commercial vehicle to implement the solution;
- reduced available payload capacity (and resulting loss of revenue-producing transportation capacity) due to the size and weight of required on-board batteries;
- limited range on a single charge or fueling;
- longer recharging or refueling times compared to refueling times for currently available diesel and natural gas fueled commercial vehicles; and
- the need to change customers' existing fleet operations, including procurement, dispatch, logistics, maintenance, repair, servicing and driver training.

Our Technology and Solutions

Our electrified powertrain solutions utilize battery systems, control software and data analytics, combined with electric motors and power electronics, to produce an electrified powertrain system technology platform that can be used to either augment, in the case of our Hybrid system, or fully replace, in the case of our Hypertruck ERX system, conventional powertrains in Class 8 commercial vehicles and improve their performance. Our solutions are designed to be compatible with most major Class 8 commercial vehicle manufacturers and are fuel and generator agnostic, giving our customers flexibility to choose the vehicles and fuel source that best fit their overall commercial vehicle operations strategy in their transition to electrified transportation.

Hybrid Electric Powertrain System

Our Hybrid system (the "Hybrid eX") can be installed on most major Class 8 commercial vehicles to reduce fuel usage, decrease GHG emissions, improve performance and/or reduce operating costs. Our Hybrid system is comprised of battery systems and an associated software management solution, a control module running our software and data analytics, high and low voltage power distribution and a thermal management system. The battery system and controllers can be attached to the frame rail of most major Class 8 commercial vehicles, providing cost savings in the case of diesel and simplifying installation, and incorporating a custom e-axle solution with associated cooling box to reduce weight and improve system efficiencies. The system is charged by regenerative braking and downhill deceleration and discharged to provide additional horsepower and torque when called upon by our control software, thereby reducing fuel usage and related GHG emissions or applying additional power to improve vehicle performance. Our Hybrid system's battery power can be utilized as an auxiliary power unit ("APU") to supply electricity for in-cab devices and air conditioning to reduce or eliminate idling when the driver is "hoteling" in the truck. Based on internal and third-party testing and customer-reported experiences, we believe the benefits of utilizing our Hybrid system compared to conventional diesel or CNG commercial vehicles will reduce fuel usage, emissions, idling and/or improved performance.

We believe that reduced operating costs will be the main decision factor for many fleets in adopting our Hybrid system. Our Hybrid system enables fleets to transition from diesel to natural gas engines, which can currently be fueled at a cost significantly lower than the fuel cost of a diesel engine.

Our Hybrid eX system officially launched, and our first Hypertruck ERX showcase unit was unveiled, on August 31, 2021 at the ACT Expo in Long Beach, CA. Compared to previous Hyliion Hybrid systems, the Hybrid eX offers fleets a lighter solution

that is easier to install, service and operate. The Hybrid eX draws upon the real-world feedback Hyliion has received from customers and the millions of miles logged with the previous system. Due to shortages of various components caused by global supply chain disruptions, we are experiencing longer delivery times for a portion of the orders we have received on new Hybrid eX units. In addition, we are assessing the potential demand impact for the Hybrid eX product offering in light of recent changes within the competitive landscape.

Hypertruck ERX Powertrain System

Our Hypertruck ERX system, which is an electric range extender powertrain system, is being designed for installation on most major Class 8 commercial vehicles to create a net carbon negative capable electrified Class 8 commercial vehicle when using RNG. Our Hypertruck ERX system builds upon technical knowledge gained from our Hybrid system and consists of a larger battery system, an associated software management and data analytics solution, a range extending electric generator powered by a customer's choice of fuel, a primary electric traction drive system and power electronics with integrated controls and our Hyliion Co-Pilot in-cab driver display. The system works by pairing a fully electric powertrain with a battery system that is recharged by an onboard generator that produces electricity. This system fully replaces the traditional powertrain in Class 8 commercial vehicles, while giving our customers the flexibility to choose between most major Class 8 commercial vehicle brands and fuel type for their long-haul applications.

We plan to leverage varying battery system sizes to achieve different all-electric EV vehicle ranges, including a 75-mile capable electric range solution which will likely qualify for Zero Emission Vehicle credits.

Our Hypertruck ERX system combines the performance of fully electric powertrains with the refueling efficiency of traditionally fueled vehicles. We estimate that it may be less expensive to run our onboard generator to produce electricity than recharging a BEV from the grid. By using onboard generation of electricity, rather than using a large battery pack for a BEV, our Hypertruck ERX system will provide an extended range over commercial BEVs. We believe the benefits of our Hypertruck ERX system will include:

- a powertrain solution as opposed to a complete vehicle redesign;
- lower TCO than diesel;
- net carbon negative electric Class 8 commercial vehicle solution potential;
- utilization of existing natural gas infrastructure;
- zero tailpipe emissions drive capable;
- range comparable to diesel;
- industry standard refueling times; and
- familiarity to existing Class 8 commercial vehicle brands.

Hypertruck ERX Rollout Timeline

We began our Hypertruck ERX roadshow in November 2021 with a two-day showcase event focused on demonstrating the features and benefits of the powertrain firsthand. The roadshow consisted of ride-alongs and in-depth product education of the Hypertruck ERX's features and benefits, including how it enables fleets' decarbonization goals while also reducing TCO. Our development timeline has been extended to allow for design verification and testing inclusive of critical summer and winter seasons, as well as the accumulation of up to one million miles prior to production. We expect to complete design verification and begin initial controlled fleet trials by the end of 2022.

While we have recently achieved critical product milestones, shortages in the supply chain and changes to the development program have led to an extension in the go-forward development timeline. Similar to others in the automotive industry, the semiconductor shortage, as well as several other key components, is extending our timelines longer than expected. These supply chain challenges have been especially prominent in the trucking industry, and one of the impacts has been significantly extended lead times for ordering new trucks. Fleets are experiencing lead times on new truck purchases that extend out for delivery into 2023. We have already placed orders with Peterbilt for all chassis needed in 2022 and are working to secure build slots for the 2023 calendar year in an effort to mitigate potential future supply chain impacts to our Hypertruck ERX development schedule. We continue to work closely with our current supply base to improve delivery of components for the quarters ahead and are diligently seeking alternative sources of supply for components that meet our technical specifications with shorter lead times.

CNG and RNG as a Fuel

Our Hypertruck ERX system will leverage existing CNG fueling stations that provide a cross country refueling network. In the continental United States, there are approximately 700 public CNG fueling stations already in operation for Class 8 commercial

vehicles. These stations are geographically dispersed across the United States enabling long-haul trucking without the need for incremental refueling infrastructure buildout. Furthermore, our Hypertruck ERX system is being designed to be refueled in approximately ten minutes, which is on par with existing diesel solutions. Internationally, we believe CNG infrastructure is even more prevalent due to government mandates requiring reduced carbon emissions from transportation. Additionally, we believe that in certain international jurisdictions, the necessary heavy-duty infrastructure exists that would support adoption of our Hypertruck ERX system. The ability to utilize the existing CNG fueling infrastructure eliminates the time and cost needed to build expensive fueling infrastructure before our Hypertruck ERX system can be utilized, as compared to Class 8 commercial BEVs and FCEVs, which currently lack electric charging and hydrogen fueling infrastructure.

RNG is a form of natural gas that is much cleaner for the environment than most other fuel sources. RNG is generated by capturing methane from landfills, livestock operations such as dairies, wastewater treatment and other sources or through anaerobic digestion and processing of food and animal waste streams. Depending on the source, RNG can have a significantly negative carbon intensity score, enabling our solutions to achieve a net carbon negative emissions profile. RNG is widely available today and new sources are in development.

Generator and Fuel Agnostic

Although our initial Hypertruck ERX system is being used in conjunction with CNG, it is designed to be generator and fuel agnostic. Our current designs would allow our Hypertruck system to use any available fuel generator to recharge the battery system without needing to change other components of its electric powertrain system. In addition to natural gas, other potential generator options include hydrogen fuel cells, and Fuel Agnostic generator solutions. The effect of the system's design is to allow our Hypertruck ERX system customers to choose their preferred recharging fuel based on their unique priorities, including fuel cost and availability and emissions objectives. By designing our solutions in this manner, we expect to be able to quickly adapt to changing commodity price and availability fundamentals, customer preferences and regulatory signals and mandates without the need to redesign our solutions.

Software and Data Analytics

Our software and algorithms seek to control and optimize the fuel economy and performance of our powertrain systems by controlling and optimizing the charging and discharging of the battery systems and the performance of the electric motor and power electronics. Our software and control algorithms can be remotely updated over the air to enable our customers to receive improvements and the latest features and functionalities.

We intend to develop additional value-added services and software programs for our customers by further utilizing the data we harvest and the insights into vehicle performance and utilization our solutions provide, which could include predictive maintenance and other logistics and fleet management services.

Our Hyliion Co-Pilot product runs on our in-cab display and provides real-time vehicle performance, vehicle status metrics and driving feedback to the vehicle operators.

Strategy

Our mission is to be the leading provider of electrified powertrain solutions for the commercial vehicle industry. Our value proposition to our customers has many key elements including: reduced GHG emissions, cost savings, performance, availability and leveraging existing infrastructure.

Maintaining Technology Leadership and First-Mover Advantage

Our Hybrid eX system is currently being sold, and we are one of the first to the market with an electric powertrain solution for long-haul Class 8 commercial vehicles. Our software and the algorithms that drive our Hybrid eX solution has been utilized in millions of real-world road miles, which are used to drive continuous improvements in the system management software. Our Hypertruck ERX system is in advanced development, and we intend to complete design verification and begin initial controlled fleet trials by the end of 2022. We expect to capture a market share for low and zero emission commercial vehicles by being one of the first to the market and by having a solution that can offer a net carbon negative capable electrified powertrain option to the industry.

Focusing on Powertrains

Our electrified powertrain solutions are designed to be installed on Class 8 commercial vehicles from most major commercial vehicle OEMs. By focusing on the powertrain and its associated components and including compatibility into its design, our solutions are intended to give its customers the flexibility to use their preferred vehicle brand. This will allow our customers to adopt our Hybrid eX or Hypertruck ERX system while continuing to utilize their existing maintenance and service organizations. We believe this approach will increase the adoption of our solutions by reducing our customers' cost and risk of transitioning to electrified transportation.

Leveraging Existing Infrastructure

We intend to leverage the substantial infrastructure of the existing commercial transportation sector of diesel and CNG to accelerate adoption of its solutions. To start, utilizing CNG allows for electrified Class 8 commercial vehicle solutions that do not require substantial new infrastructure, such as the construction of electric charging stations. By utilizing existing commercial transportation fueling infrastructure, we believe our customers can achieve low GHG emissions, when utilizing CNG, or carbon negative status, when utilizing RNG, with our solutions. Hydrogen refueling stations are in development for regional vehicle operation and Hyliion intends to leverage these stations with the Hypertruck platform equipped with Hydrogen capable generator solutions.

Continuing to Build and Leverage Strategic Relationships

We intend to continue developing partnerships to accelerate the development and production of our solutions. We have entered into (a) agreements with Meritor, Inc., FEV North America Inc. and other companies for component development, potential future sourcing and design and system integration support, and (b) a partnership agreement with American Natural Gas ("ANG") that offers our customers discounted pricing for RNG at ANG fueling stations across the country. Our strategic, engineering, production and technology partners augment our internal resources, and we intend to leverage their capabilities and infrastructure to bring our solutions to market more quickly and to meet industry standards, without requiring us to invest substantial amounts of capital in internal production operations.

Customer Demand

We have deployed demonstration Hybrid eX systems to certain early adopters we expect some to be customers in the future, including leaders in the transportation and logistics sector as well as companies committed to reducing the overall environmental impact and fuel costs of their owned and operated trucking fleets. Further, we commercialized and began selling the Hybrid eX system in the fourth quarter of 2021.

In 2021, Hyliion announced its Hypertruck Innovation Council, which consists of some of the largest fleets who will be assisting Hyliion along the development journey and will be among the first to experience the Hypertruck ERX. We anticipate our initial customers for the Hypertruck ERX system will be our Hypertruck Innovation Council members who will be the first to operate the Hypertruck ERX through controlled fleet deployments which will begin with some fleets in 2022 with further controlled fleet deployments anticipated. The successful launch program and deployment of the Hypertruck ERX met with positive feedback from customer operations teams and drivers and generated further interest in the Hypertruck ERX solution and longer-term commercial relationships with Hyliion.

Production, Assembly and Installation

We intend to primarily outsource the production, assembly and installation of our electrified powertrain systems to our partners at volume, while maintaining in-house research, development and prototyping capabilities, including low-volume assembly and installation.

Sales and Marketing

We currently market and sell our electrified powertrain solutions domestically through a direct sales organization and with our marketing partners to Class 8 commercial vehicle fleet owners and operators, and we expect to begin marketing and selling our electrified powertrain solutions internationally in the future.

Research and Development

Our research and development activities primarily take place at our headquarters in Cedar Park, Texas, on our testing and demonstration vehicles on roads and highways, and at our partners' facilities. Our research and development is primarily focused on:

- electrified powertrain development and system integration;
- control software and algorithms for our powertrain systems;
- BMS enhancement;
- next generation packaging and cooling for our battery systems;
- interoperability with third-party powertrain components, such as e-motors, inverters and axles;
- component integration;
- accelerated lifetime testing processes to improve reliability, maintainability and system-level robustness;
- data analytics; and

- alternative products for existing and in development components and technology.

The majority of our current activities are focused on the research and development of our electrified powertrain systems, third-party component integration and the underlying proprietary battery and software technology platforms. We undertake significant testing and validation of our products and components in order to ensure that they will meet the demands of our customers.

Intellectual Property

Intellectual property is important to our business, and we seek protection for our strategic intellectual property. We rely upon a combination of patents, copyrights, trade secrets, know-how and trademark laws, along with employee and third-party non-disclosure agreements and other contractual restrictions to establish and protect our intellectual property rights.

At December 31, 2021, we had 22 issued U.S. patents and 17 pending U.S. patent applications. We pursue the registration of our domain names, trademarks and service marks in the United States and in some locations abroad. In an effort to protect our brand, at December 31, 2021 we had three registered and five pending trademarks in the United States and 29 registered and 19 pending trademarks internationally.

We regularly review our development efforts to assess the existence and patentability of new intellectual property. To that end, we are prepared to file additional patent applications as we consider appropriate under the circumstances relating to the new technologies that we develop.

We cannot be sure that patents will be granted with respect to any of our pending patent applications or with respect to any patent applications we may own or license in the future, nor can we be sure that any of our existing patents or any patents we may own or license in the future will be useful in protecting our technology.

Human Capital

As of December 31, 2021, we had approximately 200 employees who were all located within the United States. We have not experienced any work stoppages and we consider our relationship with our employees to be good. None of our employees are subject to a collective bargaining agreement or represented by a labor union. Our people are integral to our business, and we are highly dependent on our ability to attract and retain key employees and hire qualified management and technical and vehicle engineering personnel. We seek to provide our employees with competitive compensation and benefits, including grants of equity under our equity incentive plans, access to 401(k) plans and medical, life and disability insurance. We welcome the diversity of all team members and encourage the integration of their unique skills, thoughts, experiences and identities. By fostering an inclusive culture, we enable every member of the workforce to leverage unique talents and high-performance standards to drive innovation and success. The ongoing COVID-19 pandemic presents unique challenges to us and our daily operations. Our production and research and development employees continue to mainly work in our headquarter facilities with implementation of practices including company-wide policies to ensure the safety of each employee and compliance with Occupational Safety and Health Administration standards, access to personal protective equipment and enhanced sanitation procedures. We have developed a flexible work policy that allows certain employees to work from home. While we are currently still a small company in terms of headcount, we have plans to grow, and expect that our practices and programs with respect to human capital management will grow as we do.

Government Regulations

We operate in an industry that is subject to extensive environmental regulation, which has become more stringent over time. The laws and regulations to which we are subject govern, among others:

- water use;
- air emissions;
- use of recycled materials;
- energy sources;
- the storage, handling, treatment, transportation and disposal of hazardous materials;
- the protection of the environment;
- natural resources and endangered species; and
- the remediation of environmental contamination.

We may be required to obtain and comply with the terms and conditions of multiple environmental permits, many of which are difficult and costly to obtain and could be subject to legal challenges. Compliance with such laws and regulations at an international, regional, national, provincial and local level is an important aspect of our ability to continue operations.

Environmental standards applicable to us are established by the laws and regulations of the countries in which we operate, and our product are sold, standards adopted by regulatory agencies and the permits and licenses that we hold. Each of these sources is subject to periodic modifications and increasingly stringent requirements. Violations of these laws, regulations, or permits and licenses may result in substantial civil and criminal fines, penalties, orders to cease the violating operations, or to conduct or pay for corrective works. In some instances, violations may also result in the suspension or revocation of permits and licenses.

EPA and CARB Emissions Compliance and Certification

Under the U.S. Clean Air Act, some of our electrified powertrain solutions may be required to obtain a Certificate of Conformity issued by the Environmental Protection Agency (“EPA”) and a series of California Executive Orders issued by the California Air Resources Board (“CARB”), demonstrating that our powertrains and vehicles comply with requirements including as applicable, emission standards for both criteria pollutants, such as nitrogen oxides (“NOx”) and particulate matter (“PM”), and GHGs, such as carbon dioxide ("CO2") and nitrous oxide (“N2O”). A Certificate of Conformity is required for vehicles sold in all states and Executive Orders are required for vehicles sold in California and states that have adopted the California standards. CARB sets the California standards for emissions control for certain regulated pollutants for new vehicles and engines sold in California and, under the U.S. Clean Air Act, must obtain a waiver of preemption from the EPA before implementing and enforcing such standards. States that have adopted the California standards, as approved by the EPA, also require a CARB Executive Order for sales of vehicles in those states. There are currently four states that have adopted the California standard for heavy-duty vehicles.

Pursuant to its authority under the U.S. Clean Air Act, the EPA adopted Phase 1 fuel efficiency and GHG standards for heavy-duty vehicles and engines effective 2014 through 2018. The EPA subsequently adopted more stringent fuel efficiency and GHG standards for heavy-duty vehicles and engines in October 2015. Phase II CARB also has adopted GHG and fuel efficiency standards for heavy-duty vehicles and engines effective 2018 to 2027, and is implementing an Advanced Clean Trucks rule that would require heavy-duty vehicle manufacturers to produce and offer for sale in California a certain number of zero-emission vehicles. Manufacturers of vehicles and engines must comply with the GHG standards as a condition of the EPA Certificate of Conformity and the CARB Executive Order.

Additionally, CARB is also providing more stringent criteria on heavy-duty engines, now testing requirements an expanded emissions warranty for specific engines and powertrain components in CARB’s Low NOx Omnibus rule. As currently proposed, CARB’s Low NOx Omnibus rule would begin in 2024 and be implemented through 2031.

All vehicles and engines manufactured for sale in the United States must be covered by an EPA Certificate of Conformity (and respective CARB Executive Orders if sold in California), including engines and vehicles using zero-emission or low-carbon technology. As is necessary, an EPA Certificate of Conformity and/or CARB Executive Order, covering both criteria pollutants and GHG, must be obtained each model year for each engine family and heavy-duty vehicle. Failure to obtain or comply with the terms of a Certificate of Conformity or Executive Order is subject to civil penalty and administrative or judicial enforcement.

Receipt of an EPA Certificate of Conformity and CARB Executive Orders obligates the holder to ensure that the covered engine or vehicle complies with applicable standards throughout the full useful life of the product, which ranges from ten years or 185,000 miles, whichever comes first, for medium heavy-duty vehicles, to ten years or 435,000 miles, whichever comes first, for heavy heavy-duty vehicles. Emissions control system warranty coverage must be provided for a period of five years or 50,000 to 100,000 miles, whichever comes first and depending on the engine and vehicle size. During this time, manufacturers must repair emission-related defects at no cost to the customer. Throughout the full useful life of the engine or vehicle, manufacturers are required to remedy in-use problems that cause engines or vehicles to exceed emission standards for criteria pollutants or GHGs. Manufacturers may have to conduct recalls, service campaigns or other field actions, or provide extended warranties to address any such in-use issues that may arise. Both the EPA and CARB are considering extending the emissions warranty period, depending on the engine size.

Manufacturers of heavy-duty engines and vehicles also must ensure that their products comply with On Board Diagnostics (“OBD”) requirements. The OBD system is intended to identify and diagnose malfunctions within the engine, aftertreatment and emission control systems and alert the driver to the underlying issue so the vehicle can be brought in for service. CARB issues approval of the OBD system as part of its issuance of an Executive Order; the EPA typically deems CARB OBD approval to be compliance with the EPA’s requirements. As with emissions compliance, manufacturers are required to ensure that the OBD system functions as designed and is able to identify component malfunctions throughout the full useful life of the vehicle or engine.

RNG Credits

Generation and Sale of Renewable Identification Numbers (“RIN”) Credits and Low Carbon fuel Standards ("LCFS") Credits. In February 2010, the EPA finalized the Renewable Fuel Standard (“RFS”) (which was established by the Energy

Policy Act of 1992/2005), which creates RINs that can be generated by the production and use of RNG in the transportation sector and sold to fuel providers that are not compliant under the RFS. In addition, CARB and comparable agencies in Oregon have adopted the LCFS, which encourages low carbon "compliant" transportation fuels (including CNG) in the California and Oregon marketplace by allowing producers of these fuels to generate LCFS Credits that can be sold to noncompliant regulated parties.

GHG Credits — U.S. EPA

The EPA's Greenhouse Gas Regulation requires all manufacturers of heavy-duty engines and vehicles to comply with fleet average GHG standards. Manufacturers may comply with the standards by producing engines or vehicles, all of which comply with the standards, or by averaging, banking and trading GHG credits within vehicle or engine categories. Manufacturers may also comply with GHG standards by purchasing credits from manufacturers with a surplus of credits. The failure to comply with GHG standards can lead to civil penalties or the voiding of a manufacturer's EPA Certificate of Conformity. In connection with the delivery and placement into service of zero-emission and low-emission vehicles, we may earn tradable GHG credits that under current laws and regulations can be sold to other manufacturers. Under the EPA's Greenhouse Gas Regulation, plug-in hybrid, all-electric and fuel cell vehicles earn a credit multiplier of 3.5, 4.5, and 5.5, respectively, for use in the calculation of GHG emission credits.

Commercial engine and vehicle manufacturers are required to meet the NOx emission standard for each type of engine or vehicle produced. Typical diesel engine emission control technology limits the fuel economy and GHG improvements that can be made while maintaining compliance with the NOx standard. As the fleet-average GHG standards continue to decrease over time, compliance with the NOx standard will increase the difficulty for conventional diesel vehicles to meet the applicable GHG standard. Until technology catches up for commercial vehicles, manufacturers of diesel trucks will likely need to purchase GHG credits to cover their emission deficit. The EPA's Greenhouse Gas Regulation provides the opportunity for the sale of excess credits to other manufacturers who apply such credits to comply with these regulatory requirements. Furthermore, the regulation does not limit the number of GHG credits that can be sold within the same commercial vehicle categories.

GHG Credits — California Air Resources Board

California also has a separate GHG emissions regulatory program which is very similar to the EPA requirements. Like the EPA's Greenhouse Gas Rule, the CARB rule allows for averaging, banking and trading of credits to comply with the fleet-average GHG standard and the failure to comply with the California GHG standard may lead to the imposition of civil penalties. The delivery and placement into service of our zero-emission and low-emission vehicles in California may earn us tradable credits that can be sold. Under CARB GHG regulations, advanced technology vehicles also earn a credit multiplier of for use in the calculation of emission credits in the same amounts as under the EPA's Greenhouse Gas Rule.

Examples of other potential incentive and grant programs that either we or our customers can apply for include:

- Low Carbon Fuel Standard (LCFS). The LCFS was initially developed in California and is quickly gaining traction in other jurisdictions around the United States and the world. The goal is to reduce the well-to-wheel carbon intensity of fuels by providing both mandated reduction targets as well as tradable and sellable credits.
- Purchase Incentives. Both California and New York have active programs that provide "cash on the hood" incentives to customers that purchase newer, lower emissions vehicles, including zero-emission vehicles. Other states are considering developing similar programs.
- Grant Programs. Government entities at all levels from federal, including the U.S. Department of Energy, state (for example, CARB) and local (for example, North Texas Council of Governments), have grant programs designed to increase and accelerate the development and deployment of zero-emission vehicles and infrastructure technologies.
- EPA Smartway. The EPA Smartway program provides grants and funding for the retrofit of heavy-duty vehicles with components and technologies that reduce emissions. Drivers and fleet owners who repower vehicles with advanced technology powertrains or CNG engines may be able to access funding to offset a portion of the cost.

European and Other Requirements for Heavy-Duty Vehicles

Similar to requirements in the US, Europe and other jurisdictions regulate pollutants, operational characteristics and content of heavy-duty vehicles and vehicle equipment. For example, European emission regulations of heavy-duty vehicles (currently under "Euro VI" regulations) specify criteria pollutant emission limits from various vehicles, including heavy-duty vehicles, that are similar to those of EPA and CARB. The European regulations also require similar engine and vehicle OBD systems to those of EPA and CARB. However, as these are 'similar' emissions and diagnostic regulations, the EPA and CARB are not the same as European emissions and diagnostic regulations. Unlike the generally synergistic relation and regulations between EPA and CARB, current European emissions and diagnostic regulations require separate design, validation, testing and approval such that EPA and/or CARB approval does not directly correlate to European approval of similar powertrain and vehicle equipment. Other requirements regulating vehicles and vehicle equipment components similar to Hyliion systems may be

applicable to or exempted by regulation. For example, European Restriction of Hazardous Substance ("ROHS") regulates materials in electrical equipment, but currently exempts transport vehicles. As Hyliion considers these other markets, Hyliion systems will be configured to meet these requirements in other jurisdictions.

Heavy-Duty Vehicle Safety Requirements

Manufacturers of vehicles that operate on US highways are subject to, and must comply with, various regulations established by the National Highway Traffic Safety Administration ("NHTSA"). These federal motor vehicle safety standards ("FMVSS") cover a wide variety of vehicle equipment and components. Manufacturers of vehicles, including heavy-duty vehicles, must confirm that their vehicles and vehicle equipment comply with applicable standards or, as appropriate, are exempt from those standards. Currently, there are several FMVSS that apply to vehicle manufacturers and may be applicable to Hyliion's hybrid and ERX systems. As may be required, Hyliion is evaluating FMVSS requirements for applicability to Hyliion products.

Manufacturers of vehicles that operate on US highways must also comply with NHTSA safety reporting requirements concerning safety involving Hyliion systems concerning various issues including, but not limited to, accidents, warranty claims, field actions and reports and recalls. As situations may arise, Hyliion will take appropriate actions to comply with these reporting requirements.

Competition

We have experienced, and expect to continue to experience, intense competition from a number of companies, particularly as the commercial transportation sector increasingly shifts towards low-emission, zero-emission, or carbon neutral solutions. We face competition from many different sources, including major commercial vehicle OEMs and companies that are developing alternative fuel and electric commercial vehicles. Existing commercial vehicle OEMs such as PACCAR, Navistar, Volvo, Mack Trucks and Daimler maintain the largest market shares in the sector. Given we primarily develop and sell powertrains that are designed to be installed into an OEM's commercial vehicle to augment or replace conventionally fueled powertrains, as opposed to a complete commercial vehicle, we believe we will primarily compete with other powertrain providers offering new low emissions solutions as opposed to commercial vehicle OEMs as we are not producing the entire vehicle. While there are many competitors addressing electrification of commercial vehicles, many of them are focused on shorter range vehicles. We are providing electrified solutions that are addressing both the long-haul and regional transportation sectors. We believe the primary competitive factors in the long-haul Class 8 commercial vehicle market include, but are not limited to:

- total cost of ownership;
- emissions profile;
- availability of charging or fueling network;
- ease of integration into existing operations;
- product performance and uptime;
- vehicle quality, reliability and safety;
- vehicle support, parts and on-road service network;
- technological innovation specifically around battery, software and data analytics; and
- fleet management.

We believe that we compete favorably with our competitors on the basis of these factors; however, most of our current and potential competitors have greater financial, technical, manufacturing, marketing and other resources than us. Our competitors may be able to deploy greater resources to the design, development, manufacturing, distribution, promotion, sales, marketing and support of their alternative fuel and electric truck programs. Additionally, our competitors also have greater name recognition, longer operating histories, larger sales forces, broader customer and industry relationships and other tangible and intangible resources than us. These competitors also compete with us in recruiting and retaining qualified research and development, sales, marketing and management personnel, as well as in acquiring technologies complementary to, or necessary for, our products. Additional mergers and acquisitions may result in even more resources being concentrated in our competitors. We cannot provide assurances that our electrified systems will be the first to market. Even if our electrified systems are first to market, or among the first to market, we cannot be sure that customers will choose vehicles with our electrified systems over those of our competitors, or over conventional diesel-powered vehicles.

Numerous companies have announced their plans to bring long-haul Class 8 commercial BEVs and FCEVs to the market over the coming years. Cummins, Daimler, Dana, Navistar, PACCAR, Volvo, Tesla, Nikola, Lion Electric, Hyzon and other commercial vehicle manufacturers have announced their plans to bring Class 8 commercial BEVs or FCEVs to the market. However, we do not believe any of them have showcased a roadmap similar to Hyliion's where it is a range extender electric

vehicle that utilizes various generators with different fuel sources. Furthermore, we will also face competition from manufacturers of internal combustion engines powered by diesel fuel. We expect additional competitors may enter the market as well.

Legal Proceedings

From time to time, we may become involved in legal proceedings or be subject to claims arising in the ordinary course of our business. We are not currently a party to any material legal proceedings. Regardless of outcome, such proceedings or claims can have an adverse impact on us because of defense and settlement costs, diversion of resources and other factors and there can be no assurances that favorable outcomes will be obtained.

Strategic Collaborations

FEV Commercial Agreement

In December 2020, we entered into a Master Service Agreement with FEV North America Inc. ("FEV") relating to the provision of engineering services (the "FEV MSA"). The FEV MSA provides that FEV will provide services to us on a non-exclusive basis relating to engineering and research and development in connection with our development of electrified solutions for heavy-duty trucks, among other matters. The FEV MSA contemplates that we will, from time to time, provide FEV with the details of projects that we are working on and request that FEV submit a proposal to provide services to us in connection with such projects. If mutually agreed to by us and FEV, FEV would then provide such services to us pursuant to the MSA. In August 2020 and the second quarter of 2021, we and FEV entered into a statement of work, pursuant to which FEV is providing engineering services to us.

Collaboration with American Natural Gas

Since 2018, we and American Natural Gas ("ANG") have collaborated, on a non-exclusive basis, in connection with customer inquiries, on potential co-marketing opportunities and potential opportunities for ANG to provide our customers with RNG/CNG at fueling stations built, owned, or operated by ANG across the United States. In October 2020, we entered into a sales agreement and partnership agreement with ANG. The sales agreement includes a pre-order of up to 250 Hypertruck ERX vehicles and the partnership agreement offers our customers discounted pricing for RNG at ANG fueling stations across the country and, for qualifying fleet customers, ANG has also agreed to build new fueling stations near our customer locations with no upfront capital costs to such customers.

Available Information

Additional information about Hyliion is available at www.hyliion.com. On the Investor Relations page of the website, the public may obtain free copies of our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 as soon as reasonably practicable following the time that they are filed with, or furnished to, the Securities and Exchange Commission ("SEC"). References to our website do not constitute incorporation by reference of the information contained in such website, and such information is not part of this Form 10-K.

1A. RISK FACTORS

Investing in our securities involves risks. Before you make a decision to buy our securities, in addition to the risks and uncertainties discussed above under "Cautionary Note Regarding Forward-Looking Statements," you should carefully consider the specific risks set forth herein. If any of these risks actually occur, it may materially harm our business, financial condition, liquidity and results of operations. As a result, the market price of our securities could decline, and you could lose all or part of your investment. Additionally, the risks and uncertainties described are not the only risks and uncertainties that we face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may become material and adversely affect our business.

Risks Related to our Business and Industry

We are an early stage company with a history of losses, and expect to incur significant expenses and continuing losses for the foreseeable future.

We incurred a net loss of $96.0 million for the year ended December 31, 2021 and have incurred cumulative net operating losses of $130.3 million during the previous three years ended December 31, 2021. We believe that we will continue to incur significant operating and net losses each quarter until at least the time we begin commercial deliveries of our Hypertruck ERX system, which are not expected to begin until 2023 or later, and may not occur at all. Even if we are able to successfully develop and sell our electrified powertrain solutions, there can be no assurance that they will be commercially successful. Our

potential profitability is dependent upon the successful development and successful commercial introduction and acceptance of our electrified powertrain solutions, which may not occur.

We will require significant capital to develop and grow our business, including developing, producing and servicing our electrified powertrain solutions and building our brand. We expect to incur significant expenses which will impact our profitability, including research and development expenses (including our Hypertruck ERX system), component and service procurement costs, sales and distribution expenses as we build our brand and market our electrified powertrain solutions, and general and administrative expenses as we scale our operations and incur costs as a public company. Our ability to become profitable in the future will not only depend on our ability to complete the design and development of our electrified powertrain solutions to meet projected performance metrics and successfully market our electrified powertrain solutions and services, but also to sell our products at prices to achieve our expected margins and control our costs. We may need to sell our products at a loss or discounted pricing in the near term in order to gain customer base and confidence of fleet customers. If we are unable to efficiently design, produce, market, sell, distribute and service our electrified powertrain solutions, our margins, profitability and prospects would be materially and adversely affected.

We are in the early stages of developing key commercial relationships with suppliers and customers, and our ability to predict the outcome of those relationships is limited.

We are in the process of developing partnerships to accelerate the development and production of our solutions and have deployed demonstration Hybrid system units to certain companies we expect to be customers in the future; however, all of our commercial relationships are in the early stages of development and we do not have the ability to predict with certainty the outcome of those relationships. Our partners may face delays or be unable to meet our business requirements and standards at the quantity, quality and price levels needed for our business. The entities that we expect to be customers in the future may decide not to do business with us. Because we are still getting to know our partners and the commercial space in which we are doing business, these relationships could result in controversies or even litigation, which could have a material adverse effect on our ability to continue our plans for strategic growth and ultimately our business results.

We are highly dependent on the services of Thomas Healy, our Chief Executive Officer, and if we are unable to retain Mr. Healy, attract and retain key employees and hire qualified management, technical and vehicle engineering personnel, our ability to compete could be harmed.

Our success depends, in part, on our ability to retain our key personnel. We are highly dependent on the services of Thomas Healy, our Chief Executive Officer, and largest stockholder. Mr. Healy is the source of many, if not most, of the ideas and execution driving us. If Mr. Healy were to discontinue his service to us due to death, disability or any other reason, we would be significantly disadvantaged. The unexpected loss of or failure to retain one or more of our key employees could adversely affect our business.

If we fail to manage our growth effectively, including failing to attract and integrate qualified personnel, we may not be able to develop, produce, market and sell our electrified powertrain solutions successfully.

Any failure to manage our growth effectively could materially and adversely affect our business, prospects, operating results and financial condition. We intend to expand our operations significantly. We intend to continue to hire a significant number of additional personnel, including software engineers, design and production personnel and service technicians for our electrified powertrain solutions. Because our electrified powertrain solutions are based on a different technology platform than traditional internal combustion engines, individuals with sufficient training in alternative fuel and electric vehicles may not be available to hire, and as a result, we will need to expend significant time and expense training any newly hired employees. Competition for individuals with experience designing, producing and servicing electrified vehicles and their software is intense, and we may not be able to attract, integrate, train, motivate, or retain additional highly qualified personnel, particularly with respect to software engineers in the Austin, Texas area where we are headquartered. Due to the specific skills required, the strong job market nationally and the high cost of living and competition in the Austin, Texas area, we may experience increased relocation expenses, higher expenses to recruit and retain talent and challenges at attracting talent. The failure to attract, integrate, train,

motivate and retain these additional employees could seriously harm our business, prospects, financial condition and operating results.

Risks Related to our Financial Results

Our financial results may vary significantly from period to period due to fluctuations in our operating costs and other factors.

Our quarterly and annual operating results may fluctuate significantly, which makes it difficult for us to predict our future operating results. These fluctuations may occur due to a variety of factors, many of which are outside of our control, including:

- the pace at which we continue to design, develop and produce new products and increase production capacity;
- the number of customer orders in a given period;
- changes in manufacturing costs;
- the timing and cost of and level of investment in, research and development relating to our technologies and our current or future facilities;
- developments involving our competitors; and
- changes in governmental regulations or applicable law.

As a result of these factors, we believe that period-to-period comparisons of our financial results, especially in the short term, are not necessarily meaningful and that these comparisons cannot be relied upon as indicators of future performance. Moreover, our financial results may not meet expectations of equity research analysts, ratings agencies or investors, who may be focused only on quarterly financial results. If any of this occurs, the trading price of our common stock could fall substantially, either suddenly or over time.

Risks Related to our Customers and Products

We may not be able to successfully engage target customers or convert early trial deployments with truck fleets into meaningful orders or additional deployments in the future.

Our success, and our ability to increase revenue and operate profitably, depends in part on our ability to identify target customers and to convert early trial deployments with truck fleets into meaningful orders or additional deployments in the future. If we are unable to meet our customers' performance requirements or industry specifications, identify target customers or convert early trial deployments in truck fleets into meaningful orders or obtain additional deployments in the future, our business, prospects, financial condition and operating results would be materially adversely affected. Moreover, if we or our customers find that our Hybrid system does not perform as expected or if our customers decide to wait until our Hypertruck system is deployed before making any purchases, we may cease to distribute our Hybrid system, or recall some or all of our product, and future distributions may be delayed or cease for some period of time or indefinitely.

We plan to accept reservation orders for the sale of our electrified powertrain solutions that are cancellable, and our initial pre-launch sales order for Hypertruck ERX equipped trucks is cancellable.

Our electrified powertrain solutions are still in the development and testing phase and commercial deliveries of the Hypertruck ERX system are not expected to begin until 2023 or later, and may not occur at all. As a result, we plan to accept reservation orders for our electrified powertrain solutions that will be cancellable by customers without penalty. As a result, no assurance can be made that reservations will not be cancelled or that reservations will result in the purchase of our electrified powertrain solutions, and any such cancellations could harm our business, prospects, financial condition and operating results.

We may also enter into contracts for the sale of our electrified powertrain solutions that include various cancellation rights in favor of the customer. For example, in May 2020, we entered into a pre-launch sales agreement (the "Agility Pre-Launch Agreement") with Agility Logistics Cargo Transport Co. WLL ("Agility Transport"), a company organized under the laws of and based in Kuwait and a subsidiary of Agility Public Warehousing Company K.S.C.P. for up to 1,000 trucks equipped with our Hypertruck ERX system in one or more future purchase orders, subject to certain testing and performance requirements and termination rights, including a right to terminate the Agility Pre-Launch Agreement prior to purchasing all or any portion of Agility Transport's pre-order. The Agility Pre-Launch Agreement does not specify the terms or period upon which these purchase orders may be entered into, such that our sale of Hypertruck ERX to Agility Transport is subject to the parties reaching further agreement on the terms of the purchase agreements. Any termination, reduction or dispute related to this agreement or others similar to it could harm our business, prospects, financial condition and operating results.

We intend to sell our electrified powertrain solutions to large commercial vehicle OEM customers and large volume customers, and the failure to obtain such customers, loss of sales to such customers or failure to negotiate acceptable terms in contract renewal negotiations could have an adverse impact on our business.

Although we intend to sell our electrified powertrain solutions to commercial vehicle OEMs and other large volume customers, we may not be able to establish relationships with such OEMs or large volume customers if customer demand is not as high as we expect or if commercial vehicle OEMs face pressure from their existing suppliers not to purchase our electrified powertrain solutions. We may enter into long-term contracts with certain of these commercial vehicle OEMs and other large volume

customers, who have substantial bargaining power with respect to price and other commercial terms, and any long-term contracts would be subject to renegotiation and renewal from time to time. Failure to obtain new customers, loss of all or a substantial portion of sales to any future customers for whatever reason (including, but not limited to, loss of contracts or failure to negotiate acceptable terms in contract renewal negotiations, loss of market share by these customers, insolvency of such customers, reduced or delayed customer requirements, plant shutdowns, strikes or other work stoppages affecting production by such customers), or continued reduction of prices to these customers could have a significant adverse effect on our financial results. There can be no assurance that we will be able to obtain or retain large volume customers or that we will be able to offset any reduction of prices to these customers with reductions in our costs or by obtaining new customers.

Demand for our products will ultimately depend on our end users, some of whom operate in highly cyclical industries, which may subject us to the performance of their industries and can result in uncertainty and significantly impact the demand for our products, which could have a material adverse effect on our business, prospects, financial condition and operating results.

Demand for our products will ultimately depend on our end users, some of whom operate in highly cyclical industries and have felt the impact of COVID-19 and other factors on demand for output in their industries. Decisions to purchase our electrified powertrain solutions may depend on the performance of the industries of our end users and if demand for output in those industries decreases, the demand for our products will likely decrease. Demand in these industries is impacted by numerous factors, including commodity prices, infrastructure spending, housing starts, real estate equity values, interest rates, consumer spending, fuel costs, energy demands, municipal spending and commercial construction, among others. Increases or decreases in these variables may significantly impact the demand for our products. If we are unable to accurately predict demand, we may be unable to meet our customers' needs, resulting in the loss of potential sales, or we may produce excess products, resulting in increased inventories and overcapacity in our contracted production facilities, increasing our unit production cost and decreasing our operating margins.

If our electrified powertrain solutions fail to perform as expected, our ability to develop, market and sell our electrified powertrain solutions could be harmed.

Our electrified powertrain solutions may contain defects in design and production that may cause them not to perform as expected or may require repair. There can be no assurance that we will be able to detect and fix any defects in our electrified powertrain solutions. Our electrified powertrain solutions may not meet customers' expectations or perform competitively with other vehicles that may become available. Any product defects or any other failure of our electrified powertrain solutions and software to perform as expected could harm our reputation and result in adverse publicity, lost revenue, delivery delays, product recalls, negative publicity, product liability claims and significant warranty and other expenses and could have a material adverse impact on our business, prospects, financial condition and operating results.

The performance characteristics of our electrified powertrain solutions, including fuel economy and emissions levels, may vary, including due to factors outside of our control.

The performance characteristics of our electrified powertrain solutions, including fuel economy and emissions levels, may vary. Our electrified powertrain solutions are still being designed and developed, and there are no assurances that they will be able to meet their projected performance characteristics, including fuel economy and emissions levels. External factors (such as driver behavior, weather conditions, hardware efficiency, payload and terrain) may also impact the performance characteristics of our electrified powertrain solutions related to estimated fuel savings, GHG emissions and fuel economy of vehicles installed with our electrified powertrain solutions. These external factors as well as any operation of our electrified powertrain solutions other than as intended, may result in emissions levels that are greater than we expect. The ability of our electrified powertrain solutions to have a net carbon negative profile, will depend on the availability of renewable natural gas ("RNG") as well as the infrastructure necessary to purchase RNG through fuel providers. Any limitation on the ability to purchase RNG, such as a decrease or a limitation on the number of natural gas fueling stations or limitation on the production of natural gas and RNG in particular, will negatively impact the anticipated carbon intensity profile of our electrified powertrain solutions. In addition, the carbon intensity profiles could vary based on the source of RNG, which could reduce a fleet's ability to have favorable carbon

intensity scores. Due to these factors, there can be no guarantee that the operators of vehicles using our electrified powertrain solutions will realize the expected fuel savings and fuel economy and GHG emission reductions.

Our beliefs regarding the ability of our electrified powertrain solutions to limit carbon intensity and reduce GHG emissions and contribute to global decarbonization may be based on materially inaccurate assumptions.

Our beliefs regarding our ability to reduce carbon intensity and GHG emissions are based on certain assumptions, including, but not limited to, our projections of the extent of natural gas and renewable natural gas use in the future, fuel types used, the ability to obtain carbon credits and driver behavior and our electrified powertrain solutions' efficiencies and performance. To the extent our assumptions are materially incorrect or incomplete, it could adversely impact our business, prospects, financial condition and operating results. In addition, if our assumptions regarding the ability of our solutions to limit carbon intensity and reduce GHG emissions from trucking operations are materially incorrect or incomplete, or if our beliefs regarding the availability of our products are materially incorrect or incomplete, it is possible that our competitors' technology may be better at limiting carbon intensity and reducing GHG emissions in certain circumstances and in certain markets.

We have limited experience servicing our electrified powertrain solutions and our integrated software. If we are unable to address the service requirements of our customers, our business, prospects, financial condition and operating results may be materially and adversely affected.

We have limited experience in servicing our electrified powertrain solutions and expect to increase our servicing capabilities as we begin commercial production of our electrified powertrain solutions. Servicing hybrid and electric vehicles is different than servicing vehicles with internal combustion engines and requires specialized skills, including high voltage training and servicing techniques. We plan to partner with a third party to perform some or all of the servicing on our electrified powertrain solutions, and there can be no assurance that we will be able to enter into an acceptable arrangement with any such third-party provider. Our ability to provide effective customer support is largely dependent on our ability to attract, train and retain qualified personnel with experience in supporting customers on platforms such as ours. As we continue to grow, additional pressure may be placed on our customer support team, and we may be unable to respond quickly enough to accommodate short-term increases in customer demand for technical support. If we are unable to successfully address the service requirements of our customers or establish a market perception that we do not maintain high-quality support, we may be subject to claims from our customers, including loss of revenue or damages, and our business, prospects, financial condition, and operating results may be materially and adversely affected.

Our electrified powertrain solutions rely on software and hardware that is highly technical, and if these systems contain errors, bugs or vulnerabilities, or if we are unsuccessful in addressing or mitigating technical limitations in our systems, our business could be adversely affected.

Our electrified powertrain solutions rely on software and hardware to store, retrieve, process and manage immense amounts of data. Such software and hardware, that is developed or maintained internally or by third parties, is highly technical and complex and will require modification and updates over the life of the vehicle. Our software and hardware may contain, errors, bugs or vulnerabilities, and our systems are subject to certain technical limitations that may compromise our ability to meet our objectives. Some errors, bugs or vulnerabilities inherently may be difficult to detect and may only be discovered after the code has been released for external or internal use. If we are unable to prevent or effectively remedy errors, bugs, vulnerabilities or defects in our software and hardware, we may suffer damage to our reputation, loss of customers, loss of revenue or liability for damages, any of which could adversely affect our business and financial results.

Future product recalls could materially adversely affect our business, prospects, financial condition and operating results.

Any product recall in the future, whether it involves us or a competitor's product, may result in negative publicity, damage our brand and materially adversely affect our business, prospects, financial condition and operating results. In the future, we may voluntarily or involuntarily, initiate a recall if any of our products (including the batteries we design, develop and manufacture) prove to be defective or noncompliant with applicable federal motor vehicle safety standards. Such recalls involve significant expense and diversion of management attention and other resources, which could adversely affect our brand image, as well as our business, prospects, financial condition and operating results.

We may become subject to product liability claims, which could harm our financial condition and liquidity if we are not able to successfully defend or insure against such claims.

Product liability claims, even those without merit or those that do not involve our products, could harm our business, prospects, financial condition and operating results. The automobile industry in particular experiences significant product liability claims, and we face inherent risk of exposure to claims in the event our electric powertrain solutions do not perform or are claimed to not have performed as expected. As is true for other commercial vehicle suppliers, we expect in the future that our electrified powertrain solutions will be installed on vehicles that will be involved in crashes resulting in death or personal injury. Additionally, product liability claims that affect our competitors may cause indirect adverse publicity for us and our products.

Our risks in this area are particularly pronounced given the relatively limited number of electrified powertrain solutions delivered to date and limited field experience of our products. A successful product liability claim against us could require us to pay a substantial monetary award. In most jurisdictions, we generally self-insure against the risk of product liability claims for

vehicle exposure, meaning that any product liability claims will likely have to be paid from company funds, not by insurance. Product liability claims could have a material adverse effect on our brand, business and financial condition.

Insufficient warranty reserves to cover future warranty claims could materially adversely affect our business, prospects, financial condition and operating results.

We maintain warranty reserves to cover warranty-related claims of our electrified powertrain solutions. If our warranty reserves are inadequate to cover future warranty claims on our vehicles, or our parts suppliers fail to provide warranties for, or honor warranty claims against, their parts, our business, prospects, financial condition and operating results could be materially and adversely affected. We may become subject to significant and unexpected warranty expenses as well as claims from our customers, including loss of revenue or damages. There can be no assurances that then-existing warranty reserves will be sufficient to cover all claims.

Risks Related to our Production Processes and Supply Chain

We face significant barriers to produce our electrified powertrain solutions, and if we cannot successfully overcome those barriers our business will be negatively impacted.

The commercial trucking industry has traditionally been characterized by significant barriers to entry, including the ability to meet performance requirements or industry specifications, acceptance by OEMs and our end users, large capital requirements, investment costs of design and production, long lead times to bring components to market from the concept and design stage, the need for specialized design and development expertise, regulatory requirements, establishing a brand name and image and the need to establish sales capabilities. If we are not able to overcome these barriers, our business, prospects, financial condition and operating results will be negatively impacted and our ability to grow our business will be harmed.

Our success will depend on our ability to economically outsource the production, assembly and installation of our electrified powertrain solutions at scale, and our ability to develop and produce electrified powertrain solutions of sufficient quality and appeal to customers on schedule and at scale is unproven.

Our business depends in large part on our ability to execute our plans to develop, produce, assemble, market, sell, install and service our electrified powertrain solutions. We currently produce our Hybrid eX system at our facility in Cedar Park, Texas and expect to begin production of our Hypertruck ERX system in 2023, at the earliest. Over time, we anticipate we will shift production to our outsourcing partners' facilities. We anticipate that a significant concentration of this production, assembly and installation will be performed by a small number of outsourcing partners. While these arrangements can lower operating costs, they also reduce our direct control over production and distribution. Such diminished control may have an adverse effect on the quality or quantity of products or services, or our flexibility to respond to changing conditions.

Our continued development of our electrified powertrain solutions is and will be subject to risks, including with respect to:

- the equipment we plan to use being able to accurately produce our electrified powertrain solutions within specified design tolerances;
- the compatibility of our electrified powertrain solutions with existing and future commercial vehicle designs;
- long- and short-term durability of the components in our electrified powertrain solutions in the day-to-day wear and tear of the commercial trucking environment;
- compliance with environmental, workplace safety and similar regulations;
- securing necessary components on acceptable terms and in a timely manner;
- delays in delivery of final component designs to our suppliers;
- our ability to attract, recruit, hire and train skilled employees;
- quality controls, particularly as we plan to expand our production capabilities;
- delays or disruptions in our supply chain;
- other delays and cost overruns; and
- our ability to secure additional funding if necessary.

We and our future production partners have no experience to date in high volume production of our electrified powertrain solutions. We do not know whether we or our future production partners will be able to develop efficient, automated, low-cost production capabilities and processes and reliable sources of component supply, that will enable us to meet the quality, price, engineering, design and production standards, as well as the production volumes, required to successfully mass market our electrified powertrain solutions or whether we or our production partners will be able to do so in a manner that avoids significant delays and cost overruns, including as a result of factors beyond our control such as problems with suppliers and vendors, or in time to meet our vehicle commercialization schedules or to satisfy the requirements of customers. Any failure to

develop such production processes and capabilities within our projected costs and timelines could have a material adverse effect on our business, prospects, financial condition and operating results.

We may experience significant delays in the design, production and launch of our electrified powertrain solutions, which could harm our business, prospects, financial condition and operating results.

Our electrified powertrain solutions are still in the development and testing phase, and commercial deliveries of the Hypertruck ERX system are not expected to begin until 2023 or later, and may not occur at all. Any delay in the financing, design, production and launch of our electrified powertrain solutions, including future production of our Hybrid eX system and Hypertruck ERX system at our outsourcing partners, could materially damage our brand, business, prospects, financial condition and operating results.

We are dependent on large commercial vehicle OEMs and producers of glider kits and rolling chassis to provide vehicles for our electrified powertrain solutions.

Because we do not manufacture complete commercial vehicles, we are dependent on commercial vehicle OEMs and producers of glider kits and rolling chassis to provide vehicle chassis for our electrified powertrain solutions. The most favorable financial model for deployment of our products is for OEMs to directly install our products in their commercial vehicles when they are being produced. If OEMs are unable or unwilling to integrate the installation of our electrified powertrain solutions into their commercial vehicle production lines, we may have to rely on producers of glider kits and rolling chassis and commercial truck upfitting and modification companies. To the extent that there are limitations on the availability of glider kits or rolling chassis, either due to the unwillingness or inability of OEMs and producers to produce and provide them to us or our installation partners, or a change in governmental regulations or policies, we would either need to develop our own commercial vehicle on which to install our electrified powertrain solutions or install our products into commercial vehicles that would have to be decontented. Either case could have a negative impact on our ability to sell our electrified powertrain solutions at the prices, or achieve the margins, or in the timeframes that we anticipate. Additionally, if commercial vehicle OEMs limit or fail to provide a warranty on vehicles with our electrified powertrain solutions, we will incur additional costs by contracting with a third party to provide warranty services. Any of the foregoing would have a material adverse effect on our business, prospects, financial condition and operating results.

We will rely on third parties, including commercial truck upfitting and modification companies and commercial vehicle OEMs, to install our electrified powertrain solutions in vehicles, which is subject to risks.

We intend to enter into agreements with commercial truck upfitting and modification companies and commercial vehicle OEMs to install our electrified powertrain solutions. Using third-party contract manufacturers and installers for the production and installation of our electrified powertrain solutions is subject to risks with respect to operations that are outside our control. We could experience delays if our outsourcing partners do not meet agreed upon timelines or experience capacity constraints that make it impossible for us to fulfill purchase orders on time or at all. The installation of our solutions may also void the warranty of a vehicle or a vehicle's components, such as our engine or transmission, which may reduce customer demand for our solutions. Our ability to successfully build a premium brand could also be adversely affected by perceptions about the quality of our outsourcing partners' products. In addition, although we are involved in each step of the supply chain, production and installation processes, because we also rely on our outsourcing partners and third parties to meet our quality standards, there can be no assurance that the final product will meet expected quality standards.

We are dependent on our suppliers, some of which are single or limited source suppliers, and the inability of these suppliers to deliver necessary components of our vehicles at prices and volumes, performance and specifications acceptable to us could have a material adverse effect on our business, prospects, financial condition and operating results.

We rely on third-party suppliers, some of whom are single-source suppliers, for the provision and development of many of the key components and materials used in our electrified powertrain solutions, such as natural gas generators. Any failure of these suppliers or outsourcing partners to perform could require us to seek alternative suppliers or to expand our production capabilities, which could incur additional costs and have a negative impact on our cost or supply of components or finished goods. While we plan to obtain components from multiple sources whenever possible, some of the components used in our vehicles will be purchased by us from a single source. Our third-party suppliers may not be able to meet their product specifications and performance characteristics or our desired specifications, performance and pricing, which would impact our ability to achieve our product specifications and performance characteristics as well. Additionally, our third-party suppliers may be unable to obtain required certifications for their products for which we plan to use or provide warranties that are necessary for our solutions. If we are unable to obtain components and materials used in our electrified powertrain solutions from our suppliers or if our suppliers decide to create or supply a competing product, our business could be adversely affected. While we believe that we may be able to establish alternate supply relationships and can obtain or engineer replacement components for

our single source components, we may be unable to do so in the short term (or at all) at prices or quality levels that are favorable to us, which could have a material adverse effect on our business, prospects, financial condition and operating results.

Increases in costs, disruption of supply or shortage of our components, particularly LTO battery cells, could harm our business.

Once we begin commercial production of our electrified powertrain solutions, we may experience increases in the cost or a sustained interruption in the supply or shortage of our components. Any such increase or supply interruption could materially negatively impact our business, prospects, financial condition and operating results. The prices for our components fluctuate depending on market conditions and global demand and could adversely affect our business, prospects, financial condition and operating results.

Any disruption in the supply of battery cells could temporarily disrupt production of our electrified powertrain solutions until a different supplier is fully qualified. Moreover, battery cell manufacturers may refuse to supply electric vehicle manufacturers if they determine that the vehicles are not sufficiently safe. Furthermore, fluctuations or shortages in petroleum and other economic conditions may cause us to experience significant increases in freight charges. Substantial increases in the prices for raw materials may increase the cost of our components and consequently, the costs of products. There can be no assurance that we will be able to recoup increasing costs of our components by increasing prices, which could reduce our margins.

Risks Related to Our Industry and Competitive Landscape

Our future growth is dependent upon the commercial trucking industry's willingness to adopt alternative fuel, hybrid and electric vehicles.

Our growth is highly dependent upon the adoption of alternative fuel, hybrid and electric vehicles by the commercial trucking industry. If the market for alternative fuel, hybrid and electric vehicles and our electrified powertrain solutions does not develop at the rate or in the manner or to the extent that we expect, or if critical assumptions we have made regarding the efficiency of our electrified powertrain solutions are incorrect or incomplete, our business, prospects, financial condition and operating results will be harmed. The market for alternative fuels, hybrid and electric vehicles is new and untested and is characterized by rapidly changing technologies, price competition, numerous competitors, evolving government regulation and industry standards and uncertain customer demands and behaviors.

Although we hope to be among the first to bring electrified powertrain solutions to market, competitors have already displayed electrified vehicle prototypes and may enter the market before us.

We face intense competition in trying to be among the first to bring electrified powertrain solutions to market, and we expect competition to intensify in light of increased demand and regulatory push for alternative fuel and electric vehicles. Most of our current and potential competitors have greater financial, technical, manufacturing, marketing and other resources than we do. They may be able to deploy greater resources to the design, development, manufacturing, distribution, promotion, sales, marketing and support of their alternative fuel and electric truck programs. Additionally, our competitors also have greater name recognition, longer operating histories, larger sales forces, broader customer and industry relationships and other resources than we do. These competitors also compete with us in recruiting and retaining qualified research and development, sales, marketing and management personnel, as well as in acquiring technologies complementary to, or necessary for, our products. Additional mergers and acquisitions may result in even more resources being concentrated in our competitors. We cannot provide assurances that our electrified systems will be the first to market. Even if our electrified systems are first, or among the first, to market, there are no assurances that customers will choose vehicles with our electrified systems over those of our competitors, or over diesel powered trucks.

Numerous companies have announced their plans to bring long-haul Class 8 commercial BEVs and FCEVs to the market over the coming years. Cummins, Daimler, Dana, Navistar, PACCAR, Volvo, Tesla, Nikola, Lion Electric, Hyzon and other commercial vehicle manufacturers have announced their plans to bring Class 8 BEVs or FCEVs to the market. Furthermore, we will also face competition from manufacturers of internal combustion engines powered by diesel fuel. We expect additional competitors to enter the industry as well.

Developments in alternative technology or improvements in the internal combustion engine may adversely affect the demand for our electrified powertrain solutions.

Significant developments in alternative technologies, such as battery cell technology, advanced diesel, improved natural gas engines, new power generation technology or alternate fuel sources or improvements in the fuel economy of the internal combustion engine, may materially and adversely affect our business, prospects, financial condition and operating results in ways we do not currently anticipate. Existing and other battery cell technologies, fuels or sources of energy may emerge as customers' preferred alternative to our electrified powertrain solutions. Any failure by us to develop new or enhanced technologies or processes, or to react to changes in existing technologies, could materially delay our development and introduction of new and enhanced alternative fuel and electric vehicles, which could result in the loss of competitiveness of our

electrified powertrain solutions, decreased revenue and a loss of market share to competitors. Our research and development efforts may not be sufficient to adapt to changes in alternative fuel and electric vehicle technology.

Risks Related to Technology, Data and Privacy-Related Matters

We are subject to cybersecurity risks to operational systems, security systems, infrastructure, integrated software in our electrified powertrain solutions and customer data processed by us or third-party vendors or suppliers and any material failure, weakness, interruption, cyber event, incident or breach of security could prevent us from effectively operating our business.

We collect, store, transmit and otherwise process customer, driver and employee and others' data as part of our business operations, which may include personal data or confidential or proprietary information. We also work with partners and third party service providers or vendors that collect, store and process such data on our behalf in connection with our business. There can be no assurance that any security measures that we or our third-party service providers or vendors have implemented will be effective against current or future security threats.

We are at risk for interruptions, outages and breaches of: (a) operational systems; (b) facility security systems; (c) transmission control modules or other in-product technology; in each case owned by us or our third-party vendors or suppliers as well as (a) the integrated software in our electrified powertrain solutions; or (b) customer or driver data that we process or our third-party vendors or suppliers process on our behalf. The techniques used by cyber attackers change frequently and may be difficult to detect for long periods of time. Although we maintain information technology measures designed to protect ourselves against intellectual property theft, data breaches and other cyber incidents, we cannot be sure that these systems upon which we rely, including those of our third-party vendors or suppliers, will be effectively implemented, maintained or expanded as planned. If these systems do not operate as we expect them to, we may be required to expend significant resources to make corrections or find alternative sources for performing these functions. Moreover, our proprietary information or intellectual property could be compromised or misappropriated. A significant cyber incident could impact production capability, harm our reputation, cause us to breach our contracts with other parties or subject us to regulatory actions or litigation, any of which could materially affect our business, prospects, financial condition and operating results.

Any unauthorized control or manipulation of the information technology systems in our electrified powertrain solutions could result in loss of confidence in us and our electrified powertrain solutions and harm our business.

Our electrified powertrain solutions contain complex information technology systems and built-in data connectivity to accept and install periodic remote updates to improve or update functionality. We have designed, implemented and tested security measures intended to prevent unauthorized access to our information technology networks, our electrified powertrain solutions and related systems. Any unauthorized access to or control of our electrified powertrain solutions, or any loss of customer data, could result in legal claims or proceedings and remediation of such problems could result in significant, unplanned capital expenditures.

Inability to leverage vehicle and customer data could impact our software algorithms and impact research and development operations.

We rely on data collected from the use of fleet vehicles outfitted with our products, including vehicle data and data related to battery usage statistics. We use this data in connection with our software algorithms and the research, development and analysis of our products. Our inability to obtain this data or the necessary rights to use this data could result in delays or otherwise negatively impact our research and development efforts.

We may need to defend ourselves against patent, copyright or trademark infringement claims or trade secret misappropriation claims, which may be time-consuming and cause us to incur substantial costs.

Companies, organizations or individuals, including our competitors, may own or obtain patents, trademarks or other proprietary rights that would prevent or limit our ability to make, use, develop or sell our electrified powertrain solutions, which could make it more difficult for us to operate our business. We may receive inquiries from patent, copyright or trademark owners inquiring whether we infringe upon their proprietary rights. We may also be the subject of allegations that we have misappropriated their trade secrets or other proprietary rights. Companies owning patents or other intellectual property rights relating to battery packs, electric motors, fuel cells or electronic power management systems may allege infringement or misappropriation of such rights. In response to a determination that we have infringed upon or misappropriated a third party's intellectual property rights, we may be required to (a) cease development, sales or use of our products that incorporate the asserted intellectual property, (b) pay substantial damages, (c) obtain a license from the owner of the asserted intellectual property right, which license may not be available on reasonable terms or at all or (d) redesign one or more aspects or systems of our electrified powertrain solutions. A successful claim of infringement or misappropriation against us could materially

adversely affect our business, prospects, financial condition and operating results. Any litigation or claims, whether valid or invalid, could result in substantial costs and diversion of resources.

Our business may be adversely affected if we are unable to protect our intellectual property rights from unauthorized use by third parties.

Failure to adequately protect our intellectual property rights could result in our competitors offering similar products, potentially resulting in the loss of some of our competitive advantage and a decrease in our revenue, which would adversely affect our business, prospects, financial condition and operating results. Our success depends, at least in part, on our ability to protect our core technology and intellectual property. To accomplish this, we will rely on a combination of patents, trade secrets (including know-how), employee and third-party nondisclosure agreements, copyrights, trademarks, intellectual property licenses and other contractual rights to establish and protect our rights in our technology; however, the measures we take to protect our intellectual property from unauthorized use by others may not be effective.

Patent, trademark, copyright and trade secret laws vary throughout the world. Some foreign countries do not protect intellectual property rights to the same extent as do the laws of the U.S. Further, policing the unauthorized use of our intellectual property in foreign jurisdictions may be difficult. Therefore, our intellectual property rights may not be as strong or as easily enforced outside of the U.S.

Also, while we have registered trademarks in an effort to protect our investment in our brand and goodwill with customers, competitors may challenge the validity of those trademarks and other brand names in which we have invested. Such challenges can be expensive and may adversely affect our ability to maintain the goodwill gained in connection with a particular trademark.

Risks Related to Environmental and Regulatory Matters

The unavailability, reduction or elimination of government and economic incentives for alternative fuel use due to policy changes or government regulation could have a material adverse effect on our business, prospects, financial condition and operating results.

Any reduction, elimination or discriminatory application of government subsidies and economic incentives because of policy changes, the reduced need for such subsidies and incentives due to the perceived success of the electric vehicle industry or other reasons may result in the diminished competitiveness of the alternative fuel and electric vehicle industry generally or our electrified powertrain solutions. While certain tax credits and other incentives for alternative energy production, alternative fuel and electric vehicles have been available in the past, there is no guarantee these programs will be available in the future. In particular, we are influenced by federal, state and local tax credits, rebates, grants and other government programs and incentives that promote the use of RNG and natural gas as vehicle fuel. These include various government programs that make grant funds available for the purchase of natural gas vehicles or encourage low carbon "compliant" transportation fuels (including CNG). If current tax incentives are not available in the future, our financial position could be harmed.

Additionally, other changes to governmental regulations and policies could impact the competitiveness of natural gas as a fuel source. For instance, a limitation or ban on extraction methods like fracking, could have a negative impact on the availability and price of natural gas and may adversely affect the growth of the alternative fuel automobile markets. Additionally, an increase in the economic incentives for other fuel sources or BEVs, such as through the subsidization of other fuel sources or higher permitted weight limits for BEVs or FCEVs or the reduction or elimination of the higher permitted weight limits for natural gas vehicles, could make our products less competitive. Such changes in regulations and policies could materially and adversely affect our business, prospects, financial condition and operating results.

Our business could be negatively affected by unfavorable changes to federal or state tax laws or the adoption of federal or state laws or regulations mandating new or additional limits on the production of GHG emissions, the cost of natural gas and "tailpipe" emissions.

Federal or state laws or regulations may be adopted that would impose new or additional limits on the emissions of GHG. The potential effects of GHG emission limits on our business are subject to significant uncertainties based on, among other things, the timing of the implementation of any new requirements, the required levels of emission reductions, the nature of any market-based or tax-based mechanisms adopted to facilitate reductions, the relative availability of GHG emission reduction offsets, the development of cost-effective, commercial-scale carbon capture and storage technology and supporting regulations and liability mitigation measures, the range of available compliance alternatives, and our ability to demonstrate that our products qualify as a compliance alternative under any new statutory or regulatory programs to limit GHG emissions. If our solutions are not able to meet future GHG emission limits or perform as well as BEV, FCEV or other alternative fuel vehicles, for instance due to unavailability of RNG in a particular area or a decline in RNG production or an increase in our cost, our solutions could be less competitive. Additionally, federal, state or road taxes could be added to natural gas fuel, which would increase the operating cost of our products. Furthermore, additional federal or state taxes could be implemented on "tailpipe" emissions, which would have a negative impact on the cost of our products and a positive impact on the cost of BEVs and FCEVs relative to our

solutions. Such new federal or state laws or regulations could have a material adverse impact on our business, prospects, financial condition and operating results.

We, our outsourcing partners and our suppliers are or may be subject to substantial regulation and unfavorable changes to, or failure by us, our outsourcing partners or our suppliers to comply with, these regulations could substantially harm our business and operating results.

Our electrified powertrain solutions, and the sale of motor vehicles in general, our outsourcing partners and our suppliers are or may be subject to substantial regulation under international, federal, state and local laws. We continue to evaluate requirements for licenses, approvals, certificates and governmental authorizations necessary to manufacture, sell or service our electrified powertrain solutions in the jurisdictions in which we plan to operate and intend to take such actions necessary to comply. We may experience difficulties in obtaining or complying with various licenses, approvals, certifications and other governmental authorizations necessary to manufacture, sell or service their electrified powertrain solutions in any of these jurisdictions. If we, our outsourcing partners or our suppliers are unable to obtain or comply with any of the licenses, approvals, certifications or other governmental authorizations necessary to carry out our operations in the jurisdictions in which we currently operate, or those jurisdictions in which we plan to operate in the future, our business, prospects, financial condition and operating results could be materially adversely affected. We expect to incur significant costs in complying with these regulations. For example, if the battery packs installed in our electrified powertrain solutions are deemed to be transported, we will need to comply with the mandatory regulations governing the transport of "dangerous goods," and any deficiency in compliance may result in us being prohibited from selling our electrified powertrain solutions until compliant batteries are installed. Additionally, although we do not believe that our current after-market Hybrid system is required to obtain certifications from the EPA in the event that regulators determine that certifications are necessary, we may be prohibited from selling our Hybrid system until such time as we obtain the required certifications. Any such required changes to our battery packs or Hybrid system will require additional expenditures and may delay the shipment of vehicles. In addition, regulations related to the electric and alternative energy vehicle industry are evolving and we face risks associated with changes to these regulations.

To the extent the laws change, our electrified powertrain solutions and our suppliers' products may not comply with applicable international, federal, state or local laws, which would have an adverse effect on our business. Compliance with changing regulations could be burdensome, time consuming and expensive. To the extent compliance with new regulations is cost prohibitive, our business, prospects, financial condition and operating results would be adversely affected.

We are subject to evolving laws, regulations, standards and contractual obligations related to data privacy and security, and our actual or perceived failure to comply with such obligations could harm our reputation, subject us to significant fines and liability or adversely affect our business.

We intend to use our in-vehicle services and functionality to log information about each vehicle's use in order to aid us in vehicle diagnostics and servicing. Our customers or their drivers may object to the use of this data, which may increase our vehicle maintenance costs and harm our business prospects. Collection of our customers', employees' and others' information in conducting our business may subject us to various legislative and regulatory burdens related to data privacy and security that could require notification of data breaches, restrict our use of such information and hinder our ability to acquire new customers or market to existing customers. The regulatory framework for data privacy and security is rapidly evolving, and we may not be able to monitor and react to all developments in a timely manner. For example, California requires connected devices to maintain minimum information security requirements. As legislation continues to develop, we will likely be required to expend significant additional resources to continue to modify or enhance our protective measures and internal processes to comply with such legislation. In addition, non-compliance with these laws or a significant breach of our third-party service providers' or vendors' or our own network security and systems could have serious negative consequences for our business and future prospects, including possible fines, penalties and damages, reduced customer demand for our vehicles and harm to our reputation and brand.

We are subject to various environmental laws and regulations that could impose substantial costs upon us and cause delays in building our production facilities.

Our operations are and will be subject to international, federal, state and local environmental laws and regulations, including laws relating to the use, handling, storage, disposal of and human exposure to hazardous materials. Environmental and health and safety laws and regulations can be complex, and we have limited experience complying with them. Moreover, we expect that we will be affected by future amendments to such laws or other new environmental and health and safety laws and regulations which may require us to change our operations, potentially resulting in a material adverse effect on our business, prospects, financial condition and operating results. These laws can give rise to liability for administrative oversight costs, cleanup costs, property damage, bodily injury, fines and penalties. Capital and operating expenses needed to comply with environmental laws and regulations can be significant, and violations may result in substantial fines and penalties, third-party damages, suspension of production or a cessation of our operations.

Contamination at properties we will own or operate, we formerly owned or operated or to which hazardous substances were sent by us, may result in liability for us under environmental laws and regulations, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act, which can impose liability for the full amount of

remediation-related costs without regard to fault, for the investigation and cleanup of contaminated soil and ground water, for building contamination and impacts to human health and for damages to natural resources. The costs of complying with environmental laws and regulations and any claims concerning noncompliance, or liability with respect to contamination in the future, could have a material adverse effect on our financial condition or operating results. We may face unexpected delays in obtaining the required permits and approvals in connection with our planned production facilities that could require significant time and financial resources and delay our ability to operate these facilities, which would adversely impact our business, prospects, financial condition and operating results.

Risks Related to Capital and Tax Matters

We may need to raise additional funds and these funds may not be available to us when we need them. If we cannot raise additional funds when we need them, our business, prospects, financial condition and operating results could be negatively affected.

The design, production, sale and servicing of our electrified powertrain solutions is capital-intensive. In connection with the consummation of the Business Combination on October 1, 2020, we raised net proceeds of approximately $516.5 million (net of transaction costs and expenses). As of December 31, 2021, all outstanding warrants were either exercised or redeemed, with gross proceeds of $140.8 million raised. However, we may subsequently determine that additional funds are necessary earlier than anticipated. This capital may be necessary to fund our ongoing operations, continue research, development and design efforts, create new products and improve infrastructure. We may raise additional funds through the issuance of equity, equity related or debt securities or through obtaining credit from government or financial institutions. We cannot be certain that additional funds will be available to us on favorable terms when required, or at all. If we cannot raise additional funds when we need them, our business, prospects, financial condition and operating results could be materially adversely affected.

Our ability to use net operating loss carryforwards and other tax attributes may be limited in connection with the Business Combination or other ownership changes.

We have incurred losses during our history and do not expect to become profitable in the near future, and may never achieve profitability. To the extent that we continue to generate taxable losses, unused losses will carry forward to offset future taxable income, if any, until such unused losses expire, if at all. As of December 31, 2021, we had U.S. federal net operating loss carryforwards of approximately $187.6 million.

Under the Tax Cuts and Jobs Act (the "Tax Act"), as modified by the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), U.S. federal net operating loss carryforwards generated in taxable periods beginning after December 31, 2017, may be carried forward indefinitely, but the deductibility of such net operating loss carryforwards in taxable years beginning after December 31, 2020, is limited to 80% of taxable income. It is uncertain if and to what extent various states will conform to the Tax Act or the CARES Act.

Under Section 382 of the Code, substantial changes in our ownership may result in an annual limitation on the amount of net operating loss carryforwards that could be utilized in the future to offset our taxable income. Generally, this limitation may arise in the event of a cumulative change in ownership of more than 50% within a three-year period. We have completed such analysis and determined that such an ownership change occurred in 2017. This will limit the usage of our 2017 and prior year net operating losses, and will cause $2.0 million of such losses to expire unused, regardless of future taxable income. No other such ownership changes have occurred through December 31, 2021. Due to this, as well as our overall profitability estimate as noted above, we have recorded a full valuation allowance related to our net operating loss carryforwards and other deferred tax assets due to the uncertainty of the ultimate realization of the future benefits of those assets.

We may not be able to obtain or agree on acceptable terms and conditions for all or a significant portion of the government grants, loans and other incentives for which we may apply. As a result, our business, prospects, financial condition and operating results may be adversely affected.

We anticipate applying for federal and state grants, loans and tax incentives under government programs designed to stimulate the economy and support the production of alternative fuel and electric vehicles and related technologies. We anticipate that in the future there will be new opportunities for us to apply for grants, loans and other incentives from federal, state and foreign governments. Our ability to obtain funds or incentives from government sources is subject to the availability of funds under applicable government programs and approval of our applications to participate in such programs. The application process for these funds and other incentives will likely be highly competitive. We cannot assure you that we will be successful in obtaining any of these additional grants, loans and other incentives.

Risks Related to Ownership of Our Securities

Concentration of ownership among our existing executive officers, directors and their respective affiliates may prevent new investors from influencing significant corporate decisions.

As of December 31, 2021, our executive officers, directors and their respective affiliates, as a group, beneficially own approximately 23.2% of our outstanding common stock. As a result, these stockholders are able to exercise a significant level of control over all matters requiring stockholder approval, including the election of directors, amendment of our Certificate of Incorporation and approval of significant corporate transactions. This control could have the effect of delaying or preventing a

change of control of us or changes in management and will make the approval of certain transactions difficult or impossible without the support of these stockholders.

We may issue additional shares of common stock or preferred stock, including under our equity incentive plans. Any such issuances would dilute the interest of our stockholders and likely present other risks.

We may issue a substantial number of additional shares of common or preferred stock, including under our equity incentive plans. Any such issuances of additional shares of common or preferred stock may cause significant dilution, subordinate the rights to holders of common stock to those of preferred stock, cause a change in control, and adversely affect prevailing market prices.

General Risks

We have been, and may in the future be, adversely affected by the global COVID-19 pandemic, the duration and economic, governmental and social impact of which is difficult to predict, which may significantly harm our business, prospects, financial condition and operating results.

There has been a widespread worldwide impact from the COVID-19 pandemic, and we have been, and may in the future be, adversely affected as a result. Numerous government regulations and public advisories, as well as shifting social behaviors, have temporarily limited or closed non-essential transportation, government functions, business activities and person-to-person interactions, and the duration of such trends is difficult to predict. Reduced operations and production line shutdowns at commercial vehicle OEMs due to COVID-19, limitations on travel by our personnel and personnel of our customers and increased demand for commercial trucks within our customers' fleets caused a delay to the planned installation of our Hybrid system on their trucks, and future delays or shutdowns of commercial vehicle OEMs or our suppliers could impact our ability to meet customer orders. We also instituted certain temporary cost reduction measures such as reducing or deferring discretionary spending.

We are or may be subject to risks associated with strategic alliances or acquisitions and may not be able to identify adequate strategic relationship opportunities, or form strategic relationships, in the future.

We have entered into strategic alliances and may in the future enter into additional strategic alliances or joint ventures or minority equity investments, in each case with various third parties for the production of our electrified powertrain solutions as well as with other collaborators with capabilities on data and analytics, engineering, installation channels, refueling stations and hydrogen fuel cells. These alliances subject us to a number of risks, including risks associated with sharing proprietary information, non-performance by the third party and increased expenses in establishing new strategic alliances, any of which may materially and adversely affect our business. Strategic business relationships will be an important factor in the growth and success of our business. However, there are no assurances that we will be able to continue to identify or secure suitable business relationship opportunities in the future or our competitors may capitalize on such opportunities before we do. Moreover, identifying such opportunities could require substantial management time and resources, and negotiating and financing relationships involves significant costs and uncertainties. If we are unable to successfully source and execute on strategic relationship opportunities in the future, our overall growth could be impaired, and our business, prospects, financial condition and operating results could be materially adversely affected.

When appropriate opportunities arise, we may acquire additional assets, products, technologies or businesses that are complementary to our existing business. In addition to possible stockholder approval, we may need approvals and licenses from relevant government authorities for the acquisitions and to comply with any applicable laws and regulations, which could result in increased delay and costs, and may disrupt our business strategy if we fail to do so. Furthermore, acquisitions and the subsequent integration of new assets and businesses into our own require significant attention from our management and could result in a diversion of resources from our existing business, which in turn could have an adverse effect on our operations. Acquired assets or businesses may not generate the financial results we expect. Acquisitions could result in the use of substantial amounts of cash, potentially dilutive issuances of equity securities, the occurrence of significant goodwill impairment charges, amortization expenses for other intangible assets and exposure to potential unknown liabilities of the acquired business. Moreover, the costs of identifying and consummating acquisitions may be significant.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Our headquarters are located in an approximately 152,000 square foot facility comprised of two buildings that we lease in Cedar Park, Texas, just north of Austin, Texas, where we design, develop, prototype and perform low volume assembly and installation of our electrified powertrain systems and components. Our lease of this facility expires in April 2027 and we have the option to extend the lease for two additional five-year terms.

We believe that our current facilities are in good working order and are capable of supporting our operations for the foreseeable future; however, we will continue to evaluate buying or leasing additional space as needed to accommodate our growth.

ITEM 3. LEGAL PROCEEDINGS

From time to time, the Company is subject to claims in legal proceedings arising in the ordinary course of its business, including payroll-related and various employment-related matters. All litigation currently pending against the Company relates to matters that have arisen in the ordinary course of business and the Company believes that such matters will not have a material adverse effect on its consolidated financial condition, results of operations or cash flows.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

Part II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

Our common stock is currently listed on the NYSE under the symbol "HLYN." Prior to the consummation of the Business Combination, our common stock was listed on the NYSE under the symbol "SHLL."

Holders

As of February 14, 2022, there were 104 holders of record of our Common Stock. A greater number of holders of our common stock are "street name" or beneficial holders, whose shares are held by banks, brokers and other financial institutions.

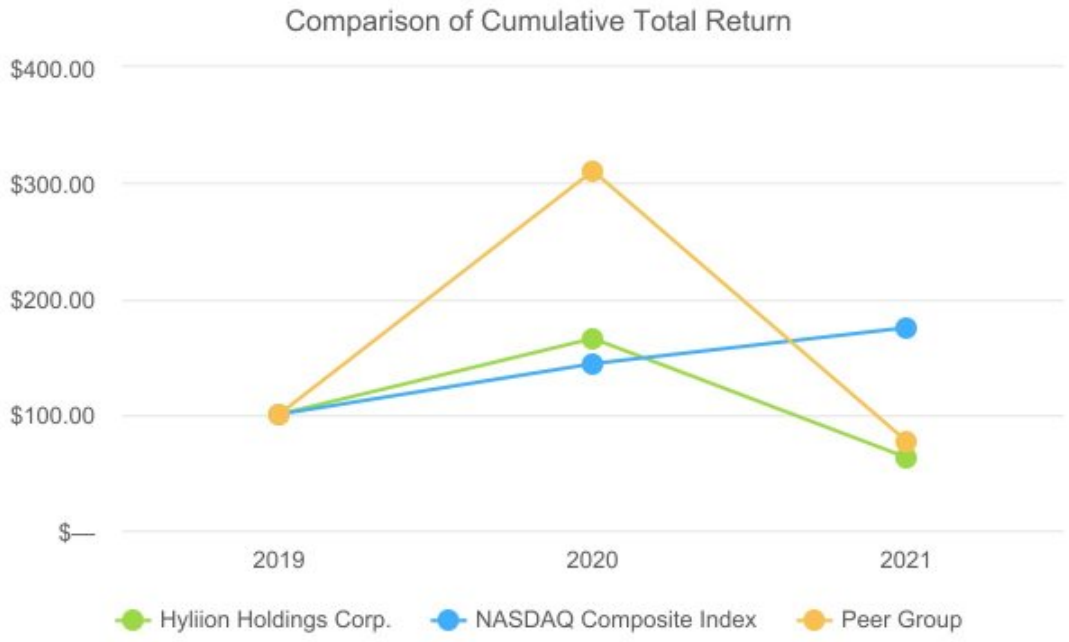
Dividend Policy

We have not paid any cash dividends on our common stock to date. We may retain future earnings, if any, for future operations, expansion and debt repayment and have no current plans to pay cash dividends for the foreseeable future. Any decision to declare and pay dividends in the future will be made at the discretion of our Board of Directors (the "Board") and will depend on, among other things, our results of operations, financial condition, cash requirements, contractual restrictions and other factors that the Board may deem relevant. In addition, our ability to pay dividends may be limited by covenants of any existing and future outstanding indebtedness we or our subsidiaries incur. We do not anticipate declaring any cash dividends to holders of the common stock in the foreseeable future.

Stock Performance Graph

This performance graph shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference into any filing of Hyliion under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

The following graph shows a comparison, from January 1, 2020 through December 31, 2021, of the cumulative total return on our common stock, the NASDAQ Composite Index and a peer group determined by us. Data for the NASDAQ Composite Index and the peer group assumes an investment of $100 on January 1, 2020 and reinvestment of dividends.



We do not believe that there is a single published industry or line of business index that is appropriate for comparing stockholder returns. As a result, we have selected a peer group comprised of companies that compete with us directly or indirectly in the electric vehicle OEM market. Our current peer group, referenced in the graph above, consists of Nikola Corporation, XL Fleet Corp., Lordstown Motors Corp. and Workhorse Group Inc. Other companies were omitted from construction of our peer group due to lack of public share price history availability.

Recent Sales of Unregistered Equity Securities

We had no sales of unregistered equity securities during the period covered by this Annual Report on Form 10-K that were not previously reported in a Current Report on Form 8-K or Quarterly Report on Form 10-Q.

ITEM 6. RESERVED

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the consolidated financial statements and related notes thereto included elsewhere in this Form 10-K. Dollar amounts in this discussion are expressed in millions, except as otherwise noted. The following discussion contains forward-looking statements that reflect future plans, estimates, beliefs and expected performance. The forward-looking statements are dependent upon events, risks and uncertainties that may be outside of our control. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those identified below and those discussed elsewhere in this Form 10-K, particularly in Part I, Item 1A, Risk Factors. We do not undertake, and expressly disclaim, any obligation to publicly update any forward-looking statements, whether as a result of new information, new developments or otherwise, except to the extent that such disclosure is required by applicable law.

For discussion related to changes in financial condition and the results of operations for fiscal year 2019-related items, refer to Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in our Amended Annual Report on Form 10-K/A for fiscal year 2020, which was filed with the Securities and Exchange Commission on May 17, 2021.

Comparability of Financial Information

Our historical operations and statements of assets and liabilities may not be comparable to our operations and statements of assets and liabilities as a result of the Business Combination and becoming a public company.

Key Factors Affecting Operating Results

We believe that our performance and future success depend on several factors that present significant opportunities for us but also pose risks and challenges, including but not limited to those discussed below and in Item 1A "Risk Factors".

Successful Commercialization of Our Drivetrain Solutions

Our Hybrid eX system officially launched, and our first Hypertruck ERX showcase unit was unveiled, on August 31, 2021 at the ACT Expo in Long Beach, CA. Compared to previous Hyliion Hybrid systems, the Hybrid eX offers fleets a lighter solution that is easier to install, service and operate. The Hybrid eX draws upon the real-world feedback Hyliion has received from customers and the millions of miles logged with the previous system. Due to shortages of various components caused by global supply chain disruptions, we are experiencing longer delivery times because of supply delays for a portion of the orders we have received on new Hybrid eX units. In addition, we are assessing the potential demand impact for the Hybrid eX product offering in light of recent changes within the competitive landscape.

We began our Hypertruck ERX roadshow in November 2021 with a two-day showcase event focused on demonstrating the features and benefits of the electric powertrain firsthand. The roadshow consists of ride-alongs and in-depth product education of the Hypertruck ERX's features and benefits, including how it enables fleets' decarbonization goals while also reducing total cost of ownership. Our development timeline has been extended to allow for design verification and testing inclusive of critical summer and winter seasons, as well as the accumulation of up to one million miles prior to production. We expect to complete design verification and begin initial controlled fleet trials by the end of 2022.

While we have recently achieved critical product milestones, shortages in the supply chain and changes to the development program have led to an extension in the go-forward development timeline. Similar to others in the automotive industry, the semiconductor shortage, as well as several other key components, is extending our timelines longer than expected. These supply chain challenges have been especially prominent in the trucking industry, and one of the impacts has been significantly extended lead times for ordering new trucks. Fleets are experiencing lead times on new truck purchases that extend out for delivery into 2023. We have already placed orders with Peterbilt for all chassis needed in 2022 and are working to secure build slots for the 2023 calendar year in an effort to mitigate future potential supply chain impacts to our Hypertruck ERX development schedule. We continue to work closely with our current supply base to improve delivery of components for the quarters ahead and are diligently seeking alternative sources of supply for components that meet our technical specifications with shorter lead times.

We anticipate that a substantial portion of our capital resources and efforts in the near future will be focused on the continued development and commercialization of our drivetrain solutions. The amount and timing of our future funding requirements, if

any, will depend on many factors, including the pace and results of our research and development efforts, as well as factors that are outside of our control.

Customer Demand

We have deployed demonstration Hybrid eX systems to certain early adopters we expect some to be customers in the future, including leaders in the transportation and logistics sector as well as companies committed to reducing the overall environmental impact and fuel costs of their owned and operated trucking fleets. Further, we commercialized and began selling the Hybrid eX system in the fourth quarter of 2021.

In 2021, Hyliion announced its Hypertruck Innovation Council, which consists of some of the largest fleets who will be assisting Hyliion along the development journey and will be among the first to experience the Hypertruck ERX. We anticipate our initial customers for the Hypertruck ERX system will be our Hypertruck Innovation Council members who will be the first to operate the Hypertruck ERX through controlled fleet deployments which will begin with some fleets in 2022 with further controlled fleet deployments anticipated. The successful launch program and deployment of the Hypertruck ERX met with positive feedback from customer operations teams and drivers and generated further interest in the Hypertruck ERX solution and longer-term commercial relationships with Hyliion.

Key Components of Statements of Operations

Revenue

We currently generate revenues from sales of Hybrid eX Powertrains for long haul “Class 8” semi-trucks.

Cost of Revenue

Cost of revenue includes all direct costs such as labor and materials, overhead costs, warranty costs and any write-down of inventory to net realizable value.

Research and Development Expense

Research and development expenses consist primarily of costs incurred for the discovery and development of our electrified powertrain solutions, which include:

- personnel-related expenses including salaries, benefits, travel and share-based compensation, for personnel performing research and development activities;
- fees paid to third parties such as consultants and contractors for outsourced engineering services;
- expenses related to materials, supplies and third-party services;
- depreciation for equipment used in research and development activities; and
- allocation of general overhead costs.

We expect research and development costs to increase for the foreseeable future as we continue to invest in research and development activities to achieve operational and commercial goals.

Selling, General and Administrative Expense

Selling, general and administrative expenses consist of personnel-related expenses for our corporate, executive, finance, sales, marketing and other administrative functions, expenses for outside professional services, including legal, audit and accounting services, as well as expenses for facilities, depreciation, amortization, travel, sales and marketing costs. Personnel-related expenses consist of salaries, benefits and share-based compensation.

We expect our selling, general and administrative expenses to increase for the foreseeable future as we scale headcount with the growth of our business, and as a result of operating as a public company, including compliance with the rules and regulations of the U.S. Securities and Exchange Commission, legal, audit, additional insurance expenses, investor relations activities and other administrative and professional services.

Other Income (Expense)

Other income and expenses consist primarily of interest expense incurred on our debt obligations, interest income earned on our investments, remeasurement gain or loss associated with the change in the fair value on our warrant and convertible notes payable derivative liabilities and a loss on the extinguishment of our convertible notes payable.

Results of Operations

Comparison of Years Ended December 31, 2021 and 2020

Our results of operations on a consolidated basis for the years ended December 31, 2021 and 2020 are summarized as follows (in thousands, except share and per share data):

	Year Ended December 31,			
	2021	**2020**	**$ Change**	**% Change**
Revenues				
Product sales and other	$ 200	$ —	$ 200	N/A
Total revenues	200	—	200	N/A
Cost of revenues				
Product sales and other	(2,737)	—	(2,737)	N/A
Total cost of revenues	(2,737)	—	(2,737)	N/A
Gross loss	(2,537)	—	(2,537)	N/A
Operating expenses				
Research and development	(58,261)	(12,598)	(45,663)	362.5 %
Selling, general and administrative expenses	(35,299)	(9,585)	(25,714)	268.3 %
Total operating expenses	(93,560)	(22,183)	(71,377)	321.8 %
Loss from operations	(96,097)	(22,183)	(73,914)	333.2 %
Interest expense	—	(5,465)	5,465	(100.0)%
Interest income	779	6	773	12,883.3 %
Loss on impairment and disposal of assets	(730)	—	(730)	N/A
Change in fair value of convertible notes payable derivative liabilities	—	(1,358)	1,358	(100.0)%
Change in fair value of warrant liabilities	—	363,299	(363,299)	(100.0)%
Other expense	—	(12)	12	(100.0)%
Loss on extinguishment of debt	—	(10,170)	10,170	(100.0)%
Net (loss) income	$ (96,048)	$ 324,117	$ (420,165)	N/A
Net (loss) income per share, basic	$ (0.56)	$ 3.11	$ (3.67)	N/A
Net loss per share, diluted	$ (0.56)	$ (0.35)	$ (0.21)	60.0 %
Weighted-average shares outstanding, basic	172,216,477	104,324,059	17,680,484	65.1 %
Weighted-average shares outstanding, diluted	172,216,477	112,570,960	17,680,484	53.0 %

Revenue

Sales increased by $0.2 million for the year ended December 31, 2021, which includes an increase in volume related to our initial production of the Hybrid eX.

Cost of Revenues

Cost of revenues increased by $2.7 million the year ended December 31, 2021, which includes an increase in volume related to our initial production of the Hybrid eX. The increase in cost of revenues includes:

- Inventory write-downs of $2.3 million for the year ended December 31, 2021 attributable to inventory on hand that had a cost higher than its net realizable value; and
- Warranty costs of $44 thousand for the year ended December 31, 2021 for estimated costs to administer and maintain the warranty program for labor, transportation and parts, and excludes any contribution from vendors.

Research and Development

Research and development expenses increased by $45.7 million from $12.6 million in the prior year ended December 31, 2020 to $58.3 million for the year ended December 31, 2021 due to increased expenditures for components utilized in the development process by $29.7 million in our efforts to commercialize our Hybrid system and continue the design and testing of

our Hypertruck ERX system, increased expenditures for external consultancy by $3.8 million to bring in industry expertise to assist in achieving our commercialization milestones, increased labor by $9.9 million as we build out our engineering, operations, and supply chain teams and associated capabilities, increased costs by $2.0 million associated with the purchase of vehicles and equipment to be used in testing of our products, and increased other expenditures by $0.3 million.

Selling, General and Administrative

Selling, general, and administrative expenses increased by $25.7 million from $9.6 million in the prior year ended December 31, 2020 to $35.3 million for the year ended December 31, 2021, due to additional costs incurred to operate as a public company which includes increased expenses for personnel and benefits by $12.9 million, increased expenditures for legal and professional fees by $5.9 million, increased expenditures for insurance primarily relating to our directors' and officers' liability insurance policy by $4.0 million, increased marketing and promotional expenses by $1.3 million, increased information technology expenses associated with additional resources and computer system upgrades of $1.5 million, and increased other expenditures by $0.1 million.

Other Income (Expense)

Total other income decreased by $346.3 million from $346.3 million of other income for the year ended December 31, 2020 to nil for the year ended December 31, 2021. The decrease was primarily due to:

- A gain from the change in fair value of warrant liabilities of $363.3 million for the year ended December 31, 2020.
- Loss on extinguishment of debt of $10.2 million for the year ended December 31, 2020 that is attributable to the extinguishment of convertible notes in connection with the Business Combination.
- Interest expense for the year ended December 31, 2020 of $5.5 million was primarily related to our convertible notes payable, which were converted to shares of common stock as part of the Business Combination in October 2020.
- A loss from the change in fair value of convertible notes payable derivative liabilities of $1.4 million for the year ended December 31, 2020. The convertible notes payable were converted to shares of common stock as part of the Business Combination in October 2020.
- Interest income of $0.8 million on investments owned during the year ended December 31, 2021 that were not owned during the comparative period.
- A loss on impairment and disposal of assets of $0.7 million for the year ended December 31, 2021.

Cash Flows

The following table summarizes our net cash, cash equivalents, and restricted cash provided by or used in operating activities, investing activities and financing activities for the periods indicated and should be read in conjunction with our consolidated financial statements and the notes thereto included in Part II, Item 8 of this Annual Report on Form 10-K (in thousands):

	Year Ended December 31,	
	2021	2020
Cash from operating activities	$ (80,502)	$ (22,944)
Cash from investing activities	(65,991)	(238,140)
Cash from financing activities	15,898	644,504
	$ (130,595)	$ 383,420

Cash from Operating Activities

For the year ended December 31, 2021, cash flows used in operating activities were $80.5 million. Cash used primarily related to a net loss of $96.0 million, adjusted for changes in working capital accounts and certain non-cash expense of $15.5 million (including $0.7 million related to non-cash lease expense, $0.9 million related to depreciation and amortization, $1.8 million related to amortization of investment premiums and discounts, $0.7 million related to loss on impairment or disposal of assets and $4.9 million related to share-based compensation).

For the year ended December 31, 2020, cash flows used in operating activities were $22.9 million. Cash used primarily related to net income of $324.1 million, adjusted for changes in working capital accounts and certain non-cash income of $347.1 million (including $363.3 million related to the change in fair value of warrant liability, $10.2 million related to the loss on extinguishment of convertible notes payable, $4.2 million related to amortization of debt discount, $1.4 million related to a loss from the change in fair value of the convertible notes payable derivative liabilities, $1.1 million related to paid-in-kind interest on convertible notes payable, $0.9 million related to non-cash lease expense, $0.9 million related to depreciation and amortization and $0.3 million related to share-based compensation).

Cash from Investing Activities

For the year ended December 31, 2021, cash flows used in investing activities were $66.0 million. Cash used primarily related to the purchase of investments totaling $317.8 million, partially offset by the sale or maturity of investments of $254.2 million.

For the year ended December 31, 2020, cash flows used in investing activities were $238.1 million. Cash used primarily related to the purchase of investments totaling $237.9 million.

Net cash used in investing activities is expected to increase substantially as we purchase additional property and equipment and continue development of our Hypertruck ERX systems and scale manufacturing operations to meet anticipated demand.

Cash from Financing Activities

For the year ended December 31, 2021, cash flows provided by financing activities were $15.9 million. Cash flows were primarily due to proceeds from the exercise of warrants of $16.3 million and proceeds from the exercise of common stock options of $0.6 million, partially offset by repayment of $0.9 million from a Paycheck Protection Program loan.

For the year ended December 31, 2020, cash flows provided by financing activities were $644.5 million. Cash flows were primarily due to net proceeds of $516.5 million from the Business Combination and PIPE, proceeds from the exercise of warrants of $124.5 million, the issuance of $3.2 million of convertible notes payable in exchange for cash, proceeds of $0.9 million from a Paycheck Protection Program loan, partially offset by the payments for financing costs of $0.5 million and finance lease obligations of $0.2 million.

Liquidity and Capital Resources

At December 31, 2021, our current assets were $386.5 million, consisting primarily of cash and cash equivalents of $258.4 million, short-term investments of $118.8 million, and prepaid expenses of $9.1 million. Our current liabilities were $15.2 million primarily comprised of accounts payable, accrued expenses and operating lease liabilities.

We believe the credit quality and liquidity of our investment portfolio as of December 31, 2021 is strong and will provide sufficient liquidity to satisfy operating requirements, working capital purposes and strategic initiatives. The unrealized gains and losses of the portfolio may remain volatile as changes in the general interest environment and supply and demand fluctuations of the securities within our portfolio impact daily market valuations. To mitigate the risk associated with this market volatility, we deploy a relatively conservative investment strategy focused on capital preservation and liquidity whereby no investment security may have a final maturity of more than 36 months from the date of acquisition or a weighted average maturity exceeding 18 months. Eligible investments under the Company's investment policy bearing a minimum credit rating of A1, A-1, F1 or higher for short-term investments and A2, A, or higher for longer-term investments include money market funds, commercial paper, certificates of deposit, and municipal securities. Additionally, all of our debt securities are classified as held-to-maturity as we have the intent and ability to hold these investment securities to maturity, which minimizes any realized losses that we would recognize prior to maturity. However, even with this approach we may incur investment losses as a result of unusual or unpredictable market developments, and we may experience reduced investment earnings if the yields on investments deemed to be low risk remain low or decline further due to unpredictable market developments. In addition, these unusual and unpredictable market developments may also create liquidity challenges for certain of the assets in our investment portfolio.

Based on our past performance, we believe our current assets will be sufficient to continue and execute on our business strategy and meet our capital requirements for the next twelve months. Our primary short-term cash needs are paying operating expenses and servicing outstanding indebtedness. We expect to continue to incur net losses in the short term, as we continue to execute on our strategic initiatives by (i) completing the development and commercialization of the electrified drive systems for long haul "Class 8" semi-trucks, (ii) scale the Company's operations to meet anticipated demand and (iii) hiring of personnel. However, actual results could vary materially and negatively as a result of a number of factors including, but not limited to, those discussed in Part I, Item 1A. "Risk Factors."

During the periods presented, we did not have any relationships with unconsolidated organizations or financial partnerships, such as structured finance or special purpose entities, which were established for the purpose of facilitating off-balance sheet arrangements.

Contractual Obligations and Capital Resources

We have funded our operating activities since the Business Combination with net cash generated from the Business Combination, PIPE financing and proceeds from the exercise of stock warrants. We manage our use of cash in the operation of our business to support the execution of our primary strategic goals including the design, development and sale of hybrid and electrified powertrain systems for long haul "Class 8" semi-trucks. Since the Business Combination, we have primarily used cash for research and development activities, capital investments and general and administrative costs.

Our cash requirements beyond twelve months include:

- Operating and Finance Leases — Refer to Note 10, Leases, of the notes to the consolidated financial statements for further information of our obligations and the timing of expected payments.
- Warranties — Refer to Note 14, Warranties, of the notes to the consolidated financial statements for further information of our obligations. We expect to recognize these costs over a period up to two years.
- Purchase Commitments — Purchase obligations include non-cancelable purchase commitments related to materials purchase agreements and volume commitments which are entered into from time to time. As of December 31, 2021, there were no such non-cancelable purchase commitments.

Critical Accounting Policies and Estimates

Our consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The preparation of these consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the balance sheet date, as well as the reported expenses incurred during the reporting period. Management bases its estimates on historical experience and on various other assumptions believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results could differ from those estimates, and such differences could be material to our financial statements.

We believe that the accounting policies discussed below are critical to understanding our historical and future performance, as these policies relate to the more significant areas involving management's judgments and estimates.

While our significant accounting policies are described in the notes to our financial statements (see Note 2 in the accompanying audited consolidated financial statements), we believe that the following accounting policies require a greater degree of judgment and complexity. Accordingly, these are the policies we believe are the most critical to aid in fully understanding and evaluating our financial condition and results of operations.

Revenue Recognition

Revenue is comprised of sales of Hybrid eX Powertrains for long haul "Class 8" semi-trucks and specific other features and services that meet the definition of a performance obligation, including internet connectivity and data processing. We provide installation services for the Hybrid eX Powertrain onto the customers' vehicle. The Company's products are marketed and sold to end-user fleet customers in North America. When our contracts with customers contain multiple performance obligations and where material, the contract transaction price is allocated on a relative standalone selling price basis to each performance obligation.

We recognize revenue on Hybrid eX Powertrain sales upon delivery and acceptance of the vehicle to the customer, which is when control transfers. Contracts are reviewed for significant financing components and payments are typically received within 30 days of delivery. We do not generally recognize credit losses due to the timing of customer payment shortly after delivery. The sale of a Hybrid eX Powertrain to an end-use fleet customer consists of a completed modification to the customer vehicle and the installation services involve significant integration of the Hybrid eX Powertrain with the customer's vehicle. Installation services are not distinct within the context of the contract and together with the sale of the Hybrid eX Powertrain represents a single performance obligation. We do not offer any sales returns. Amounts billed to customers related to shipping and handling are classified as revenue, and we have elected to recognize the cost for freight and shipping when control has transferred to the customer as a cost of revenue. Our policy is to exclude taxes collected from a customer from the transaction price of contracts.

We have limited sales history of our Hybrid eX Powertrains and therefore are required to make certain estimates and assumptions with regard to the recognition of revenue including, among other things, the value of any future performance obligations. We expect to refine our sales processes, contracts and services as our business matures. Should our estimates and assumptions change, a revision to the recognition of revenue may be required.

Inventories

Inventory is comprised of raw materials, work in process and finished goods, using the moving-average cost method. Inventory is stated at the lower of cost or net realizable value. We review our inventory to determine whether its carrying value exceeds the net amount realizable we expect to receive upon the ultimate sale of the inventory. This requires us to determine the estimated selling price of inventory less the estimated cost to convert the inventory on-hand into a finished product and other costs, which we determined includes the cost of installation and validation, to align with the transfer of control to customers in our revenue policy.

Once inventory is written-down based on a lower of cost or net realizable value analysis, that amount establishes the new carrying value of inventory if written-down at year end, and subsequent changes in facts and circumstances do not result in the

restoration or increase in that newly established cost basis. Interim impairments are reversed and reassessed at each reporting period.

During the fourth quarter of 2021, we changed from a research and development phase to a production phase for one of our products. Certain costs incurred for components acquired prior to our determination of reaching a commercial stage were previously expensed as research and development costs, resulting in zero cost basis for those components, which affected the moving average price. However, after inventory impairments recognized on December 31, 2021, inventory values and future inventory moving average prices will not be significantly affected by those zero cost items.

At December 31, 2021, our current projected costs of production for inventory items exceeds our sales prices. We expect to reduce costs based on increased production volumes, negotiated volume discounts, economies of scale and learning curve effects. Further, as we market these and other products, we may adjust our sales prices. It is possible that our efforts to achieve these cost reductions may take longer than anticipated and result in negative margin in future periods.

Warranties

We provide limited assurance-type warranties under our contracts and do not offer extended warranties or maintenance contracts. The warranty period typically extends for the lesser of two years or 200,000 miles following transfer of control and solely relate to correction of product defects during the warranty period. We recognize the cost of the warranty upon transfer of control based on estimated and historical claims rates and fulfillment costs, which are variable. Should product failure rates and fulfillment costs differ from these estimates, material revisions to the estimated warranty liability would be required. Warranty expense is recorded as a component of cost of revenue.

Share-Based Compensation

We account for share-based payments that involve the issuance of shares of our common stock to employees and nonemployees and meet the criteria for share-based awards as share-based compensation expense based on the grant-date fair value of the award. The Company has elected to recognize the adjustment to share-based compensation expense in the period in which forfeitures occur. We recognize compensation expense for awards with only service conditions on a straight-line basis over the requisite service period for the entire award.

If factors change, and we utilize different assumptions including the probability of achieving performance conditions, share-based compensation cost on future award grants may differ significantly from share-based compensation cost recognized on past award grants. Future share-based compensation cost will increase to the extent that we grant additional share-based awards to employees and non-employees. If there are any modifications or cancellations of the underlying unvested securities, we may be required to accelerate any remaining unearned share-based compensation cost or incur incremental cost. Share-based compensation cost affects our research and development and selling, general and administrative expenses.

Income Taxes

We recognize deferred taxes for temporary differences between the basis of assets and liabilities for financial statement and income tax purposes. At December 31, 2021, we had federal net operating loss carryforwards of $187.6 million and state net operating loss carryforwards of $12.5 million that expire in various years starting in 2036. The Company also has R&D credits of $0.6 million that begin to expire in 2037.

Under Section 382 of the Code, substantial changes in our ownership may result in an annual limit on the amount of net operating loss carryforwards that could be utilized in the future to offset our taxable income. Generally, this limitation may arise in the event of a cumulative change in ownership of more than 50% within a three-year period. We have completed such analysis and determined that such ownership change occurred in 2017. This will limit the usage of our 2017 and prior year net operating losses, and will cause $2.0 million of such losses to expire unused, regardless of future taxable income. No other such ownership changes have occurred through December 31, 2021. Due to this, as well as our overall profitability estimate as noted above, we have recorded a full valuation allowance related to our net operating loss carryforwards and other deferred tax assets due to the uncertainty of the ultimate realization of the future benefits of those assets.

New and Recently Adopted Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board ("FASB") or other standard setting bodies that are adopted by us as of the specified effective date. Unless otherwise discussed, we believe that the impact of recently issued standards that are not yet effective will not have a material impact on our financial position or results of operations under adoption.

See *Recent Accounting Pronouncements issued, not yet adopted* under Note 2 – Summary of Significant Accounting Policies in the notes to the 2021 consolidated financial statements for more information about recent accounting pronouncements, the timing of their adoption and our assessment, to the extent we have made one, of their potential impact on our financial condition and results of operations.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to a variety of market and other risks, including the effects of changes in interest rates and inflation, as well as risks to the availability of funding sources, hazard events and specific asset risks.

Interest Rate Risk

We hold cash and cash equivalents for working capital purposes. As of December 31, 2021, we had a cash balance of $258.4 million, consisting of operating and money market accounts which, are not affected by changes in the general level of U.S. interest rates. We do not have material exposure to interest rate risk with respect to cash and cash equivalents as these are all highly liquid investments with a maturity date of 90 days or less at the time of purchase.

A hypothetical change in prevailing interest rates of 10 basis points would have increased or decreased our unrealized gain or loss on our short-term and long-term investments for the years ended December 31, 2021 and 2020 by $0.1 million and $0.1 million, respectively.

Inflation Risk

We do not believe that inflation currently has a material effect on our business. Inflation may become a greater risk in the event of changes in current economic and governmental fiscal policy.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

INDEX TO FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders
Hyliion Holdings Corp.

Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of Hyliion Holdings Corp. and subsidiaries (the "Company") as of December 31, 2021 and 2020, the related consolidated statements of operations, changes in stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2021, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the Company's internal control over financial reporting as of December 31, 2021, based on criteria established in the 2013 Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"), and our report dated February 24, 2022 expressed an unqualified opinion.

Basis for opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical audit matters

Critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

/s/ GRANT THORNTON LLP

We have served as the Company's auditor since 2020.

Dallas, Texas
February 24, 2022

HYLIION HOLDINGS CORP.
CONSOLIDATED BALANCE SHEETS
(Dollar amounts in thousands, except share data)

	December 31,	
	2021	**2020**
Assets		
Current assets		
Cash and cash equivalents	$ 258,445	$ 389,705
Accounts receivable	70	92
Inventory	114	132
Prepaid expenses and other current assets	9,068	20,558
Short-term investments	118,787	201,881
Total current assets	386,484	612,368
Property and equipment, net	2,235	1,171
Operating lease right-of-use assets	7,734	5,055
Intangible assets, net	235	332
Other assets	1,535	193
Long-term investments	180,217	35,970
Total assets	$ 578,440	$ 655,089
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	$ 7,455	$ 1,890
Current portion of operating lease liabilities	21	734
Accrued expenses and other current liabilities	7,759	6,138
Total current liabilities	15,235	8,762
Operating lease liabilities, net of current portion	8,623	5,076
Other liabilities	667	175
Debt, net of current portion	—	908
Total liabilities	24,525	14,921
Commitments and contingencies (Note 16)		
Stockholders' equity		
Common stock, $0.0001 par value; 250,000,000 shares authorized; 173,468,979 and 169,316,421 shares issued and outstanding at December 31, 2021 and 2020, respectively	17	19
Additional paid-in capital	374,795	364,998
Retained earnings	179,103	275,151
Total stockholders' equity	553,915	640,168
Total liabilities and stockholders' equity	$ 578,440	$ 655,089

The accompanying notes are an integral part of these consolidated financial statements.

HYLIION HOLDINGS CORP.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Dollar amounts in thousands, except share and per share data)

	Year Ended December 31,		
	2021	**2020**	**2019**
Revenues			
Product sales and other	$ 200	$ —	$ —
Total revenues	200	—	—
Cost of revenues			
Product sales and other	(2,737)	—	—
Total cost of revenues	(2,737)	—	—
Gross loss	(2,537)	—	—
Operating expenses			
Research and development	(58,261)	(12,598)	(9,269)
Selling, general and administrative expenses	(35,299)	(9,585)	(2,730)
Total operating expenses	(93,560)	(22,183)	(11,999)
Loss from operations	(96,097)	(22,183)	(11,999)
Interest expense	—	(5,465)	(3,260)
Interest income	779	6	—
Loss on impairment and disposal of assets	(730)	—	—
Change in fair value of convertible notes payable derivative liabilities	—	(1,358)	1,119
Change in fair value of warrant liabilities	—	363,299	—
Other (expense) income	—	(12)	27
Loss on extinguishment of debt	—	(10,170)	—
Net (loss) income	$ (96,048)	$ 324,117	$ (14,113)
Net (loss) income per share, basic	$ (0.56)	$ 3.11	$ (0.16)
Net loss per share, diluted	$ (0.56)	$ (0.35)	$ (0.16)
Weighted-average shares outstanding, basic	172,216,477	104,324,059	86,643,714
Weighted-average shares outstanding, diluted	172,216,477	112,570,960	86,643,714

The accompanying notes are an integral part of these consolidated financial statements.

HYLIION HOLDINGS CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(Dollar amounts in thousands, except share data)

	Series A-1 Redeemable, Convertible Preferred Stock		Series A-2 Redeemable, Convertible Preferred Stock		Series A-3 Redeemable, Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Retained Earnings (Deficit)	Total Stockholders' Equity (Deficit)
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Par Value			
Balance at December 31, 2018	23,460,903	$ 20,750	8,793,755	$ 3,893	2,545,155	$ 2,026	24,453,750	$ 24	$ 4,072	$ (34,853)	$ (30,757)
Retroactive application of recapitalization (See Note 3)	(23,460,903)	(20,750)	(8,793,755)	(3,893)	(2,545,155)	(2,026)	61,890,680	(15)	26,684	—	26,669
Adjusted balance, beginning of period	—	—	—	—	—	—	86,344,430	9	30,756	(34,853)	(4,088)
Exercise of common stock options	—	—	—	—	—	—	418,033	—	7	—	7
Share-based compensation	—	—	—	—	—	—	—	—	125	—	125
Net loss	—	—	—	—	—	—	—	—	—	(14,113)	(14,113)
Balance at December 31, 2019	—	—	—	—	—	—	86,762,463	9	30,888	(48,966)	(18,069)
Exercise of common stock options	—	—	—	—	—	—	1,112,160	—	121	—	121
Conversion of convertible notes payable to common stock	—	—	—	—	—	—	4,404,367	—	44,039	—	44,039
Business Combination and PIPE financing	—	—	—	—	—	—	61,622,839	6	153,147	—	153,153
Common stock issued for warrants exercised, net of issuance cost	—	—	—	—	—	—	15,414,592	4	136,512	—	136,514
Redemption of unexercised warrants	—	—	—	—	—	—	—	—	(3)	—	(3)
Share-based compensation	—	—	—	—	—	—	—	—	294	—	294
Net income	—	—	—	—	—	—	—	—	—	324,117	324,117
Balance at December 31, 2020	—	—	—	—	—	—	169,316,421	19	364,998	275,151	640,168
Exercise of common stock options and vesting of restricted stock units	—	—	—	—	—	—	3,781,023	(2)	593	—	591
Common stock issued for warrants exercised, net of issuance costs	—	—	—	—	—	—	371,535	—	4,282	—	4,282
Share-based compensation	—	—	—	—	—	—	—	—	4,922	—	4,922
Net loss	—	—	—	—	—	—	—	—	—	(96,048)	(96,048)
Balance at December 31, 2021	—	—	—	—	—	—	173,468,979	17	374,795	179,103	553,915

The accompanying notes are an integral part of these consolidated financial statements.

HYLIION HOLDINGS CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollar amounts in thousands)

	Year Ended December 31,		
	2021	**2020**	**2019**
Cash Flows from Operating Activities			
Net (loss) income	$ (96,048)	$ 324,117	$ (14,113)
Adjustments to reconcile net (loss) income to net cash used in operating activities:			
Depreciation and amortization	884	850	1,028
Amortization of investment premiums and discounts	1,816	—	—
Loss on extinguishment of debt	—	10,170	—
Noncash lease expense	731	928	1,312
Inventory write-down	2,298	—	—
Loss on impairment and disposal of assets	730	—	—
Paid-in-kind interest on convertible notes payable	—	1,085	723
Amortization of debt discount	—	4,237	2,485
Share-based compensation	4,922	294	125
Change in fair value of convertible notes payable derivative liabilities	—	1,358	(1,118)
Change in fair value of contingent consideration liability	—	—	(27)
Change in fair value of warrant liability	—	(363,299)	—
Change in operating assets and liabilities, net of effects of business acquisition:			
Accounts receivable	22	53	(28)
Inventory	(2,280)	(132)	—
Prepaid expenses and other assets	(475)	(8,150)	44
Accounts payable	5,319	734	(684)
Accrued expenses and other liabilities	2,155	5,764	(21)
Operating lease liabilities	(576)	(953)	(798)
Net cash used in operating activities	(80,502)	(22,944)	(11,072)
Cash Flows from Investing Activities			
Purchase of property and equipment	(2,380)	(311)	(349)
Proceeds from sale of property and equipment	45	22	—
Payments for security deposit, net	(29)	—	—
Purchase of investments	(317,807)	(237,851)	—
Proceeds from sale and maturity of investments	254,180	—	—
Net cash used in investing activities	(65,991)	(238,140)	(349)
Cash Flows from Financing Activities			
Business Combination and PIPE financing, net of issuance costs paid	—	516,454	—
Proceeds from exercise of stock warrants, net of issuance costs	16,257	124,536	—
Proceeds from convertible notes payable issuance and derivative liabilities	—	3,200	16,803
(Payments for)/proceeds from Paycheck Protection Program loan	(908)	908	—
Payments for deferred financing costs	—	(468)	—
Repayments on finance lease obligations	(42)	(247)	(201)
Proceeds from exercise of common stock options	591	121	7
Net cash provided by financing activities	15,898	644,504	16,609
Net (decrease) increase in cash and cash equivalents and restricted cash	(130,595)	383,420	5,188
Cash and cash equivalents, beginning of period	389,705	6,285	1,097
Cash and cash equivalents and restricted cash, end of period	$ 259,110	$ 389,705	$ 6,285

The accompanying notes are an integral part of these consolidated financial statements.

HYLIION HOLDINGS CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Dollar amounts in thousands, except as separately indicated)

Note 1. Description of Organization and Business Operations and Basis of Presentation

Overview

Hyliion Holdings Corp. and its wholly-owned subsidiary design and develop hybrid and electrified powertrain systems for long haul “Class 8” semi-trucks which modify semi-tractors into hybrid and fully electric range extender vehicles, respectively. The Company’s hybrid powertrain system "Hybrid eX" utilizes intelligent electric drive axles with advanced algorithms and battery technology to optimize vehicle performance, enabling fleets to access an easy, efficient way to decrease fuel expenses, lower emissions and/or improve vehicle performance. The Company’s fully electric range extender systems utilize an intelligent electric powertrain with advanced algorithms to optimize emissions performance and efficiency with no new infrastructure required. The Hypertruck ERX system enables fleets to reduce the cost of ownership while providing the ability to deliver net-negative carbon emissions and operate fully electric when needed. The Company recently launched its commercial Hybrid eX and the Hypertruck ERX system is in the prototype phase.

Basis of Presentation and Principles of Consolidation

On October 1, 2020 (the “Closing Date”), Tortoise Acquisition Corp (“TortoiseCorp”) entered into a business combination agreement (the “Business Combination”) with each of the shareholders of Hyliion Inc. (“Legacy Hyliion”). Pursuant to the Business Combination, TortoiseCorp acquired all of the issued and outstanding shares of common stock from the Legacy Hyliion shareholders. In connection with the closing of the transaction, Tortoise Corp. changed its name to Hyliion Holdings Corp. For more information on this transaction see Note 3.

On the Closing Date, and in connection with the closing of the Business Combination, TortoiseCorp changed its name to Hyliion Holdings Corp. (the “Company” or “Hyliion”) and the Company’s common stock began trading on the New York Stock Exchange under the ticker symbol HYLN. Legacy Hyliion was deemed the accounting acquirer in the Business Combination based on an analysis of the criteria outlined in Accounting Standards Codification (“ASC”) 805. The determination was primarily based on Legacy Hyliion’s shareholders prior to the Business Combination having a majority of the voting interests in the combined company, Legacy Hyliion’s board of directors comprising a majority of the board of directors of the combined company, Legacy Hyliion’s existing shareholders’ control over decisions regarding the election and removal of directors and officers of the combined company’s board of directors, and Legacy Hyliion’s senior management comprising the senior management of the combined company. Accordingly, for accounting purposes, the Business Combination was treated as the equivalent of Legacy Hyliion issuing stock for the net assets of TortoiseCorp, accompanied by a recapitalization. The net assets of TortoiseCorp are stated at historical cost, with no goodwill or other intangible assets recorded.

While TortoiseCorp was the legal acquirer in the Business Combination, because Legacy Hyliion was deemed the accounting acquirer, the historical financial statements of Legacy Hyliion became the historical financial statements of the combined company, upon the consummation of the Business Combination. As a result, the financial statements included in this report reflect (i) the historical operating results of Legacy Hyliion prior to the Business Combination; (ii) the combined results of TortoiseCorp and Legacy Hyliion following the closing of the Business Combination; (iii) the assets and liabilities of Legacy Hyliion at their historical cost; and (iv) the Company’s equity structure for all periods presented.

In accordance with guidance applicable to these circumstances, the equity structure has been restated in all comparative periods up to the Closing Date, to reflect the number of shares of the Company’s common stock, $0.0001 par value per share, issued to Legacy Hyliion shareholders and Legacy Hyliion convertible noteholders in connection with the recapitalization transaction. As such, the shares and corresponding capital amounts and earnings per share related to Legacy Hyliion redeemable convertible preferred stock and Legacy Hyliion common stock prior to the Business Combination have been retroactively restated as shares reflecting the exchange ratio established in the Business Combination.

The accompanying consolidated financial statements include the accounts of Hyliion Holdings Corp. and its wholly-owned subsidiary. Intercompany transactions and balances have been eliminated upon consolidation. The consolidated financial statements and accompanying notes have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) and in accordance with the rules and regulations of the Unites States Securities and Exchange Commission (“SEC”). Any reference in these footnotes to the applicable guidance is meant to refer to the authoritative GAAP as found in the Accounting Standards Codification and Accounting Standards Updates (“ASU”) of the Financial Accounting Standards Board (“FASB”). Certain prior period balances have been reclassified to conform to the current period presentation in the consolidated financial statements and the accompanying notes.

Liquidity

These consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business. The Company is an early-stage growth company and has generated negative cash flows from operating activities since inception.

On October 1, 2020, the Company consummated the Business Combination and raised net proceeds of $516.5 million net of transaction costs and expenses. At December 31, 2020, all outstanding warrants were either exercised or redeemed, with gross proceeds of $140.8 million raised, of which $16.3 million was collected during the first quarter of 2021 (see Note 8). At December 31, 2021, the Company had a cash and cash equivalents balance of $258.4 million and total investments of $299.0 million. Based on this, the Company has sufficient funds to continue to execute its business strategy for the next twelve months.

Note 2. Summary of Significant Accounting Policies

Emerging Growth Company

Section 102(b)(1) of the Jumpstart Our Business Startups Act ("JOBS Act") exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a registration statement under the Securities Act of 1933, as amended (the "Securities Act") declared effective or do not have a class of securities registered under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such election to opt out is irrevocable. The Company elected not to opt out of such extended transition period. As of June 30, 2021, the last business day of our most recently completed second fiscal quarter, the market value of our common stock that was held by non-affiliates was greater than $700 million. As a result, we became a large accelerated filer and no longer qualified as an emerging growth company on December 31, 2021, the end of our current fiscal year. Accordingly, we no longer qualify for the provisions of the JOBS Act that allow companies to adopt new or revised accounting standards when required by private company accounting standards. We have not previously elected to defer adoption of any new or revised accounting standards under the provisions of the JOBS Act.

Use of Estimates and Uncertainty of the Coronavirus Pandemic

The preparation of financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the balance sheet date, as well as reported amounts of expenses during the reporting period. The Company's most significant estimates and judgments involve revenue recognition, inventory, warranties, income taxes valuation of share-based compensation, including the fair value of common stock prior to the Business Combination. Management bases its estimates on historical experience and on various other assumptions believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results could differ from those estimates, and such differences could be material to the Company's consolidated financial statements.

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 11, 2020, declared the coronavirus outbreak a pandemic. In mid-March 2020, U.S. State Governors, local officials and leaders outside of the U.S. began ordering various "shelter-in-place" orders, which have had various impacts on the U.S. and global economies. This has required greater use of estimates and assumptions in the preparation of the consolidated financial statements.

As the coronavirus pandemic continues to evolve, the Company believes the extent of the impact to its businesses, operating results, cash flows, liquidity and financial condition will be primarily driven by the severity and duration of the coronavirus pandemic, the pandemic's impact on the U.S. and global economies and the timing, scope and effectiveness of federal, state and local governmental responses to the pandemic. Those primary drivers are beyond the Company's knowledge and control, and as a result, at this time the Company is unable to predict the cumulative impact, both in terms of severity and duration, that the coronavirus pandemic will have on its business, operating results, cash flows and financial condition, but it could be material if the current circumstances continue to exist for a prolonged period. Although the Company has made its best estimates based upon current information, actual results could materially differ from the estimates and assumptions developed by management. If so, the Company may be subject to future impairment charges as well as changes to recorded reserves and valuations.

Segment Information

ASC 280, *Segment Reporting*, defines operating segments as components of an enterprise where discrete financial information is available that is evaluated regularly by the chief operating decision-maker ("CODM") in deciding how to allocate resources and in assessing performance. The Company operates as a single operating segment. The Company's CODM is the chief executive officer, who has ultimate responsibility for the operating performance of the Company and the allocation of

resources. The CODM uses cash flows as the primary measure to manage the business and does not segment the business for internal reporting or decision making.

Concentration of Supplier Risk

The Company is dependent on certain suppliers, the majority of which are single source suppliers, and the inability of these suppliers to deliver necessary components of the Company's products in a timely manner at prices, quality levels and volumes that are acceptable, or the Company's inability to efficiently manage these components from these suppliers, could have a material adverse effect on the Company's business, prospects, financial condition and operating results.

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity date of 90 days or less at the time of purchase to be cash and cash equivalents only if in checking, savings or money market accounts. Cash and cash equivalents include cash held in banks and money market accounts. Cash equivalents are carried at cost, which approximates fair value. The Company maintains cash in excess of federally insured limits at financial institutions. The Company makes such deposits with entities it believes are of high credit quality and has not incurred any losses related to these balances to date. Management believes its credit risk, with respect to the financial institutions to be minimal.

Restricted Cash

On July 2, 2021, the Company provided its corporate headquarters lessor with a letter of credit for $0.7 million to secure the performance of lease obligations. The Company made a restricted cash deposit for its obligation to pay any draws on the letter of credit by the lessor. Total cash and cash equivalents and restricted cash as presented in the consolidated statements of cash flows are summarized as follows:

	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
Cash and cash equivalents	$ 258,445	$ 389,705	$ 6,285	$ 1,097
Restricted cash included in other non-current assets	665	—	—	—
Total presented in the consolidated statements of cash flows	$ 259,110	$ 389,705	$ 6,285	$ 1,097

Accounts Receivable

Accounts receivable are stated at a gross invoice amount, net of an allowance for doubtful accounts. The allowance for doubtful accounts is maintained at a level considered adequate to provide for potential account losses on the balance based on management's evaluation of the anticipated impact of current economic conditions, changes in the character and size of the balance, past and expected future loss experience, among other pertinent factors. At December 31, 2021 and 2020, accounts receivable included amounts receivable from customers of $45.0 thousand and nil, respectively. At December 31, 2021 and 2020, there was no allowance for doubtful accounts required based on management's evaluation.

Investments

The Company's investments consist of corporate bonds, U.S. treasury and agency securities, state and local municipal bonds and commercial paper, all of which are classified as held-to-maturity, with a maturity date of 36-months or less at the time of purchase. Management determines the appropriate classification of investments at the time of purchase and re-evaluates such designation as of each balance sheet date. Investments are classified as held-to-maturity when the Company has the positive intent and ability to hold the securities to maturity. Held-to-maturity securities are stated at amortized cost, adjusted for amortization of premiums and accretion of discounts to maturity. Such amortization is included in interest income. Interest on securities classified as held-to-maturity is included in interest income.

The Company uses the specific identification method to determine the cost basis of securities sold.

Investments are impaired when a decline in fair value is judged to be other-than-temporary. The Company evaluates an investment for impairment by considering the length of time and extent to which market value has been less than cost or amortized cost, the financial condition and near-term prospects of the issuer as well as specific events or circumstances that may influence the operations of the issuer and the Company's intent to sell the security or the likelihood that it will be required to sell the security before recovery of the entire amortized cost. Once a decline in fair value is determined to be other-than-temporary, an impairment charge is recorded to other income (expense) and a new cost basis in the investment is established.

Fair Value Measurements

ASC 820, *Fair Value Measurements*, clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-

based measurement that should be determined based upon assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, ASC 820 establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level I: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Company can access at the measurement date.

Level II: Significant other observable inputs other than level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data.

Level III: Significant unobservable inputs that reflect the Company's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

An asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The Company believes its valuation methods are appropriate and consistent with other market participants, however the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Company's financial instruments consist of cash and cash equivalents and restricted cash, accounts receivable, investments, accounts payable and accrued expenses. The carrying value of cash and cash equivalents and restricted cash, accounts receivable, accounts payable and accrued expenses approximates fair value because of the short-term nature of those instruments. The fair value of investments are based on quoted prices for identical or similar instruments in markets that are not active. As a result, investments are classified within Level II of the fair value hierarchy.

Inventories

Inventory is comprised of raw materials, work in process and finished goods, using the moving-average cost method. Inventory is stated at the lower of cost or net realizable value. We review our inventory to determine whether its carrying value exceeds the net amount realizable we expect to receive upon the ultimate sale of the inventory. This requires us to determine the estimated selling price of inventory less the estimated cost to convert the inventory on-hand into a finished product and other costs, which we determined includes the cost of installation and validation, to align with the transfer of control to customers in our revenue policy.

Once inventory is written-down based on a lower of cost or net realizable value analysis, that amount establishes the new carrying value of inventory if written-down at year end, and subsequent changes in facts and circumstances do not result in the restoration or increase in that newly established cost basis. Interim impairments are reversed and reassessed at each reporting period.

During the fourth quarter of 2021, we changed from a research and development phase to a production phase for one of our products. Certain costs incurred for components acquired prior to our determination of reaching a commercial stage were previously expensed as research and development costs, resulting in zero cost basis for those components, which affected the moving average price. However, after inventory impairments recognized on December 31, 2021, inventory values and future inventory moving average prices will not be significantly affected by those zero cost items.

At December 31, 2021, our current projected costs of production for inventory items exceeds our sales prices. We expect to reduce costs based on increased production volumes, negotiated volume discounts, economies of scale and learning curve effects. Further, as we market these and other products, we may adjust our sales prices. It is possible that our efforts to achieve these cost reductions may take longer than anticipated and result in negative margin in future periods.

Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets include prepaid insurance, rent, supplies and amounts owed to the Company from the Company's transfer agent (see Note 8) which are expected to be recognized, received or realized within the next 12 months.

Property and Equipment, Net

Property and equipment, net is stated at cost less accumulated depreciation, or if acquired in a business combination, at fair value at the date of acquisition. Depreciation is calculated using the straight-line method, based upon the following estimated useful lives:

Production machinery and equipment	2 to 7 years
Vehicles	3 to 7 years
Leasehold improvements	shorter of lease term or 7 years
Demo fleet systems	2 to 3 years
Furniture and fixtures	3 years
Computers and related equipment	3 to 7 years

Major renewals and improvements are capitalized, while replacements, maintenance and repairs, which do not improve or extend the lives of the respective assets, are expensed as incurred. When property and equipment is retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts, and any gain or loss on the disposition is recorded in the consolidated statement of operations as a component of other income (expense).

Intangible Assets, Net

Intangible assets consist of developed technology and a non-compete agreement and are amortized over their estimated useful life which range from three to six years.

Impairment of Long-Lived Assets

The Company reviews long-lived assets, including property and equipment and intangible assets with definite lives, for impairment whenever events or changes in circumstances indicate that an asset group's carrying amount may not be recoverable. The Company conducts its long-lived asset impairment analysis in accordance with ASC 360-10, *Impairment or Disposal of Long-Lived Assets*, which requires the Company to group assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities and evaluate the asset group against the sum of the undiscounted future cash flows. If the undiscounted cash flows do not indicate the carrying amount of the asset group is recoverable, an impairment charge is measured as the amount by which the carrying amount of the asset group exceeds its fair value.

Revenue

The Company follows the five steps to recognize revenue from contracts with customers under ASC 606, *Revenue from Contracts with Customers*, which are:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognize revenue when (or as) a performance obligation is satisfied

Revenue is comprised of sales of Hybrid eX Powertrains for long haul "Class 8" semi-trucks and specific other features and services that meet the definition of a performance obligation, including internet connectivity and data processing. We provide installation services for the Hybrid eX Powertrain onto the customers' vehicle. The Company's products are marketed and sold to end-user fleet customers in North America. When our contracts with customers contain multiple performance obligations and where material, the contract transaction price is allocated on a relative standalone selling price basis to each performance obligation. There is no meaningful basis on which to disaggregate revenue in the current year.

We recognize revenue on Hybrid eX Powertrain sales upon delivery and acceptance of the vehicle to the customer, which is when control transfers. Contracts are reviewed for significant financing components and payments are typically received within 30 days of delivery. We do not generally recognize credit losses due to the timing of customer payment shortly after delivery. The sale of a Hybrid eX Powertrain to an end-use fleet customer consists of a completed modification to the customer vehicle and the installation services involve significant integration of the Hybrid eX Powertrain with the customer's vehicle. Installation services are not distinct within the context of the contract and together with the sale of the Hybrid eX Powertrain represents a single performance obligation. We do not offer any sales returns. Amounts billed to customers related to shipping and handling are classified as revenue, and we have elected to recognize the cost for freight and shipping when control has transferred to the customer as a cost of revenue. Our policy is to exclude taxes collected from a customer from the transaction price of contracts.

Leases

Lessee: We determine if an arrangement is a lease at inception of the contract. Operating leases are included in operating lease right-of-use ("ROU") assets, current portion of operating lease liabilities, and operating lease liabilities, net of current portion in the accompanying consolidated balance sheets. Finance leases are included in property and equipment, net, current portion of

long-term debt, and long-term debt, net of current portion in the accompanying consolidated balance sheets. We have lease agreements with lease and non-lease components, and have elected to utilize the practical expedient to account for lease and non-lease components together as a single combined lease component.

ROU assets represent the Company's right to use underlying assets for the lease term, and lease liabilities represent the Company's obligation to make lease payments arising from the leases. ROU assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. The discount rate used to calculate the present value for lease payments is the Company's incremental borrowing rate, which is determined based on information available at lease commencement and is equal to the rate of interest that the Company would have to pay to borrow on a collateralized basis over a similar term in an amount equal to the lease payments in a similar economic environment. The Company uses the implicit rate when readily determinable.

The Company has entered into operating leases for corporate offices having initial lease terms of one to eight years. The Company has entered into finance leases primarily for vehicles and equipment, having initial terms of three years.

The Company's real estate leases may include one or more options to renew, with the renewal extending the lease term for an additional one to five years. The exercise of lease renewal option is at the Company's sole discretion. In general, the Company does not consider renewal options to be reasonably likely to be exercised, therefore renewal options are generally not recognized as part of the ROU assets and lease liabilities. Lease costs for lease payments are recognized on a straight-line basis over the lease term, unless there is a transfer of title or purchase option reasonably certain to be exercised. The Company does not record operating leases with an initial term of twelve months or less ("short-term leases") in the consolidated balance sheets.

The Company's vehicle and equipment leases may include transfer rights or options to purchase at the end of the lease that the Company is reasonably certain to exercise. Interest expense is recognized using the effective interest rate method, and the ROU asset is amortized over the useful life of the underlying asset.

Lessor: The Company also enters into arrangements whereby space within the real estate is subleased. At the lease commencement date these subleases are recognized as operating leases. Operating leases are recognized on a straight-line basis over the lease term.

The Company has entered into various trial and evaluation agreements that contain an operating lease component that is within the scope of ASC 842, *Leases* ("ASC 842"). These agreements also contain non-lease components related to certain stand-ready services where control transfers over time over the same period and based on the same pattern as the lease component. Because the Company has determined the lease component is the most predominant component of the arrangement and the timing and pattern of transfer for the lease and non-lease components associated with the lease component are the same, the Company has decided to elect the practical expedient not to separate the lease and non-lease component and accounts for the entire arrangement under ASC 842.

The trial and evaluation agreements contain only variable payments not based on an index or rate as a result of refund provisions within those contracts. The Company records accounts receivable when the Company meets the criteria within the trial and evaluation agreements to invoice the lessee. In accordance with ASC 842, the Company recognizes variable lease payments as profit or loss in the period in which the changes in facts and circumstances on which the variable lease payments are based occur, which will generally be the end of the trial period when the customer refund rights lapse. During the years ended December 31, 2021, 2020 and 2019, the Company did not recognize any lease income related to these trial and evaluation agreements either because the Company has not received any consideration from the lease contracts, or the uncertainty related to the consideration received has not been resolved.

Warranties

We provide limited assurance-type warranties under our contracts and do not offer extended warranties or maintenance contracts. The warranty period typically extends for the lesser of two years or 200,000 miles following transfer of control and solely relate to correction of product defects during the warranty period. We recognize the cost of the warranty upon transfer of control based on estimated and historical claims rates and fulfillment costs, which are variable. Should product failure rates and fulfillment costs differ from these estimates, material revisions to the estimated warranty liability would be required. Warranty expense is recorded as a component of cost of revenue.

Marketing, Promotional and Advertising Costs

Marketing, promotional and advertising costs are expensed as incurred and are included as an element of selling, general and administrative expense in the consolidated statement of operations. Marketing, promotional and advertising costs were $1.6 million, $0.3 million and nominal for the years ended December 31, 2021, 2020 and 2019, respectively.

Research and Development Expense

Research and development costs did not meet the requirements to be recognized as an asset as the associated future benefits were at best uncertain and there was no alternative future use at the time the costs were incurred. Research and development costs include, but are not limited to, outsourced engineering services, allocated facilities costs, depreciation on equipment utilized in research and development activities, internal engineering and development expenses, materials, internally-developed software and employee related expenses (including salaries, benefits, travel, and share-based compensation) related to development of the Company's products and services.

Share-Based Compensation

The Company accounts for share-based compensation in accordance with ASC 718, *Compensation – Stock Compensation*, under which shared based payments that involve the issuance of common stock to employees and nonemployees and meet the criteria for equity-classified awards are recognized in the financial statements as share-based compensation expense based on the fair value on the date of grant. The Company issues stock option awards and restricted stock awards to employees and nonemployees, utilizing new shares. The Company has elected to recognize the adjustment to share-based compensation expense in the period in which forfeitures occur. We recognize compensation expense for awards with only service conditions on a straight-line basis over the requisite service period for the entire award.

If factors change, and we utilize different assumptions including the probability of achieving performance conditions, share-based compensation cost on future award grants may differ significantly from share-based compensation cost recognized on past award grants. Future share-based compensation cost will increase to the extent that we grant additional share-based awards to employees and non-employees. If there are any modifications or cancellations of the underlying unvested securities, we may be required to accelerate any remaining unearned share-based compensation cost or incur incremental cost. Share-based compensation cost affects our research and development and selling, general and administrative expenses.

The Company utilized the Black-Scholes model to determine the fair value of the stock option awards issued prior to the year ended December 31, 2021, which required the input of subjective assumptions. These assumptions include estimating (a) the length of time grantees will retain their vested stock options before exercising them for employees and the contractual term of the option for nonemployees ("expected term"), (b) the volatility of the Company's common stock price over the expected term, (c) expected dividends, and (d) the fair value of a share of common stock prior to the Business Combination. After the closing of the Business Combination, the Company's board of directors determined the fair value of each share of common stock underlying stock-based awards based on the closing price of the Company's common stock as reported by the NYSE on the date of grant.

The assumptions used in the Black-Scholes model are management's best estimates, but the estimates involve inherent uncertainties and the application of management judgment (see Note 9). As a result, if other assumptions had been used, the recorded share-based compensation expense could have been materially different from that depicted in the financial statements.

Income Taxes

The Company accounts for income taxes in accordance with ASC 740, *Income Taxes*, under which deferred tax liabilities and assets are recognized for the expected future tax consequences of temporary differences between financial statement carrying amounts and the tax basis of assets and liabilities and net operating loss and tax credit carryforwards. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized.

Due to the Company's history of losses since inception, the net deferred tax assets have been fully offset by a valuation allowance at December 31, 2021 and 2020. Uncertain tax positions taken or expected to be taken in a tax return are accounted for using the more likely than not threshold for financial statement recognition and measurement. For the years ended December 31, 2021 and 2020, there were no uncertain tax positions taken or expected to be taken in the Company's tax returns.

In December 2019, the FASB issued ASU 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes, which is intended to simplify various aspects related to accounting for income taxes. The pronouncement is effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2020. The Company adopted ASU 2019-12 on January 1, 2021 and there was no impact to the Company as a result of the adoption.

Net (Loss) Income Per Share

Basic (loss) income per share ("EPS") is computed by dividing net loss (the numerator) by the weighted average number of common shares outstanding for the period (the denominator). Diluted EPS attributable to common shareholders is computed by adjusting net loss by the weighted average number of common shares and potential common shares outstanding (if dilutive) during each period. Potential common shares include shares issuable upon exercise of stock options and vesting of restricted stock awards (see Note 9). The number of potential common shares outstanding are calculated using the treasury stock or if-converted method.

Recent Accounting Pronouncements Issued

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses of Financial Instruments*, which, together with subsequent amendments, amends the requirement on the measurement and recognition of expected credit losses for financial assets held to replace the incurred loss model for financial assets measured at amortized cost and require entities to measure all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions and reasonable and supportable forecasts. We adopted ASU 2016-13 during the year ended December 31, 2021 and there was no material impact on the consolidated financial statements.

Note 3. Reverse Recapitalization

On October 1, 2020, Legacy Hyliion and TortoiseCorp consummated the merger contemplated by the Business Combination, with Legacy Hyliion surviving the merger as a wholly-owned subsidiary of TortoiseCorp.

Upon the closing of the Business Combination, TortoiseCorp's certificate of incorporation was amended and restated to, among other things, increase the total number of authorized shares of capital stock to 260,000,000 shares, of which 250,000,000 shares were designated common stock, $.0001 par value per share, and of which 10,000,000 shares were designated preferred stock, $0.0001 par value per share.

Immediately prior to the closing of the Business Combination, each

- issued and outstanding share of Legacy Hyliion's redeemable, convertible preferred stock, was converted into shares of Legacy Hyliion common stock based on a one-to-one ratio (see Note 8). The Business Combination was accounted for with a retrospective application of the Business Combination that results in 34,799,813 shares of redeemable, convertible preferred stock converting into the same number of shares of Legacy Hyliion common stock.
- convertible note payable, plus accrued paid-in-kind interest, was converted into an aggregate 2,336,235 shares of Legacy Hyliion common stock at the predetermined discount (see Note 4).

Upon the consummation of the Business Combination, each share of Legacy Hyliion common stock issued and outstanding was cancelled and converted into the right to receive 1.45720232 shares (the "Exchange Ratio") of the Company's common stock (the "Per Share Merger Consideration").

Additionally, Legacy Hyliion issued 1,000,000 shares of Legacy Hyliion common stock with an estimated grant date fair value of $10.00 per share to one of the convertible noteholders in connection with the commercial matters agreement ("Commercial Matters Agreement") that was entered into in June 2020, that was not subject to the Exchange Ratio (see Note 4).

Outstanding stock options, whether vested or unvested, to purchase shares of Legacy Hyliion common stock granted under the 2016 Plan ("Legacy Options") (see Note 9) converted into stock options for shares of the Company's common stock upon the same terms and conditions that were in effect with respect to such stock options immediately prior to the Business Combination, after giving effect to the Exchange Ratio.

Outstanding warrants to purchase shares of TortoiseCorp Class A common stock remained outstanding at the Closing Date. The warrants became exercisable 30 days after the completion of the Business Combination and expired five years after the completion of the Business Combination or earlier upon redemption or liquidation. On November 30, 2020, the Company issued a notice of redemption to the warrant holders and on December 31, 2020, it redeemed all outstanding public warrants. See Note 8 for more information.

In connection with the Business Combination,

- certain TortoiseCorp shareholders exercised their right to redeem certain of their outstanding shares for cash, resulting in the redemption of 3,308 shares of TortoiseCorp common stock for gross redemption payments of less than $0.1 million.
- a number of investors purchased from the Company an aggregate of 30,750,000 shares of common stock (the "PIPE Shares"), for a purchase price of $10.00 per share and an aggregate purchase price of $307.5 million pursuant to separate subscription agreements entered into effective June 18, 2020 (the "PIPE"). The PIPE investment closed simultaneously with the consummation of the Business Combination.
- an investor purchased 1,750,000 TortoiseCorp units (consisting of one share of common stock and one half of one warrant, the "Forward Purchase Units"), consisting of 1,750,000 shares of common stock ("Forward Purchase Shares") and warrants to purchase 875,000 shares of common stock ("Forward Purchase Warrants") for an aggregate purchase price of $17.5 million pursuant to a forward purchase agreement entered into effective February 6, 2019, as amended by the First Amendment to Amended and Restated Forward Purchase Agreement, dated June 18, 2020.

The Business Combination was accounted for as a reverse recapitalization in accordance with GAAP. Under this method of accounting, TortoiseCorp was treated as the "acquired" company for financial reporting purposes. See Note 1 for further details.

Accordingly, for accounting purposes, the Business Combination was treated as the equivalent of Legacy Hyliion issuing stock for the net assets of TortoiseCorp, accompanied by a recapitalization. The net assets of TortoiseCorp are stated at historical cost, with no goodwill or intangible assets recorded.

Prior to the Business Combination, Legacy Hyliion and TortoiseCorp filed separate standalone federal, state and local income tax returns. As a result of the Business Combination Legacy Hyliion will file a consolidated income tax return. Although, for legal purposes, TortoiseCorp acquired Legacy Hyliion, and the transaction represents a reverse acquisition for federal income tax purposes. TortoiseCorp will be the parent of the consolidated group with Legacy Hyliion a subsidiary, but in the year of the closing of the Business Combination, Legacy Hyliion will file a full year tax return with TortoiseCorp joining in the return the day after the Closing Date.

The following table reconciles the elements of the Business Combination to the consolidated statements of cash flows and the consolidated statements of changes in stockholders' equity as of and for the year ended December 31, 2020:

Cash - TortoiseCorp's trust and cash (net of redemption)	$	236,484
Cash - PIPE		307,500
Cash - forward purchase units		17,500
Less: transaction costs and advisory fees paid		(45,030)
Net Business Combination and PIPE financing	$	516,454

The number of shares of common stock issued immediately following the consummation of the Business Combination were:

Common stock, outstanding prior to Business Combination	23,300,917
Less: redemption of TortoiseCorp shares	(3,308)
Common stock of TortoiseCorp	23,297,609
TortoiseCorp founder shares	5,825,230
Shares issued in PIPE	30,750,000
Shares issued in connection with forward purchase agreement	1,750,000
Business Combination, PIPE, and forward purchase agreement financing shares	61,622,839
Legacy Hyliion shares[(1)]	92,278,990
Total shares of common stock immediately after Business Combination	153,901,829
Hyliion Holdings Corp. exercise of warrants	15,414,592
Total shares of common stock at December 31, 2020	169,316,421

(1) The number of Legacy Hyliion shares was determined as follows:

	Legacy Hyliion shares	Legacy Hyliion shares, effected for Exchange Ratio
Balance at December 31, 2018	24,453,750	35,634,061
Recapitalization applied to Series A outstanding at December 31, 2018	34,799,813	50,710,369
Exercise of common stock options - 2019	286,874	418,033
Exercise of common stock options - 2020 (pre-Closing)	763,216	1,112,160
Conversion of convertible notes payable to common stock[(2)]	2,336,235	4,404,367
		92,278,990

(2) The number of shares issued for the conversion of convertible notes payable to common stock is calculated by applying the Exchange Ratio to the Legacy Hyliion shares issued at the time of conversion and adding 1,000,000 shares issued in connection with the Commercial Matters Agreement. All fractions were rounded down.

Lock-Up Arrangements

Certain former stockholders of Legacy Hyliion and TortoiseCorp have agreed to lock-up restrictions regarding the future transfer shares of common stock. Such shares were not able to be transferred or otherwise disposed of for a period of six months through April 1, 2021, subject to certain exceptions.

Transaction costs

Transaction costs incurred in connection with the Business Combination totaled approximately $45.0 million which were charged to additional paid-in capital for the year ended December 31, 2020.

Note 4. Debt

The carrying value of debt at December 31, 2021 and 2020, is summarized as follows:

	December 31,	
	2021	2020
Paycheck Protection Program loan	$ —	$ 908
Finance lease obligations	—	49
	—	957
Less current portion	—	(49)
Debt, net of current portion	$ —	$ 908

During the year ended December 31, 2018, the Company issued a convertible note payable in exchange for cash totaling $5.0 million (the "2018 Note"). The 2018 Note bore interest at 6% per annum and matured in September 2020 (two years subsequent to its issuance date). The 2018 Note included the following embedded features:

(a) Automatic conversion upon the next equity financing of at least $5.0 million in proceeds. The conversion price was dependent upon the pre-money valuation of the Company in connection with the next equity financing, with the conversion price set at a 35% discount on the next equity financing price if the pre-money valuation was $100.0 million or less, or 35% multiplied by the quotient of $100.0 million divided by the pre-money valuation if it was greater than $100.0 million.

(b) Optional conversion upon a change in control. In the event of a change in control, the holder could elect to convert the 2018 Note into shares of common stock at a conversion price equal to (i) the product of the change in control purchase price multiplied by 65%, divided by (ii) the total number of outstanding shares of capital stock of the Company (on a fully-diluted basis).

(c) Optional redemption upon a change in control. In the event of a change in control, the holder could elect to request payment of all outstanding principal (with no penalty) and unpaid accrued interest.

(d) Automatic or optional redemption upon an event of default. Upon the occurrence of an event of default, the 2018 Note would either automatically become due and payable or could become due and payable at the holder's option (based on the nature of the event of default). Upon such acceleration, all outstanding principal (with no penalty) and unpaid accrued interest would become payable.

(e) Additional interest of 3% (or a total of 9%) upon an event of default.

In addition to the above embedded features, the Company agreed that the holder of the 2018 Note would be the Company's preferred supplier for certain components or products that the holder sells. See Note 16 for further details on this agreement.

The Company assessed the embedded features within the 2018 Note and determined that the automatic conversion feature upon next equity financing and optional conversion feature upon change in control (share-settled redemption features) and the additional interest feature met the definition of a derivative and were not clearly and closely related to the host contract and required separate accounting.

At issuance, the Company estimated the fair value of the automatic and optional conversion features to be approximately $1.8 million. At issuance, the Company concluded the fair value of the additional interest feature was de minimis.

Between February and July 2019, the Company issued a series of convertible notes payable in exchange for cash totaling $13.6 million (the "Initial 2019 Notes"). The Initial 2019 Notes bored interest at 6% per annum and matured two to five years after their respective issuance dates. The Initial 2019 Notes were only prepayable with the consent of the holders. One of the Initial 2019 Notes (totaling $1.8 million) was secured by substantially all of the assets of the Company, subordinate to the first priority, senior secured interest held by a note holder of a convertible note issued in January 2020. The holder of this note had first priority secured interest in these assets.

The Initial 2019 Notes included the following embedded features:

(a) Automatic or optional (for one of the Initial 2019 Notes) conversion upon the next equity financing of at least $15.0 million in proceeds (the "Next Equity Financing"). The conversion price was dependent upon the pre-money valuation of the Company in connection with the next equity financing, with the conversion price set at a 25% discount on the next equity

financing price if the pre-money valuation was $100.0 million or less, or 25% multiplied by the quotient of $100.0 million divided by the pre-money valuation if it was greater than $100.0 million.

(b) Optional conversion (for one of the Initial 2019 Notes) upon a subsequent equity financing if the holder did not elect to convert upon the Next Equity Financing, at the price that was set by the subsequent equity financing (no discount).

(c) Optional conversion upon a change in control. In the event of a change in control, the holder could elect to convert the Initial 2019 Notes into shares of common stock at a conversion price equal to (i) the product of the change in control purchase price multiplied by 75%, divided by (ii) the total number of outstanding shares of capital stock of the Company (on a fully-diluted basis).

(d) Optional redemption upon a change in control. In the event of a change in control, the holder could elect to request payment of all outstanding principal (with no penalty) and unpaid accrued interest.

(e) Automatic or optional redemption upon an event of default. Upon the occurrence of an event of default, the Initial 2019 Notes would either automatically become due and payable or could become due and payable at the holder's option (based on the nature of the event of default). Upon such acceleration, all outstanding principal (with no penalty) and unpaid accrued interest would become payable.

(f) Additional interest of 3% (or a total of 9%) upon an event of default.

In addition, the Company had the right to modify one of the Initial 2019 Notes (totaling $1.8 million) in the event the holder did not convert upon next equity financing to adjust the interest rate to 4% per annum.

The Company assessed the embedded features within the Initial 2019 Notes and determined that the automatic or optional conversion feature upon next equity financing and the optional conversion feature upon change in control (share-settled redemption features), the additional interest feature and the interest rate adjustment feature met the definition of a derivative and were not clearly and closely related to the host contract and required separate accounting.

At issuance, the Company estimated the fair value of the automatic and optional conversion features to be approximately $6.0 million. At issuance, the Company concluded the fair value of the additional interest feature and the interest rate adjustment feature was de minimis.

In December 2019, the Company issued a convertible note payable in exchange for cash totaling $3.2 million (the "December 2019 Note"). The December 2019 Note bore interest at 6% per annum and matured in December 2020 (one year subsequent to its issuance date). The December 2019 Note was only prepayable with the consent of the holder. The December 2019 Note was secured by substantially all of the assets of the Company, subordinate to the security interest held by one of the Initial 2019 Note holders. The December 2019 Note included the following embedded features:

(a) Automatic conversion upon the next equity financing of at least $35.0 million in proceeds. The conversion price would be based on the next equity financing per share price, with a 50% discount.

(b) Optional conversion upon the next equity financing of at least $15.0 million in proceeds. The conversion price would be based on the next equity financing per share price, with a 50% discount.

(c) Automatic conversion upon a subsequent equity financing of at least $35.0 million if the holder did not elect to convert upon any previous equity financing, at the price that was set by the subsequent equity financing (no discount).

(d) Optional conversion upon a change in control. In the event of a change in control, the holder could elect to convert the December 2019 Note into shares of common stock at a conversion price equal to (i) the product of the change in control purchase price multiplied by 50%, divided by (ii) the total number of outstanding shares of capital stock of the Company (on a fully-diluted basis).

(e) Optional redemption upon a change in control. In the event of a change in control, the holder could elect to request payment of all outstanding principal (with no penalty) and unpaid accrued interest.

(f) Automatic or optional redemption upon an event of default. Upon the occurrence of an event of default, the December 2019 Note would either automatically become due and payable or could become due and payable at the holder's option (based on the nature of the event of default). Upon such acceleration, all outstanding principal (with no penalty) and unpaid accrued interest would become payable.

(g) Additional interest of 3% (or a total of 9%) upon an event of default.

In addition, in the event the holder did not convert upon an equity financing, the maturity date of the December 2019 Note would automatically extend by one year. In such situation, the holder also had the right to extend the maturity date for an additional two years beyond the modified maturity date.

The Company assessed the embedded features within the December 2019 Note and determined that the automatic and optional conversion features upon next equity financing (share-settled redemption features), the additional interest feature and the term extension feature met the definition of a derivative and were not clearly and closely related to the host contract and required separate accounting. The Company also concluded that the conversion features did not represent beneficial conversion features.

At issuance and at December 2019, the Company estimated the fair value of the automatic and optional conversion features to be approximately $1.4 million. At issuance, the Company concluded the fair value of the additional interest and term extension features was de minimis.

During January 2020, the Company issued a convertible note payable in exchange for cash totaling $3.2 million (the "January 2020 Note"). The January 2020 Note bore interest at 6% per annum and matured in January 2025 (five years subsequent to its issuance date). The January 2020 Note was only prepayable with the consent of the holder. The January 2020 Note was secured by a first priority, senior secured interest in substantially all of the assets of the Company. The January 2020 Note included the following embedded features:

(a) Optional conversion upon the next equity financing of at least $15.0 million in proceeds. The conversion price would be based on the next equity financing per share price, with a 50% discount.

(b) Optional conversion upon a subsequent equity financing of at least $15.0 million if the holder did not elect to convert upon the next equity financing, at the price that was set by the subsequent equity financing (no discount).

(c) Optional conversion upon a change in control. In the event of a change in control, the holder could elect to convert the January 2020 Note into shares of common stock at a conversion price equal to (i) the product of the change in control purchase price multiplied by 50%, divided by (ii) the total number of outstanding shares of capital stock of the Company (on a fully-diluted basis).

(d) Optional redemption upon a change in control. In the event of a change in control, the holder could elect to request payment of all outstanding principal (with no penalty) and unpaid accrued interest.

(e) Optional redemption upon the Company obtaining at least $10.0 million in commercial debt which would result in the January 2020 Note having the same priority or being treated as subordinate to the commercial debt. In such scenario, the holder could elect to request payment of all outstanding principal (with no penalty) and unpaid accrued interest.

(f) Automatic or optional redemption upon an event of default. Upon the occurrence of an event of default, the January 2020 Note would either automatically become due and payable or could become due and payable at the holder's option (based on the nature of the event of default). Upon such acceleration, all outstanding principal (with no penalty) and unpaid accrued interest would become payable.

(g) Additional interest of 3% (or a total of 9%) upon an event of default.

In addition, in the event the holder did not convert upon an equity financing or change in control event, the noteholder could extend the maturity date of the January 2020 Note by five years beyond the original maturity date.

In addition, in the event the holder does not convert upon an equity financing, the interest rate on the January 2020 Note would automatically be adjusted to a rate of 4% per annum.

The Company assessed the embedded features within the January 2020 Note and determined that the automatic and optional conversion features upon next equity financing (share-settled redemption features), the additional interest feature and the term extension feature met the definition of a derivative and were not clearly and closely related to the host contract and required separate accounting. The Company also concluded that the conversion features did not represent beneficial conversion features.

At issuance, the Company estimated the fair value of the automatic and optional conversion features to be approximately $2.7 million. At issuance, the Company has concluded the fair value of the additional interest and term extension features was de minimis.

The terms of the convertible notes payable included certain restrictive covenants related to the Company's ability to enter into certain transactions or agreements, pay dividends, or take other similar corporate actions.

During June 2020, the holders of the convertible notes executed amendments (the "Note Amendments") to their respective convertible notes clarifying the planned Business Combination would qualify as a next financing, as defined in the respective convertible notes. The convertible notes would either automatically convert or convert at the holder's option (the election of which was evidenced by entering into the Note Amendments) in connection with such next financing (in this case the Business Combination). The convertible notes would convert into shares of common stock at a conversion price equal to (i) the valuation of the Company established in connection with such next financing, divided by (ii) the total number of shares of capital stock of the Company (on a fully diluted and as-converted basis), as established in the original respective convertible notes. This conversion price would then be discounted based on the negotiated conversion discounts that were established in the

noteholders' original convertible notes. The amended terms of the Note Amendments were determined to be clarifications of the existing terms and did not result in substantially different terms. Accordingly, the Note Amendments were accounted for as modifications.

In connection with the reverse recapitalization discussed in Note 3, immediately prior to the closing of the Business Combination, the convertible notes, plus accrued paid-in-kind interest, totaling $26.8 million were converted into an aggregate of 2,336,235 shares of Legacy Hyliion common stock, which were then exchanged for an aggregate of 3,404,367 shares of the Company's common stock on the Closing Date. In addition, the Company issued 1,000,000 shares of Legacy Hyliion common stock to a noteholder of the 2018 Note, Initial 2019 Notes, and January 2020 Note, with a grant date fair value of $10.00 per share in accordance with the Commercial Matters Agreement.

In connection with this conversion of the convertible notes, the Company recorded a loss on extinguishment of $10.2 million included within other income (expense) on the accompanying consolidated statements of operations.

Term Loan

During August 2020, the Company issued a term loan (the "Term Loan") with a principal balance totaling $10.1 million that matured on the earlier of (i) December 15, 2020, (ii) the termination of the Business Combination or, (iii) the consummation of the Business Combination as provided in the Business Combination. In connection with the Term Loan, the Company paid $0.5 million of financing costs. The Term Loan bore interest at a rate equal to 6.5% plus the greater of (a) the Federal Funds rate plus 0.5%, (b) LIBOR Rate for a one-month interest period plus 1.0%, and (c) Prime Rate in effect on such day. While outstanding in 2020, the Term Loan bore interest at 8.5% per annum. The Term Loan plus accrued interest was repaid in full in October 2020.

Payroll Protection Program Loan

During May 2020, the Company received loan proceeds in the amount of $0.9 million under the Payroll Protection Program (the "PPP"). The PPP was established as part of Coronavirus Aid, Relief, and Economic Security Act and provides for loans to qualifying businesses for amounts up to 2.5 times the average monthly payroll expenses of the business, subject to certain limitations. The loans and accrued interest were forgivable after eight weeks so long as the borrower used the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and so long as the borrower maintained its pre-funding employment and wage levels. Although the Company used the PPP loan proceeds for purposes consistent with the provisions of the PPP and such usage met the criteria established for forgiveness of the loan, the Company repaid the balance of the PPP loan plus accrued interest during the three months ended March 31, 2021.

Finance Lease Obligations

The Company's debt arising from finance lease obligations primarily relates to vehicles and equipment. See Note 10 for future maturities of finance lease obligations.

Note 5. Investments

The amortized cost, unrealized gains and losses, and fair value, and maturities of our held-to-maturity investments at December 31, 2021 and 2020 are summarized as follows:

		Fair Value Measurements as of December 31, 2021		
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Commercial paper	$ 73,908	$ 2	$ (31)	$ 73,879
U.S. government agency bonds	4,450	—	(7)	4,443
State and municipal bonds	17,797	—	(115)	17,682
Corporate bonds and notes	202,849	3	(953)	201,899
Total held-to-maturity investments	$ 299,004	$ 5	$ (1,106)	$ 297,903

	Fair Value Measurements as of December 31, 2020			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. treasury bills	$ 149,996	$ —	$ (1)	$ 149,995
Commercial paper	37,963	—	(15)	37,948
Corporate bonds and notes	49,892	—	(63)	49,829
Total held-to-maturity investments	$ 237,851	$ —	$ (79)	$ 237,772

	December 31, 2021		December 31, 2020	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Due in one year or less	$ 118,787	$ 118,714	$ 201,881	$ 201,864
Due after one year through five years	180,217	179,189	35,970	35,908
Total held-to-maturity securities	$ 299,004	$ 297,903	$ 237,851	$ 237,772

Note 6. Fair Value Measurements

The fair value measurements of the Company's assets at December 31, 2021 and 2020 are summarized as follows:

	Fair Value Measurements as of December 31, 2021			
	Level I	Level II	Level III	Total
Cash and cash equivalents	$ 258,445	$ —	$ —	$ 258,445
Restricted cash	665	—	—	665
Held-to-maturity investments:				
Commercial paper	—	73,879	—	73,879
U.S. government agency bonds	—	4,443	—	4,443
State and municipal bonds	—	17,682	—	17,682
Corporate bonds and notes	—	201,899	—	201,899
Total assets	$ 259,110	$ 297,903	$ —	$ 557,013

	Fair Value Measurements as of December 31, 2020			
	Level I	Level II	Level III	Total
Cash and cash equivalents	$ 389,705	$ —	$ —	$ 389,705
Held-to-maturity investments:				
U.S. treasury bills	—	149,995	—	149,995
Commercial paper	—	37,948	—	37,948
Corporate bonds and notes	—	49,829	—	49,829
Total assets	$ 389,705	$ 237,772	$ —	$ 627,477

The rollforward of the Company’s Level 3 instruments at December 31, 2020 is summarized as follows*:

Balance at December 31, 2019	$ 8,351
Issuance of convertible note payable derivative liability	2,656
Fair value adjustments	1,358
Settlement of convertible notes payable derivative liabilities	(12,365)
Balance at December 31, 2020	$ —

* There were no Level 3 instruments outstanding during the year ended December 31, 2021.

Note 7. Inventory

The carrying value of our inventory at December 31, 2021 and 2020 is summarized as follows:

	December 31,	
	2021	2020
Raw materials	$ —	$ 132
Work in process	4	—
Finished goods	110	—
Total	$ 114	$ 132

We write-down inventory for any excess or obsolete inventories or when we believe that the net realizable value of inventories is less than the carrying value. During the year ended December 31, 2021, we recorded write-downs of $2.3 million, included in cost of revenues. During the years ended December 31, 2020 and 2019, we were in a research and development phase, and did not record substantial inventory amounts or cost of sales and related adjustments.

Note 8. Capital Structure

As discussed in Note 1 and Note 3, on October 1, 2020, the Company consummated the Business Combination, which has been accounted for as a reverse recapitalization. Pursuant to the Certificate of Incorporation as amended on October 1, 2020 and as a result of the reverse recapitalization, the Company has retrospectively adjusted the Legacy Hyliion preferred shares and Legacy Hyliion common shares issued and outstanding prior to October 1, 2020 to give effect to the Exchange Ratio used to determine the number of shares of common stock of the combined entity into which they were converted.

Preferred Stock

The Company is authorized to issue 10,000,000 shares of preferred stock with a par value of $0.0001 per share. The Company's board of directors is authorized to fix the voting rights, if any, designations, powers, preferences, the relative, participating, option or other special rights and any qualifications, limitations and restrictions thereof, applicable to the shares of each series. At December 31, 2021 and 2020, there were no shares of preferred stock issued and outstanding.

Common Stock

At December 31, 2021, the following shares of common stock were reserved for future issuance:

Stock options issued and outstanding	3,157,889
Authorized for future grant under 2020 Equity Incentive Plan	8,572,929
	11,730,818

Warrants

Public Warrants: On March 4, 2019, TortoiseCorp completed an initial public offering that included warrants for shares of common stock (the "Public Warrants"). Each Public Warrant entitled the holder to the right to purchase one share of common stock at an exercise price of $11.50 per share. No fractional shares were issued upon exercise of the Public Warrants. The Company could elect to redeem the Public Warrants, in whole and not in part, at a price of $0.01 per Public Warrant if (i) 30 days' prior written notice of redemption is provided to the holders, and (ii) the last reported sale price of the Company's common stock equals or exceeds $18.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within a 30-trading day period ending on the third business day prior to the date on which the Company sends the notice of redemption to the warrant holders. Upon issuance of a redemption notice by the Company, the warrant holders had a period of 30 days to exercise for cash, or on a cashless basis. On the Closing Date, there were 11,650,458 Public Warrants issued and outstanding.

Private Placement Warrants: Simultaneous with TortoiseCorp's initial public offering in March 2019, Tortoise Borrower purchased warrants at a purchase price of $1.00 per warrant in a private placement (the "Private Placement Warrants"). The Private Placement Warrants could not be redeemed by the Company so long as the Private Placement Warrants are held by the initial purchasers, or such purchasers' permitted transferees. The Private Placement Warrants had terms and provisions identical to those of the Public Warrants, including as to exercise price, exercisability and exercise period, except if the Private Placement Warrants were held by someone other than the initial purchasers' permitted transferees, then the Private Placement Warrants were redeemable by the Company and exercisable by such holders on the same basis as the Public Warrants. On the Closing Date, there were 6,660,183 Private Warrants issued and outstanding.

Forward Purchase Warrants: Simultaneous with the consummation of the Business Combination in October 2020, 875,000 Forward Purchase Warrants to purchase shares of common stock were issued in connection with the forward purchase

agreement (See Note 3). The Forward Purchase Warrants had terms and provisions identical to those of the Public Warrants, including as to exercise price, exercisability and exercise period, except that the Forward Purchase Warrants are subject to transfer restrictions and certain registration rights.

On November 30, 2020, the Company issued a notice of redemption of all its outstanding Public Warrants and Forward Purchase Warrants which was completed in December 2020. However, the Private Warrants held by the initial holders thereof or permitted transferees of the initial holders were not subject to this redemption. As of December 31, 2020, all outstanding Public Warrants and Forward Purchase Warrants were either exercised or redeemed by the holder. As of December 31, 2020, the Company's transfer agent received gross proceeds of $140.8 million corresponding to the exercise of 15,786,127 warrants. However, due to the timing of the receipt of the warrant exercise and the cash, the Company's transfer agent issued 15,414,592 shares of common stock as of December 31, 2020. The remaining 371,535 shares of common stock were issued in January 2021. Additionally, as of December 31, 2020, the Company's transfer agent had not yet remitted $12.0 million of the gross proceeds associated with the shares of issued common stock to the Company and is included within prepaid expenses and other current assets on the accompanying consolidated balance sheets as of December 31, 2020. There were 281,065 warrants not exercised by the end of the redemption period that were redeemed for a price of $0.01 per warrant, and subsequently cancelled by the Company. The Company made the redemption payment on these cancelled warrants in January 2021. Certain holders of the warrants elected a cashless exercise, resulting in the forfeiture of 3,118,445 shares.

Note 9. Share-Based Compensation

2016 Equity Incentive Plan

For periods prior to the reverse recapitalization (See Note 3), the Hyliion Inc. 2016 Equity Incentive Plan (the "2016 Plan"), as amended in August 2017 and approved by the board of directors (the "Board"), permitted the granting of various awards including stock options (including both nonqualified options and incentive options), stock appreciation rights ("SARs"), stock awards, phantom stock units, performance awards and other share-based awards to employees, outside directors and consultants and advisors of the Company. Only stock options have been awarded to employees, consultants and advisors under the 2016 Plan.

Legacy Options converted into an option to purchase a number of shares of common stock equal to the product of the number of shares of Legacy Hyliion common stock and the Exchange Ratio at an exercise price per share equal to the exercise price of the Legacy Option divided by the Exchange Ratio. Each exchanged option is governed by the same terms and conditions applicable to the Legacy Option prior to the Business Combination. No further grants can be made under the 2016 Plan.

The option exercise price for all grantees equals the stock's estimated fair value on the date of the grant, after giving effect to the Exchange Ratio. The Board determined the fair value of common stock at the time of grant by considering a number of objective and subjective factors, including independent third-party valuations of the Company's common stock, operating and financial performance, the lack of liquidity of capital stock, and general and industry-specific economic outlook, amongst other factors. The Company believes the fair value of the stock options granted to nonemployees was more readily determinable than the fair value of the services received.

The fair value of each option is estimated on the date of the grant using the Black-Scholes option-pricing model in order to measure the compensation cost associated with the award. This model incorporates certain assumptions for inputs including an expected volatility in the market value of the underlying common stock, expected term, a risk-free interest rate, and the expected dividend yield of the underlying common stock. The following assumptions were used for options issued in the following periods*:

	Year Ended December 31,	
	2020	**2019**
Expected volatility	70.0%	70.0%
Expected term	6.1 years	6.1 - 10 years
Risk-free interest rate	1.7%	1.4 - 3%
Expected dividend yield	0.0%	0.0%

* There were no options issued during the year ended December 31, 2021.

- *Expected volatility*: The expected volatility was determined by examining the historical volatility of a group of industry peers, as the Company did not have any trading history for the Company's common stock.
- *Expected term*: For employees, the expected term is determined using the "simplified" method, as prescribed by the SEC's Staff Accounting Bulletin No. 107, Share-Based Payment, to estimate on a formula basis the expected term of the Company's employee stock options which are considered to have "plain vanilla" characteristics. For nonemployees, the expected term represents the contractual term of the option.

- *Risk-free interest rate*: The risk-free interest rate was based upon quoted market yields for the United States Treasury instruments with terms that were consistent with the expected term of the Company's stock options.
- *Expected dividend yield:* The expected dividend yield was based on the Company's history and management's current expectation regarding future dividends.

Employee and nonemployee stock options generally vest over four years, with a maximum term of ten years from the date of grant. These awards become available to the recipient upon the satisfaction of a vesting condition based on a period of service.

Activity in the 2016 Plan for the years ended December 31, 2021, 2020 and 2019 is summarized as follows:

	Number of Options	Weighted Average Exercise Price (in Dollars)	Weighted Average Remaining Contractual Term
Outstanding at December 31, 2018	5,508,031	$ 0.11	8.7 years
Granted	3,213,131	$ 0.16	
Exercised	(418,033)	$ 0.14	
Forfeited	(1,715,847)	$ 0.13	
Outstanding at December 31, 2019	6,587,282	$ 0.13	8.2 years
Granted	2,797,828	$ 0.23	
Exercised	(1,112,960)	$ 0.11	
Forfeited	(1,289,653)	$ 0.19	
Outstanding at December 31, 2020	6,982,497	$ 0.16	7.8 years
Exercised	(3,558,201)	$ 0.17	
Forfeited	(266,407)	$ 0.18	
Outstanding at December 31, 2021	3,157,889	$ 0.16	6.6 years
Exercisable at December 31, 2021	1,793,912	$ 0.12	5.8 years

At December 31, 2021, the options outstanding and exercisable had an intrinsic value of $19.1 million and $10.9 million, respectively. There were no options with an exercise price greater than the market price on December 31, 2021 to exclude from the intrinsic value computation. The intrinsic value of options exercised during the years ended December 31, 2021, 2020 and 2019 was $42.8 million, $18.4 million and $0.1 million, respectively.

Share-based compensation expense under the 2016 Plan for the years ended December 31, 2021, 2020 and 2019 was $0.1 million, $0.3 million and $0.1 million, respectively. There was $0.2 million of unrecognized compensation expense related the 2016 Plan at December 31, 2021 which is expected to be recognized over the remaining vesting periods, with a weighted-average period of 1.8 years.

2020 Equity Incentive Plan

On October 1, 2020, the Company's shareholders approved a new long-term incentive award plan (the "2020 Plan") in connection with the Business Combination. The 2020 Plan is administered by the Board and the compensation committee. The selection of participants, allotment of shares, determination of price and other conditions are approved by the Board and the compensation committee at its sole discretion in order to attract and retain personnel instrumental to the success of the Company. Under the 2020 Plan, the Company may grant an aggregate of 12,200,000 shares of common stock in the form of nonstatutory stock options, incentive stock options, SARs, restricted stock awards, performance awards and other awards. No awards were granted under the 2020 Plan prior to the year ended December 31, 2021, and no stock options have been granted under the 2020 Plan.

Employee and nonemployee RSUs for which a grant date has been established generally vest over three to four years from the date of grant. These awards become available to the recipient upon the satisfaction of a vesting condition based on a period of service, and performance conditions for certain awards.

Activity in the 2020 Plan for the years ended December 31, 2021, 2020 and 2019 is summarized as follows:

	Number of Units	Weighted Average Grant Date Fair Value (in Dollars)
Nonvested at December 31, 2020	—	$ —
Granted[1]	1,858,236	$ 11.24
Vested	(176,449)	$ 12.64
Forfeited[2]	(124,993)	$ 12.09
Nonvested at December 31, 2021[3]	1,556,794	$ 11.01

[1] Excludes 1,985,914 shares issued where no accounting grant date has been established.

[2] Excludes 75,000 shares issued and forfeited where no accounting grant date has been established.

[3] Excludes 1,910,914 shares issued and nonvested where no accounting grant date has been established.

Share-based compensation expense under the 2020 Plan for the years ended December 31, 2021, 2020 and 2019 was $4.8 million, nil and nil, respectively. The fair value of RSUs that vested during the years ended December 31, 2021, 2020 and 2019 was $1.6 million, nil, and nil, respectively. There was $10.7 million of unrecognized compensation expense related to the 2020 Plan at December 31, 2021 which is expected to be recognized over the remaining vesting periods, subject to forfeitures, with a weighted-average period of 2.6 years.

Note 10. Leases

The Company enters into operating and finance leases for its corporate office, temporary office, vehicles and equipment. In addition, the Company enters into arrangements whereby portions of the leased premises are subleased to third parties and are classified as operating leases. In December 2021, the Company amended the lease for its corporate office. This amendment increased the amount of space under the original lease, adjusted the monthly lease payments, and decreased the term of the lease through 2027. The Company accounted for this extension as a lease modification and recorded a decrease to the operating lease ROU asset and lease liability. The lease amendment includes the option to extend the term for up to two consecutive terms of five years, which is not reasonably certain to be exercised at the modification date.

The following table provides a summary of the components of lease income, costs and rent, which are included within research and development and selling, general and administrative expense:

	Year Ended December 31,		
	2021	2020	2019
Operating lease costs:			
Operating lease cost	$ 1,386	$ 1,389	$ 1,908
Short-term lease cost	456	42	4
Variable lease cost	469	(14)	(140)
Sublessor income	(38)	(326)	(421)
Total operating lease costs	$ 2,273	$ 1,091	$ 1,351
Finance lease costs:			
Amortization of right-of-use assets	$ 74	$ 112	$ 112
Interest on lease liabilities	1	21	50
Total finance lease costs	$ 75	$ 133	$ 162

Finance lease ROU assets were nil and $0.3 million at December 31, 2021 and 2020 and accumulated amortization was nil and $0.1 million as of December 31, 2021 and 2020, respectively.

The following table provides the weighted-average lease terms and discount rates used for the Company's operating and finance leases:

	December 31,	
	2021	2020
Weighted-average remaining lease term:		
Operating leases	5.3 years	5.0 years
Finance leases	0.0 years	0.3 years
Weighted-average discount rate:		
Operating leases	7.1 %	9.9 %
Finance leases	— %	14.2 %

The following table provides a summary of lease liability maturities for the next five years and thereafter at December 31, 2021:

	Operating Leases	Finance Leases
2022	$ 657	$ —
2023	2,198	—
2024	2,263	—
2025	2,331	—
2026	2,402	—
Thereafter	822	—
Total minimum lease payments	10,673	—
Less: imputed interest	(2,029)	—
Total lease obligations	$ 8,644	$ —

Note 11. Property and Equipment, Net

Property and equipment, net at December 31, 2021 and 2020 is summarized as follows:

	December 31,	
	2021	2020
Production machinery and equipment	$ 1,717	$ 1,751
Vehicles	720	712
Leasehold improvements	1,077	749
Demo fleet systems	—	263
Office furniture and fixtures	155	64
Computers and related equipment	1,219	195
	4,888	3,734
Less: accumulated depreciation	(2,653)	(2,563)
Total property and equipment, net	$ 2,235	$ 1,171

Depreciation expense for the years ended December 31, 2021, 2020 and 2019 totaled approximately $0.8 million, $0.8 million and $0.9 million respectively. For the year ended December 31, 2021, $0.1 million and $0.7 million was included in selling, general and administrative expenses and research and development expenses, respectively, in the consolidated statements of operations. For the year ended December 31, 2020, $0.1 million and $0.7 million was included in selling, general and administrative expenses and research and development expenses, respectively, in the consolidated statements of operations. For the year ended December 31, 2019, 0.1 million and $0.8 million was included in selling, general and administrative expenses and research and development expenses, respectively, in the consolidated statements of operations. For the years ended December 31, 2021, 2020 and 2019, there was nil depreciation expense included in cost of revenues.

Note 12. Intangible Assets, Net

The gross carrying amount and accumulated amortization of separately identifiable intangible assets at December 31, 2021 and 2020 is summarized as follows:

		December 31, 2021			
Intangible Asset	**Useful Life**	**Weighted Average Remaining Life**	**Gross Carrying Value**	**Accumulated Amortization**	**Net**
Developed technology	6 years	2.4 years	$ 578	$ (343)	$ 235
Non-compete	3 years	0.0 years	5	(5)	—
			$ 583	$ (348)	$ 235

		December 31, 2020			
Intangible Asset	**Useful Life**	**Weighted Average Remaining Life**	**Gross Carrying Value**	**Accumulated Amortization**	**Net**
Developed technology	6 years	3.4 years	$ 578	$ (247)	$ 331
Non-compete	3 years	0.4 years	5	(4)	1
			$ 583	$ (251)	$ 332

Total amortization expense for the years ended December 31, 2021, 2020 and 2019 was $0.1 million, $0.1 million and $0.1 million, respectively, and is included within selling, general and administrative expenses in the consolidated statements of operations.

Total future amortization expense for finite-lived intangible assets at December 31, 2021 is summarized as follows:

2022	$ 97
2023	97
2024	41
2025	—
	$ 235

Note 13. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities at December 31, 2021 and 2020 are summarized as follows:

	December 31,	
	2021	**2020**
Accrued professional services and other	$ 3,681	$ 1,032
Accrued compensation and related benefits	3,460	615
Accrued liability for warrants exercised but not settled	—	4,282
Other accrued liabilities	618	209
	$ 7,759	$ 6,138

Note 14. Warranties

The change in warranty liability for the years ended December 31, 2021 and 2020 is summarized as follows:

	Year ended December 31,	
	2021	**2020**
Balance at beginning of period	$ —	$ —
Accrual for warranties issued	44	—
Warranty charges	—	—
Balance at end of period	$ 44	$ —

Note 15. Income Taxes

The income tax provision for the years ended December 31, 2021, 2020 and 2019 is summarized as follows:

	Year Ended December 31,		
	2021	**2020**	**2019**
Current tax expense:			
Federal	$ —	$ —	$ —
State	—	—	—
Total current tax expense	$ —	$ —	$ —
Deferred tax (benefit) expense:			
Federal	$ (24,138)	$ (8,952)	$ (2,788)
State	67	(291)	—
Valuation allowance	24,071	9,243	2,788
Total deferred tax expense	$ —	$ —	$ —

The components of deferred taxes at December 31, 2021 and 2020 are summarized as follows:

	December 31,	
	2021	**2020**
Deferred tax assets:		
Federal net operating loss carryforwards	$ 39,399	$ 17,265
State net operating loss carryforwards	984	984
Operating lease obligation	1,815	1,009
R&D tax credit	693	481
Other	1,908	224
Property and equipment, net	13	29
Total deferred tax assets	44,812	19,992
Less: valuation allowance	(43,139)	(19,068)
Deferred tax assets, net of valuation allowance	$ 1,673	$ 924
Deferred tax liabilities:		
Operating lease right of use asset, net	1,624	854
Intangible assets, net	49	70
Total deferred tax liabilities	1,673	924
Net deferred tax assets	$ —	$ —

The reconciliation of taxes at the federal statutory rate to the Company's provision for income taxes for the years ended December 31, 2021, 2020 and 2019 is summarized as follows:

	Year Ended December 31,		
	2021	2020	2019
Provision at statutory rate of 21%	$ (20,170)	$ 68,069	$ (2,964)
Non-deductible convertible debt interest expense	—	227	152
Non-deductible gain related to warrant conversions	—	(76,293)	—
State tax expense	—	(158)	—
Stock options	(3,458)	54	15
Transaction costs	—	(2,947)	—
Shares issued in connection with a Commercial Matters Agreement	—	2,100	—
Other	(231)	(102)	9
R&D tax credit	(212)	(193)	—
Change in valuation allowance	24,071	9,243	2,788
	$ —	$ —	$ —

In assessing the realizability of deferred tax assets, management considered whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considered the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods in which the deferred tax assets are deductible, management believes it is more likely than not that the Company will not realize the benefits of these deductible differences at December 31, 2021.

The Company had federal net operating loss carryforwards of $187.6 million and $82.2 million at December 31, 2021 and 2020, respectively. At December 31, 2021, $10.5 million of this amount will begin to expire in 2036 and the remaining $177.1 million have an indefinite carryforward period. The Company had state net operating loss carryforwards of $12.5 million and $12.5 million at December 31, 2021 and 2020, respectively, that will begin to expire beginning in 2036 and research and development credits of $0.6 million that will begin to expire in 2037. The Company's ability to utilize a portion of net operating loss carryforwards and credits to offset future taxable income, and tax, respectively, is subject to certain limitations under section 382 of the Internal Revenue Code upon changes in equity ownership of the Company. Due to such limitation, $2.0 million of the Company's net operating loss and less than $0.1 million of the Company's R&D credits will expire unused, regardless of taxable income in future years.

The Company files a United States federal income tax return, as well as income tax returns in various states. The tax returns for years 2017 and thereafter remain open for examination.

Note 16. Commitments and Contingencies

Economic Incentive Agreement

During the year ended December 31, 2018, the Company entered into an agreement with the Cedar Park Economic Development Corporation ("EDC"), whereby the Company will receive grants from the EDC contingent upon the Company fulfilling and maintaining certain corporate office lease and employment requirements. The specified requirements must be met on or before specific measurement dates and maintained throughout the term of the agreement, which expires effective December 31, 2024.

As the terms of the EDC grant agreement require the Company to meet and maintain all of the performance requirements throughout the term of the agreement, the Company has not substantially met all the conditions for the grant funding received. Should the Company fail to meet and maintain any performance requirements, all amounts received from the EDC are subject to refund. Accordingly, total grant funding of $0.6 million recorded as part of other liabilities as of December 31, 2021 will continue to be reflected as an other non-current liability until all related performance requirements have been met through the end of the agreement on December 31, 2024.

Under the agreement, the EDC has the right to file a security interest to all assets of the Company. This security interest is subordinate to the holders of the convertible notes payable with security interests.

Legal Proceedings

The Company is periodically involved in legal proceedings, legal actions and claims arising in the normal course of business, including proceedings relating to product liability, intellectual property, safety and health, employment and other matters. Management believes that the outcome of such legal proceedings, legal actions and claims will not have a significant adverse effect on the Company's financial position, results of operations or cash flows.

Note 17. Net (Loss) Income Per Share

As a result of the reverse recapitalization (see Note 3), the Company has retroactively adjusted the weighted average shares outstanding prior to October 1, 2020 to give effect to the Exchange Ratio used to determine the number of shares of common stock into which they were converted.

The computation of basic and diluted net (loss) income per share for the years ended December 31, 2021, 2020 and 2019 is summarized as follows (in thousands, except share and per share data):

	Year Ended December 31,		
	2021	**2020**	**2019**
Numerator:			
Net (loss) income attributable to common stockholders	$ (96,048)	$ 324,117	$ (14,113)
Denominator:			
Weighted average shares outstanding, basic	172,216,477	104,324,059	86,643,714
Weighted average shares outstanding, diluted	172,216,477	112,570,960	86,643,714
Net (loss) income per share, basic	$ (0.56)	$ 3.11	$ (0.16)
Net loss per share, diluted	$ (0.56)	$ (0.35)	$ (0.16)

Potential common shares excluded from the computation of diluted net (loss) income per share because including them would have had an anti-dilutive effect for the years ended December 31, 2021, 2020 and 2019 are summarized as follows:

	Year Ended December 31,		
	2021	**2020**	**2019**
Unexercised stock options	3,157,889	—	6,587,282
Unvested restricted stock units*	3,467,708	—	—
	6,625,597	—	6,587,282

* Potential common shares from unvested restricted stock units include 1,910,914, nil and nil shares for the years ended December 31, 2021, 2020 and 2019, respectively, where no accounting grant date has been established.

Note 18. Supplemental Cash Flow Information

Supplemental cash flow information for the years ended December 31, 2021, 2020 and 2019 is summarized as follows:

	Year Ended December 31,		
	2021	**2020**	**2019**
Cash paid for interest	$ (8)	$ (144)	$ (53)
Cash paid for taxes	$ —	$ —	$ —
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows from operating leases	$ (1,386)	$ (1,446)	$ (1,255)
Operating cash flows from finance leases	$ (1)	$ (29)	$ (50)
Right-of-use assets obtained in exchange for lease obligations	$ 3,410	$ 1,007	$ 21

	Year Ended December 31,		
	2021	2020	2019
Supplemental disclosures of noncash investing and financing information:			
Warrants exercised where proceeds are included within prepaid expenses and other current assets	$ —	$ 11,978	$ —
Settlement of convertible notes payable and convertible note payable derivative liabilities	$ —	$ 44,039	$ —
Redemption of unexercised warrants included within prepaid expenses and other current assets	$ —	$ (3)	$ —
Acquisitions of property and equipment included in accounts payable	$ 246	$ —	$ —

Note 19. Retirement Plan

The Company has adopted a 401(k) plan to provide all eligible employees a means to accumulate retirement savings on a tax-advantaged basis. The 401(k) plan requires participants to be at least 21 years old. Plan participants may make elective contributions up to the maximum percentage of compensation and dollar amount allowed under the Internal Revenue Code and are always 100% vested in their elective contributions. The Company can make discretionary employer contributions at its election and did not make any contributions during the years ended December 31, 2021, 2020 and 2019.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

As previously reported in our Amended Annual Report on Form 10-K for the year ended December 31, 2020, on October 1, 2020, after the recommendation of the Audit Committee of the Board, the Board approved the engagement of Grant Thornton LLP ("Grant Thornton") as the Company's independent registered public accounting firm to audit the Company's consolidated financial statements for the year ending December 31, 2020. Grant Thornton served as the independent registered public accounting firm of Legacy Hyliion prior to the Business Combination. Accordingly, WithumSmith+Brown, PC ("Withum"), the Company's independent registered public accounting firm prior to the Business Combination, was informed on October 1, 2020 that it would be replaced by Grant Thornton as the Company's independent registered public accounting firm following completion of the Company's review of the quarter ended September 30, 2020, which consists only of the accounts of the pre-Business Combination special purpose acquisition company, TortoiseCorp.

Withum's report of independent registered public accounting firm, dated March 20, 2020, on the Company's balance sheets as of December 31, 2019 and 2018, the related statements of operations, stockholders' equity and cash flows for the year ended December 31, 2019 and for the period from November 7, 2018 (inception) to December 31, 2018, and the related notes to the financial statements (collectively, the "financial statements") did not contain any adverse opinion or disclaimer of opinion, nor were they qualified or modified as to uncertainty, audit scope or accounting principles other than the Company's ability to continue as a going concern due to Company's obligation to either complete a business combination by the close of business on March 4, 2021, or cease all operations except for the purpose of winding down and liquidating.

During the period from November 7, 2018 (inception) to December 31, 2019 and the subsequent period through October 1, 2020, there were no: (i) disagreements with Withum on any matter of accounting principles or practices, financial statement disclosures or audited scope or procedures, which disagreements if not resolved to Withum's satisfaction would have caused Withum to make reference to the subject matter of the disagreement in connection with its report or (ii) reportable events as defined in Item 304(a)(1)(v) of Regulation S-K.

During the period from November 7, 2018 (inception) to December 31, 2018, and the interim period through October 1, 2020, the Company did not consult Grant Thornton with respect to either (i) the application of accounting principles to a specified transaction, either completed or proposed; or the type of audit opinion that might be rendered on the Company's financial statements, and no written report or oral advice was provided to the Company by Grant Thornton that Grant Thornton concluded was an important factor considered by the Company in reaching a decision as to the accounting, auditing or financial reporting issue; or (ii) any matter that was either the subject of a disagreement, as that term is described in Item 304(a)(1)(iv) of Regulation S-K under the Exchange Act and the related instructions to Item 304 of Regulation S-K under the Exchange Act, or a reportable event, as that term is defined in Item 304(a)(1)(v) of Regulation S-K under the Exchange Act.

The Company provided Withum with a copy of the disclosures made by the Company in connection with this change and requested that Withum furnish the Company with a letter addressed to the SEC stating whether it agrees with the statements made by the Company in response to Item 304(a) of Regulation S-K under the Exchange Act and, if not, stating the respects in which it does not agree.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Based on our management's evaluation (with the participation of our Principal Executive Officer and Principal Financial Officer) of the effectiveness of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act"), our Principal Executive Officer and Principal Financial Officer have concluded that, as of December 31, 2021, our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and to provide reasonable assurance that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal controls over financial reporting, as such term is defined in Rule 13a-15(f) under the Exchange Act. Based on our management's evaluation (with the participation of our Principal Executive Officer and Principal Financial Officer), of the effectiveness of our internal controls over financial reporting as of December 31, 2021, which was based on the framework in the Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission, our Principal Executive Officer and Principal Financial Officer have concluded that, as of December 31, 2021, our internal control over financial reporting was effective as of December 31, 2021. Our independent registered public accounting firm, Grant Thornton LLP, has audited the effectiveness of our internal control over financial reporting and as of December 31, 2021, as stated in their report which is included herein.

The following material weaknesses previously reported in our Amended Annual Report on Form 10-K for the year ended December 31, 2020 have been remediated at December 31, 2021: (a) segregation of duties (resulting from the small number of individuals performing the accounting functions), including the lack of a formal journal entry review and approval process; (b) the design and operation of our information technology general controls; and (c) our overall closing and financial reporting processes, including accounting for significant and unusual transactions.

Remediation

The following describes our remediation of the material weaknesses described above:

- Segregation of duties – the Company implemented NetSuite, an Oracle cloud-based ERP and financial reporting solution including configurable workflows and user roles, expanded the accounting team and implemented additional internal controls around the underlying processes.
- Formal journal entry review and approval process – the Company implemented workflow steps within NetSuite to ensure all journal entries are approved before posting to the general ledger.
- Information technology general control design and operation – the Company implemented NetSuite including configurable workflows and user roles. The Company further implemented additional information technology general controls and conducted full user access reviews. Finally, the Company expanded the information technology department, including the hiring of a CIO, to allow for performance of system administration tasks.
- Overall closing and financial reporting processes including accounting for significant and unusual transactions – In addition to the above remediation efforts, the Company enhanced its processes to identify and appropriately apply accounting requirements for complex transactions, including enhanced access to accounting literature and research materials and increased communication and assistance among and from our personnel and third-party professionals.

Changes in Internal Control over Financial Reporting

As discussed above, we implemented certain measures to remediate the material weaknesses identified in the design and operation of our internal control over financial reporting. Other than those measures, there have been no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended December 31, 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on Controls

Our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their objectives as specified above. Management does not expect, however, that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all error and fraud. Any control system, no matter how well designed and operated, is based upon certain assumptions and can provide only reasonable, not absolute, assurance that its objectives will be met. Further, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within the Company have been detected.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders
Hyliion Holdings Corp.

Opinion on internal control over financial reporting

We have audited the internal control over financial reporting of Hyliion Holdings Corp. and subsidiaries (the "Company") as of December 31, 2021 based on criteria established in the 2013 Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on criteria established in the 2013 Internal Control—Integrated Framework issued by COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the consolidated financial statements of the Company as of and for the year ended December 31, 2021, and our report dated February 24, 2022 expressed an unqualified opinion on those financial statements.

Basis for opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and limitations of internal control over financial reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ GRANT THORNTON LLP

Dallas, Texas
February 24, 2022

ITEM 9B. OTHER INFORMATION

Amended and Restated Employment Agreements with Executive Officers

On February 23, 2022, the Company entered into amended and restated employment agreements (the "Agreements") with the following executive officers: Thomas J. Healy, Chief Executive Officer; Sherri Baker, Chief Financial Officer; Dennis M. Gallagher, Chief Operating Officer; Jose Oxholm, General Counsel and Chief Compliance Officer; and Patrick Sexton, Chief Technology Officer. The amendments give the Board and Compensation Committee increased flexibility to provide market competitive compensation to the Company's executive team, specifically in relation to the value and number of shares of annual time-based equity awards granted to each of the executives under the Company's 2020 Equity Incentive Plan. All other terms and conditions of the Agreements remain unchanged. The foregoing description of the Agreements is qualified in its entirety by the full text of the Agreements, which are filed as exhibits to this 10-K.

ITEM 9C. DISCLOSURES REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

Part III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by Item 10 will be contained in, and is hereby incorporated by reference to, our definitive proxy statement for the 2022 Annual Meeting of Stockholders (the "2022 Proxy Statement"), which we will file pursuant to Regulation 14A with the Commission within 120 days after the close of the year ended December 31, 2021. This includes information regarding our Code of Business Conduct and Ethics.

ITEM 11. EXECUTIVE COMPENSATION

The information required by Item 11 will be contained in, and is hereby incorporated by reference to, the 2022 Proxy Statement, which we will file pursuant to Regulation 14A with the Commission within 120 days after the close of the year ended December 31, 2021.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by Item 12 will be contained in, and is hereby incorporated by reference to, the 2022 Proxy Statement, which we will file pursuant to Regulation 14A with the Commission within 120 days after the close of the year ended December 31, 2021.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by Item 13 will be contained in, and is hereby incorporated by reference to, the 2022 Proxy Statement, which we will file pursuant to Regulation 14A with the Commission within 120 days after the close of the year ended December 31, 2021.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by Item 14 will be contained in, and is hereby incorporated by reference to, the 2022 Proxy Statement, which we will file pursuant to Regulation 14A with the Commission within 120 days after the close of the year ended December 31, 2021.

Part IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a)(1) and (a)(2) Financial Statements and Financial Statement Schedules:

Reference is made to the Index to Financial Statements of the Company under Item 8 of Part II. All financial statement schedules are omitted because they are not applicable, or the amounts are immaterial, not required, or the required information is presented in the financial statements and notes thereto in Item 8 of Part II above.

(b) Exhibits

Exhibits: The exhibits listed in the accompanying index to exhibits are filed or incorporated by reference as part of this Annual Report on Form 10-K. Exhibits not incorporated by reference to a prior filing are designated by an asterisk (*); all exhibits not so designated are incorporated by reference to a prior filing as indicated.

Exhibit Number	Description
2.1+	Business Combination Agreement and Plan of Reorganization, dated as of June 18, 2020, by and among Tortoise Acquisition Corp., SHLL Merger Sub Inc. and Hyliion Inc. (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K (File No. 001-38823) filed with the SEC on June 19, 2020).
3.1	Second Amended and Restated Certificate of Incorporation of the Company, dated October 1, 2020 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-38823) filed with the SEC on October 7, 2020).
3.2	Amended and Restated Bylaws of the Company, dated October 1, 2020 (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K (File No. 001-38823) filed with the SEC on October 7, 2020).
4.1	Form of Common Stock Certificate of the Company (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K (File No. 001-38823) filed with the SEC on October 7, 2020).
4.2	Amended and Restated Registration Rights Agreement, dated October 1, 2020, by and among the Company and certain stockholders of the Company (incorporated by reference to Exhibit 4.4 to the Company's Current Report on Form 8-K (File No. 001-38823) filed with the SEC on October 7, 2020).
4.3	Description of Securities (incorporated by reference to Exhibit 4.4 to the Company's Annual Report on Form 10-K/A for the year ended December 31, 2020 (File No. 001-38823) filed with the SEC on May 17, 2021.
4.4	Lock-Up Agreement, dated October 1, 2020, by and between the Company and Thomas Healy (incorporated by reference to Exhibit 4.6 to the Company's Current Report on Form 8-K (File No. 001-38823) filed with the SEC on October 7, 2020).
10.1	Lease Agreement, dated February 5, 2018, by and between IGX Brushy Creek, LLC and Hyliion Inc. (incorporated by reference to Exhibit 10.9 to the Company's Current Report on form 8-K filed on October 7, 2020).
10.2	Form of Subscription Agreement (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K (File No. 001-38823) filed with the SEC on June 19, 2020).
10.3†	Form of Indemnification Agreement between the Company and its directors and officers (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K (File No. 001-38823) filed with the SEC on October 7, 2020).
10.4†	Hyliion Inc. 2016 Equity Incentive Plan (incorporated by reference to Exhibit 99.2 to the Company's Registration Statement on Form S-8 (File No. 333-251328) filed with the SEC on December 14, 2020).
10.4(a)†	Hyliion Inc. 2016 Equity Incentive Plan, Form of Incentive Stock Option Agreement (incorporated by reference to Appendix D to the foregoing 2016 Equity Incentive Plan).
10.4(b)†	Hyliion Inc. 2016 Equity Incentive Plan, Form of Non-statutory Stock Option Agreement (incorporated by reference to Appendix E to the foregoing 2016 Equity Incentive Plan).
10.4(c)†	Hyliion Inc. 2016 Equity Incentive Plan, Form of Stock Restriction Agreement (incorporated by reference to Appendix F to the foregoing 2016 Equity Incentive Plan).
10.5†	Hyliion Holdings Corp. 2020 Equity Incentive Plan (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K (File No. 001-38823) filed with the SEC on October 7, 2020).

10.5(a)†	Hyliion 2020 Equity Incentive Plan, Form of Stock Option Agreement (incorporated by reference to Exhibit 99.3 to the Company's Registration Statement on Form S-8 (File No. 333-251328) filed with the SEC on December 14, 2020).
10.5(b)†	Hyliion 2020 Equity Incentive Plan, Form of RSU Award Agreement (incorporated by reference to Exhibit 99.4 to the Company's Registration Statement on Form S-8 (File No. 333-251328) filed with the SEC on December 14, 2020).
10.6†	Employment Agreement, dated October 23, 2020, by and between the Company and Greg Van de Vere (incorporated by reference to Exhibit 10.7 to the Company's Registration Statement on Form S-1 (File No. 333-249649) filed with the SEC on October 23, 2020).
10.7†	Employment Agreement, dated December 2, 2020, by and between Hyliion Holdings Corp. and Thomas Healy (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-38823) filed with the SEC on December 7, 2020).
10.8†	Employment Agreement, dated December 2, 2020, by and between Hyliion Holdings Corp. and Patrick Sexton (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K (File No. 001-38823) filed with the SEC on December 7, 2020).
10.9†	Employment Agreement, dated January 8, 2021, by and between Hyliion Holdings Corp. and Sherri Baker (incorporated by reference to Exhibit 10.18 to the Company's Annual Report on Form 10-K/A for the year ended December 31, 2020 (File No. 001-38823) filed with the SEC on May 17, 2021.
10.10†	Employment Agreement, dated August 10, 2021, by and between Hyliion Holdings Corp. and Dennis M. Gallagher (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q (File No. 001-38823) filed with the SEC on November 10, 2021).
10.11†	Amendment to Employment Agreement, dated October 13, 2021, by and between Hyliion Holdings Corp. and Patrick Sexton (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-38823) filed with the SEC on October 14, 2021.
10.12*+	First Amendment to Industrial Lease, dated December 1, 2020, by and between IGX Brushy Creek, LLC and Hyliion Inc.
10.13*+	Second Amendment to Industrial Lease, dated June 2, 2021, by and between IGX Brushy Creek, LLC and Hyliion Inc.
10.14*+	Third Amendment to Industrial Lease, dated December 17, 2021, by and between IGX Brushy Creek, LLC and Hyliion Inc.
10.15*†	Amended and Restated Employment Agreement, dated February 24, 2022, by and between Hyliion Holdings Corp. and Thomas Healy.
10.16*†	Amended and Restated Employment Agreement, dated February 24, 2022, by and between Hyliion Holdings Corp. and Sherri Baker.
10.17*†	Amended and Restated Employment Agreement, dated February 24, 2022, by and between Hyliion Holdings Corp. and Dennis Gallagher.
10.18*†	Amended and Restated Employment Agreement, dated February 24, 2022, by and between Hyliion Holdings Corp. and Patrick Sexton.
10.19*†	Amended and Restated Employment Agreement, dated February 24, 2022, by and between Hyliion Holdings Corp. and Jose Oxholm.
10.20*†	Employment Agreement, dated February 24, 2022, by and between Hyliion Holdings Corp. and Cheri Lantz.
14.1	Code of Business Conduct and Ethics (incorporated by reference to Exhibit 14.1 to the Company's Annual Report on Form 10-K/A for the year ended December 31, 2020 (File No. 001-38823) filed with the SEC on May 17, 2021..
16.1	Letter from WithumSmith+Brown, PC to the SEC, dated October 1, 2020 (incorporated by reference to Exhibit 16.1 to the Company's Current Report on Form 8-K (File No. 001-38823) filed with the SEC on October 7, 2020).
21.1*	List of Subsidiaries.
23.1*	Consent of Grant Thornton Independent Registered Public Accounting Firm.
31.1*	Certification of Principal Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

32.2*	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as inline XBRL)

* Filed herewith.
† Indicates a management contract or compensatory plan or arrangement, as required by Item 15(a)(3).
+ The schedules and exhibits to this agreement have been omitted pursuant to Item 601(a)(5) of Regulation S-K. A copy of any omitted schedule and/or exhibit will be furnished to the SEC upon request.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

HYLIION HOLDINGS CORP.

Date: February 24, 2022

By: /s/ Thomas Healy
Thomas Healy
President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Thomas Healy Thomas Healy	President and Chief Executive Officer and Director (Principal Executive Officer)	February 24, 2022
/s/ Sherri Baker Sherri Baker	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	February 24, 2022
/s/ Andrew H. Card, Jr. Andrew H. Card, Jr.	Director	February 24, 2022
/s/ Elaine L. Chao Elaine L. Chao	Director	February 24, 2022
/s/ Jeffrey A. Craig Jeffrey A. Craig	Director	February 24, 2022
/s/ Vincent T. Cubbage Vincent T. Cubbage	Director	February 24, 2022
/s/ Mary E. Gustanski Mary E. Gustanski	Director	February 24, 2022
/s/ Howard Jenkins Howard Jenkins	Director	February 24, 2022
/s/ Edward Olkkola Edward Olkkola	Chairman	February 24, 2022
/s/ Robert M. Knight, Jr. Robert M. Knight, Jr.	Director	February 24, 2022
/s/ Stephen Pang Stephen Pang	Director	February 24, 2022

FIRST AMENDMENT TO INDUSTRIAL LEASE

This First Amendment to Industrial Lease (the "Amendment") is made and entered into by and between **IGX BRUSHY CREEK, LLC,** a Texas limited liability company ("Landlord") and **HYLIION INC., a Delaware corporation** ("Tenant"), and is dated for reference purposes only as of December 1, 2020 (the "Amendment Date").

RECITALS:

WHEREAS, Landlord and Tenant entered into that certain Industrial Lease dated as of February 5, 2018 (the "Existing Lease"), pursuant to which Tenant has leased from Landlord certain premises consisting of approximately 83,470 square feet of space in Building 2 of the Brushy Creek Corporate Center located at 1200 BMC Drive, Cedar Park, Texas 78613, as such leased premises are more particularly described in the Existing Lease (the "Existing Premises").

WHEREAS, the Term of the lease is scheduled to expire on the Termination Date, which is January 31, 2026, and Landlord and Tenant now desire to modify the Existing Lease in order to expand the leased premises, and to make certain other modifications to the terms of the Existing Lease. all as more specifically set forth herein below.

AGREEMENT:

NOW, THEREFORE, for and in consideration of the sum of Ten and No/100 Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant agree as follows:

1. Definitions. Capitalized terms not otherwise defined herein have the meaning attributed to them in the Existing Lease. The "Lease" shall mean the Existing Lease, as amended by this Amendment.

2. Expansion Premises. Effective as of the date that is one hundred twenty (120) days after the Amendment Date or, if earlier, upon the date on which Tenant receives a certificate of occupancy issued by the applicable governmental body covering the Expansion Premises (as hereinafter defined) (the "Expansion Commencement Date)," the Premises shall be expanded to include approximately 20,642 square feet of additional space located in Building 2 immediately adjacent to and east of the Existing Premises, such expansion space being generally depicted on the floor plan attached hereto as **EXHIBIT A** and incorporated herein by this reference (the "Expansion Premises"), which the parties stipulate shall be deemed to contain 20,642 square feet of space. From and after the Expansion Commencement Date, the Premises shall consist of the Existing Premises and the Expansion Premises.

3. Condition of Expansion Premises. As of the Amendment Date. Tenant accepts the Expansion Premises in its **"AS-IS", "WHERE IS"** and **"WITH ALL FAULTS"**

condition, subject to all matters now or hereafter of record, and all laws, ordinances, and governmental regulations and orders. Landlord shall have no obligation to construct,

refurbish or otherwise improve or repair the Expansion Premises prior to or upon Tenant's occupancy of the Expansion Premises or at any time throughout the Term, subject only to Landlord's general maintenance obligations under Section 9.1 of the Existing Lease. Tenant acknowledges and agrees that (i) Tenant has inspected the Expansion Premises and has sufficient knowledge and expertise to make such inspection or has caused same to be inspected on its behalf by one or more persons with such knowledge and expertise. and (ii) the Expansion Premises are in good and acceptable condition, with all existing structural, roof, mechanical, electrical and plumbing systems in good working order. **TENANT ACKNOWLEDGES THAT NEITHER LANDLORD NOR ANY AGENT OF LANDLORD HAS MADE AND TENANT IS NOT RELYING ON, AND (TO THE EXTENT PERMITTED BY APPLICABLE LAWS) TENANT HEREBY WAIVES AND TENANT AND LANDLORD HEREBY DISCLAIM, ANY WARRANTY OR REPRESENTATION OF ANY KIND, EITHER EXPRESS OR IMPLIED, AS TO THE HABITABILITY, FITNESS, QUALITY OR CONDITION OF THE EXPANSION PREMISES OR THE PROJECT OR THE IMPROVEMENTS THEREON OR THE SUITABILITY OF THE EXPANSION PREMISES, THE PROJECT OR THE IMPROVEMENTS THEREON FOR TENANT'S INTENDED USE.** The provisions of this paragraph are a material part of the consideration for this Amendment.

4. Tenant's Work. Tenant shall have the right to complete certain leasehold improvements within the Expansion Premises following Landlord's approval thereof, all in accordance with **ADDENDUM 1** attached hereto. All Tenant's Work (as defined in said **ADDENDUM 1)** shall be completed at Tenant's sole expense, subject only to Landlord's reimbursement of expenses, in accordance with **ADDENDUM 1,** up to the amount of the Expansion Allowance (as defined in said **ADDENDUM** 1). Tenant, at Tenant's sole expense, shall obtain all necessary licenses, permits and approvals of any kind relating in any way to Tenant's Work prior to the commencement thereof.

5. Tenant's Pro Rata Share.

    a. Expansion Premises. From and after the Expansion Commencement Date, Tenant's pro rata share shall be 45.04% (i.e. 104,112 square feet of space in the Premises divided by a total of 231.180 square feet of space in the Buildings comprising the Project), which calculation is subject to adjustment from time to time as deemed appropriate by Landlord. Notwithstanding the foregoing, Landlord reserves the right to calculate the pro rata share for each tenant at the Project on a building by building basis.

    b. Cap on Additional Expenses. Notwithstanding anything to the contrary contained in the Lease, the calculation of the cap on increases in Controllable Additional Expenses set forth in said Section 8.6 of the Lease shall be calculated on a per square foot basis and shall be calculated separately with respect to the Existing Premises and the Expansion Premises. With respect to the Expansion Premises.

such cap shall not apply until January 1 following the end of the first full calendar year after the Expansion Commencement Date.

6. Term. The Term of the Lease for the Expansion Premises shall commence on the Expansion Commencement Date and shall continue until, and shall expire on, the Termination Date, unless sooner terminated in accordance with the terms of the Lease, the parties agreeing that the Term for the Expansion Premises shall be coterminous with the Term for the Existing Premises. As such phrase is used in the Lease, the "Commencement Date," as it relates to the Expansion Premises, shall mean and refer to the Expansion Commencement Date.

7. Base Rent.

   a. Expansion Premises Rent Commencement; Abatement. Tenant's obligation to pay Rent with respect to the Expansion Premises shall commence on the Expansion Commencement Date, provided, however, that the first month's payment of Base Rent for the Expansion Premises shall be abated. Such abatement shall not include Tenant's obligation to pay Additional Expenses, and Tenant shall be required to pay Additional Expenses during the entire Term applicable to the Expansion Premises. If there is an Event of Default that continues beyond any applicable cure period, then Landlord shall be entitled to recover all Base Rent that was abated, as provided herein. All such Rent shall be payable in accordance with the terms of the Lease.

   b. Base Rent Amount. Base Rent for the Existing Premises shall continue to be paid in accordance with the schedule set forth on page 2 of the Existing Lease. Base Rent for the Expansion Premises shall be payable each month in an amount calculated on a per square foot rate equal to the per square foot Base Rent rate payable with respect to the Existing Premises (as such rate increases in accordance with the rent schedule set forth in the Existing Lease), and shall be calculated on the basis of 20,642 square feet. The initial monthly installment of Base Rent for the Expansion Premises shall be in the amount of $22,998.63 (i.e. 20,642 square feet multiplied by $13.37, and divided by 12).

8. Access Devices. Promptly after the date hereof, Tenant shall deliver to Landlord's property manager keys, access codes or cards, or other appropriate access devices to all doors leading to the Premises. Thereafter, Tenant shall ensure that Landlord or Landlord's property manager shall promptly receive updated keys, access codes or cards, or other appropriate access devices any time locks or other security devices are modified, such that Landlord always has in its possession, or in the possession of its property manager, working keys. access codes or cards, or other appropriate access devices by which Landlord can gain access to all areas of the Premises.

9. Brokers. Each party represents and warrants that it has had no dealings with any real estate broker or agent in connection with the negotiation of this Amendment other than Cushman & Wakefield and Aquila Commercial, LLC (collectively, the "Brokers"), and Landlord and Tenant each agrees to indemnify and hold harmless the other from and

against any claims by any other broker, agent or other person claiming a commission or other form of compensation by virtue of having dealt with the indemnifying party with regard to this

transaction. Landlord shall pay a commission to Brokers pursuant to a separate written agreement or agreements. No broker shall be a third party beneficiary of this Amendment.

10. Authority. Tenant and each person signing this Amendment on behalf of Tenant represents to Landlord as follows: (i) Tenant is duly formed and validly existing under the laws of the State of Delaware. (ii) Tenant has and is qualified to do business in Texas, (iii) Tenant has the full right and authority to enter into this Amendment, and (iv) each person signing on behalf of Tenant was and continues to be authorized to do so. Landlord and each person signing this Amendment on behalf of Landlord represents to Tenant as follows: (i) Landlord has the full right and authority to bind itself without the consent or approval of any other person or entity and that it has full power, capacity, authority, and legal right to execute and deliver this Amendment and to perform all of its obligations hereunder; and (ii) no consent of any lender or any other party is required for the execution of this Amendment, or such consent has been obtained and evidence of same has been delivered to Tenant.

11. Exhibits. Each Exhibit and Addendum attached hereto is made a part hereof for all purposes.

12. Execution. This Amendment may be executed in multiple counterparts and all such counterparts when taken together shall constitute one and the same instrument. This Amendment and counterparts thereof, may be executed and delivered by facsimile or other electronic transmission, with the same effect as an original executed Amendment or counterpart.

13. Effect of Amendment. The Expansion Premises shall be subject to all of the terms and conditions of the Existing Lease except as expressly modified herein and except that Tenant shall not be entitled to receive any allowances, abatements or other financial concessions that were granted with respect to the Existing Premises unless such concessions are expressly provided for in this Amendment with respect to the Expansion Premises. Except as expressly modified herein, the terms of the Existing Lease shall remain in full force and effect, and Landlord and Tenant hereby ratify such terms, as herein amended. From and after the Amendment Date, references in the Existing Lease or in this Amendment to the "Lease," shall mean the Existing Lease as amended by this Amendment.

14. No Representations. Landlord, Landlord's agents, Tenant, and Tenant's agents have made no representations or promises, express or implied, in connection with this Amendment except as expressly set forth herein and neither Landlord nor Tenant has relied on any representations except as expressly set forth herein.

15. Entire Agreement. This Amendment, together with the Existing Lease and the Commencement Date Agreement executed by the parties with respect to the Existing Premises, contains all of the agreements of the parties hereto with respect to any matter

covered or mentioned in this Amendment or the Existing Lease, and no prior agreement, understanding or representation pertaining to any such matter shall be effective for any purpose.

16. Severability. A determination that any provision of this Amendment is unenforceable or invalid shall not affect the enforceability or validity of any other provision hereof and any determination that the application of any provision of this Amendment to any person or circumstance is illegal or unenforceable shall not affect the enforceability or validity of such provision as it may apply to any other persons or circumstances.

17. Governing Law. Construction and interpretation of this Lease will be governed by the applicable laws of the State of Texas, excluding any principles of conflicts of laws. Any disputes arising under, in connection with, or incident to this Amendment or about its interpretation will be resolved exclusively in the state or federal courts located in the county in which the Premises are located. Each of the parties irrevocably submits to those courts' venue and jurisdiction for such disputes.

18. Submission Not an Offer. The submission by Landlord or Tenant of this Amendment shall have no binding force or effect, shall not constitute an option, and shall not confer any right or impose any obligations upon either party, until execution and delivery of this Amendment by both parties.

[Signature page follows.]

IN WITNESS WHEREOF, this Amendment is executed to be effective as of the Amendment Date.

TENANT:

HYLIION INC.,
a Delaware corporation

By: /s/ Greg Van de Vere
Name: Greg Van de Vere
Title: V.P. Finance and CFO

Date Signed: December 3, 2020

LANDLORD:

IGX BRUSHY CREEK, LLC,
a Texas limited liability company

By: IGX Dynamo Holdings, LP,
a Texas limited partnership
its Managing Member

By: IGX Dynamo Brushy Creek GP, LLC.
a Texas limited liability company
its General Partner

By: /s/ Marcelo Gutierrez
Name: Marcelo Gutierrez Gutierrez
Title: Manager

Date Signed: December 4, 2020

SECOND AMENDMENT TO INDUSTRIAL LEASE

This Second Amendment to Industrial Lease (the "Amendment") is made and entered into by and between **IGX BRUSHY CREEK, LLC**, a Texas limited liability company ("Landlord") and **HYLIION INC.**, a Delaware corporation ("Tenant"), and is dated for reference purposes only as of June 2, 2021 (the "Amendment Date").

RECITALS:

WHEREAS, Landlord and Tenant are parties to that certain Industrial Lease dated as of February 5, 2018 (the "Original Lease"), as amended by that certain First Amendment to Industrial Lease dated as of December 1, 2020 (the "First Amendment"), pursuant to which Tenant has leased from Landlord certain premises consisting of approximately 104,112 square feet of space in Building 2 of the Brushy Creek Corporate Center located at 1200 BMC Drive, Cedar Park, Texas 78613, such existing premises being commonly known as Suites 10 and 20, as such leased premises are more particularly described therein. The Original Lease, as so amended, is herein referred to as the "Existing Lease," and the premises leased to Tenant thereunder is herein referred to as the "Existing Premises."

WHEREAS, Landlord and Tenant now desire to modify the Existing Lease in order to further expand the leased premises to include the Second Expansion Premises (as defined below), and to make certain other modifications to the terms of the Existing Lease, all as more specifically set forth herein below.

AGREEMENT:

NOW, THEREFORE, for and in consideration of the sum of Ten and No/100 Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant agree as follows:

1. Definitions. Capitalized terms not otherwise defined herein have the meaning attributed to them in the Existing Lease. The "Lease" shall mean the Existing Lease, as amended by this Amendment.

2. Tender of Possession; Second Expansion Premises. Landlord shall tender possession of the Second Expansion Premises to Tenant free of any other occupants on or before the later of (i) the Amendment Date and (ii) June 1, 2021, subject to Unavoidable Delays. Effective as of October 1, 2021 (the "Second Expansion Commencement Date)," the Premises shall be expanded to include Suite 30 in Building 2, which the parties agree contains 20,668 square feet of space. the location of which is shown for identification purposes only on **EXHIBIT A** attached hereto (the "Second Expansion Premises"). Any possession or occupancy by Tenant of the Second Expansion Premises prior to the Second Expansion Commencement Date shall be subject to all the terms and provisions of the Lease, except that no Base Rent or Additional Expenses shall be payable with respect to the Second Expansion Premises until the Second Expansion Commencement Date. From and after the Second Expansion Commencement Date, the Premises shall consist of the Existing Premises and the Second Expansion Premises.

3. Condition of Second Expansion Premises. Tenant acknowledges that the Second Expansion Premises is vacant and ready for Tenant's occupancy. As of the Amendment Date, Tenant accepts the Second Expansion Premises in its **"AS-IS"**,

"WHERE IS" and **"WITH ALL FAULTS"** condition, subject to all matters now or hereafter of record, and all laws, ordinances, and governmental regulations and orders. Landlord shall have no obligation to construct, refurbish or otherwise clean, improve or repair the Second Expansion Premises prior to or upon Tenant's occupancy of the Second Expansion Premises or at any time throughout the Term, subject only to Landlord's general maintenance obligations under Section 9.1 of the Existing Lease, as modified by this Amendment. Tenant acknowledges and agrees that (i) Tenant has inspected the Second Expansion Premises and has sufficient knowledge and expertise to make such inspection or has caused same to be inspected on its behalf by one or more persons with such knowledge and expertise, and (ii) the Second Expansion Premises are in good and acceptable condition, with all existing structural, roof, mechanical, electrical and plumbing systems in good working order. **EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES SET FORT HEREIN, TENANT ACKNOWLEDGES THAT NEITHER LANDLORD NOR ANY AGENT OF LANDLORD HAS MADE AND TENANT IS NOT RELYING ON, AND (TO THE EXTENT PERMITTED BY APPLICABLE LAWS) TENANT HEREBY WAIVES AND TENANT AND LANDLORD HEREBY DISCLAIM, ANY WARRANTY OR REPRESENTATION OF ANY KIND, EITHER EXPRESS OR IMPLIED, AS TO THE HABITABILITY, FITNESS, QUALITY OR CONDITION OF THE SECOND EXPANSION PREMISES OR THE PROJECT OR THE IMPROVEMENTS THEREON OR THE SUITABILITY OF THE SECOND EXPANSION PREMISES, THE PROJECT OR THE IMPROVEMENTS THEREON FOR TENANT'S INTENDED USE.** The provisions of this paragraph are a material part of the consideration for this Amendment.

4. Tenant's Work.

a. Existing Suite 30 Improvements. Pursuant to the First Amendment, Landlord agreed to provide to Tenant the Expansion Allowance (as defined in the First Amendment) in an amount of up to $103,210.00 as a contribution toward the build out of Suite 20. Landlord now agrees to provide Tenant with additional funds or improvements for the buildout of Suite 30 in an additional amount or value of up to $103,340.00 (the "Second Expansion Allowance"), for a total amount committed by Landlord in the First Amendment and in this Second Amendment of $206,550.00 (the "Combined Allowance"). Landlord and Tenant agree that the value of the recently completed tenant improvements now existing in Suite 30 exceed the amount of the Combined Allowance and provide a significant benefit to Tenant, saving Tenant the costs associated with constructing these improvements, and therefore the existing improvements in Suite 30 fully offset and satisfy Landlord's obligation to provide the Combined Allowance. All improvements currently located in Suite 30 shall remain and be available for Tenant's use.

b. Tenant's Performance of Tenant's Work. Landlord consents to Tenant's performance of the Tenant's Work described in **ADDENDUM 1** attached hereto, subject to compliance with the terms and conditions thereof. The parties agree that Tenant shall have the right, but not the obligation, to perform the Tenant's Work; provided, however, if Tenant commences any part of the Tenant's Work, Tenant shall be obligated to complete the portion(s) of the Tenant's Work commenced by Tenant (so as not to leave

commenced construction in an unfished or unsafe condition) and any other portions of Tenant's Work related thereto. All Tenant's Work, if performed, shall be completed at Tenant's sole expense. Tenant, at Tenant's sole expense, shall obtain all necessary licenses, permits and approvals of any kind relating in any way to Tenant's Work prior to the commencement thereof. As provided in Paragraph 10 of the Original Lease, (a) if Tenant is not in default under the Lease, Tenant shall, unless otherwise specifically waived in writing by Landlord prior to the expiration of this Lease or any extension thereof, remove all trade fixtures, equipment and improvements which Tenant has placed in the Premises or in the common areas, and repair all damages to the Premises and common areas caused by such removal and restore the Premises and common areas to their original condition (the condition existing as of the Commencement Date) as provided in Paragraph 9.5 of the Original lease, and (b) any remaining alterations, additions, improvements and fixtures to the Premises or common areas performed by or for Tenant, whether comprising a part of Tenant's Work or otherwise, shall remain and be surrendered to Landlord, and become the property of Landlord, at the termination of this Lease, unless Landlord requests their removal, in which event Tenant, at Tenant's sole cost and expense, shall remove the same and restore the Premises and common areas to their original condition at Tenant's expenses, provided that Landlord notifies Tenant in writing of such removal requirement of such alterations, additions, improvements or fixtures. Notwithstanding anything to the contrary contained in the Lease, in no event shall Tenant perform any work in the Premises or on the Project that would void, jeopardize, violate or invalidate any warranties that may cover any portion of the Premises or Project, including, without limitation, the roof of the building in which the Premises are located, provided Landlord notifies Tenant of the applicable warranty. Landlord reserves the right to require Tenant to use a contractor designated by Landlord to perform any work affecting the roof.

c. Landlord's Completion of Tenant's Work. In the event any portion of Tenant's Work to be completed outside Building 2 remains uncompleted more than 210 days after the commencement of Tenant's Work, Landlord shall have the right to notify Tenant in writing of such circumstance, and if Tenant has not caused such Tenant's Work to be completed within 30 days after delivery of such notice, Landlord shall have the right, but not the obligation, to perform any or all of such Tenant's Work as remains uncompleted, and all costs incurred in connection therewith shall be payable by Tenant to Landlord within five (5) days after demand by Landlord. In addition, if any portion of such work remains uncompleted as of the date that is one (1) year prior to the Termination Date, Landlord shall have the right to require Tenant to immediately remove the uncompleted improvements at any time thereafter.

5. Fenced Area; Gates; Dumpsters; No Underground Storage Tanks. The parties acknowledge that Tenant's Work contemplates the installation of a fence or fences enclosing a portion of the truck court and parking areas serving Building 2 (the "Fence"), which Fence shall include but not be limited to gates on the west side of the Fence allowing vehicular (including tractor trailer) ingress to and egress from the fenced area. Tenant shall ensure that access through the Fence shall be made available at any and all times for Landlord, Landlord's property

manager, any vendors or persons emptying the dumpsters for Building 2 and any other parties identified or designated by Landlord; provided, however, except in the event of emergency, Landlord shall provide Tenant with at least 24 hours prior notice of such entry and Tenant shall have the right to have a representative present during such entry. Tenant's right to maintain closed gates on the Fence shall be conditioned on such access remaining available 24 hours per day, 7 days per week. Tenant acknowledges and agrees that the use of all portions of the Project located outside the Premises, including specifically but without limitation any fenced-in portions of the truck court or parking areas, shall be subject to Landlord's control in all respects and to such reasonable rules and regulations as Landlord shall deem appropriate, in Landlord's reasonable discretion, and Tenant's violation of any of the foregoing, remaining after notice and 20 days opportunity to cure, shall be an Event of Default under the Lease, except if such violation is not reasonably capable of being cured within said 20-day period, then so long as Tenant has commenced to cure such violation within said 20-day period, Tenant shall have an additional thirty (30) days to cure such violation provided that Tenant diligently pursues such cure to completion. Notwithstanding anything to the contrary set forth in the Lease or in any plans and specifications for Tenant's Work approved by Landlord, in no event shall Tenant install any underground storage tanks for fuel or any other substance on the Project.

6. Tenant's Pro Rata Share.

a. Second Expansion Premises. From and after the Second Expansion Commencement Date, Tenant's pro rata share shall be 100% of all Additional Expenses relating solely to Building 2. With respect to Additional Expenses that are not incurred solely for the benefit of one particular building in the Project, Landlord reserves the right to allocate such expenses among the buildings in the Project benefitting from such expenses in a manner determined by Landlord to be fair and reasonable; provided, however, in no event shall Tenant's pro rata share of such Additional Expenses exceed the percentage that the square foot area of the Premises bears to the total square foot area of the buildings comprising the Project that benefit from such expenses. For sake of clarity, Tenant shall not be responsible for, and Tenant's pro rata share shall be 0%, for Additional Expenses relating solely to buildings in the Project other than Building 2. All such amounts shall be due and payable at the time and in the manner set forth in the Lease.

b. Cap on Additional Expenses. Notwithstanding anything to the contrary contained in the Lease, the cap on increases in Tenant's pro rata share of Controllable Additional Expenses described in Section 8.6 of the Lease shall not apply to any expenses attributable to or arising in connection with or out of Tenant's Work or the alterations or improvements to be constructed by Tenant, or resulting from Tenant's exclusive use of any areas located within the fences to be constructed by or for Tenant as contemplated herein. The calculation of the cap on increases in Controllable Additional Expenses set forth in said Section 8.6 of the Lease shall be calculated on a per square foot basis, and, at Landlord's option, shall be calculated separately with respect to the Existing Premises and the Second Expansion Premises. With respect to the Second Expansion Premises, such cap shall not apply until January 1 following the end of the first full calendar year after the Second Expansion Commencement Date.

7. Indemnification. Tenant's obligations set forth in clause (i) of Section 14.1 of the Lease shall extend to and include any injuries or death to persons and damage to property occurring within any portion of the Project that is fenced-in by Tenant, including, without limitation, the truck court, parking areas and drive aisles for Building 2.

8. Term. Commencing as of the Second Expansion Commencement Date, the Term of the Lease for all of the Premises (including the Existing Premises and the Second Expansion Premises) shall be extended until and shall expire on, and the "Termination Date" (as such term is used in this Lease) shall mean, September 30, 2028, unless sooner terminated in accordance with the terms of the Lease and subject to the renewal rights contained in Exhibit E to the Lease (as amended by this Amendment). The parties agree that the Term for the Existing Premises and for the Second Expansion Premises shall be coterminous. As such phrase is used in the Lease, the "Commencement Date," as it relates to the Second Expansion Premises, shall mean and refer to the Second Expansion Commencement Date.

The Lease is hereby amended by deleting the first paragraph of Exhibit E thereto and substituting the following paragraph in its place:

> Tenant, but not any assignee or subtenant of Tenant, shall have the option to extend the Term for up to two (2) consecutive terms of five (5) years each (each, a "Renewal Term"), provided (a) Tenant is not in default at the time of exercise of the respective option, and (b) Tenant gives written notice of its exercise of the respective option at least nine (9) months, but not more than twelve (12) months, prior to the expiration of the then current Term or Renewal Term (as applicable). Each Renewal Term shall be upon the same terms and conditions, except (i) Tenant shall have no further right of renewal after the second Renewal Term (or after the first Renewal Term, if the second Renewal Term is not properly exercised), and (ii) the monthly Base Rent will be equal to the Market Rental Rate (as defined below). Tenant shall continue to be responsible for Tenant's pro rata share of Additional Expenses during the respective Renewal Term, if exercised by Tenant.

9. Rent.

a. Prior to Second Expansion Commencement Date. Prior to the Second Expansion Commencement Date, (i) Tenant shall not be required to pay Base Rent or Additional Expenses for the Second Expansion Premises, and (ii) Base Rent and Additional Expenses for the Existing Premises shall continue to be paid in accordance with the Existing Lease, except that commencing the later of (a) the Amendment Date and (b) June 1, 2021 and continuing until the Second Expansion Commencement Date, the annual rate of Base Rent for Suite 20, referred to as the "Expansion Premises" in the First Amendment, shall be increased by Seventy-Five Cents ($0.75) per square foot to Fourteen and 12/100 Dollars ($14.12) per square foot.

b. After Second Expansion Commencement Date. Commencing on the Second Expansion Premises Date and continuing through the remainder of the Term of the Lease, Tenant shall pay Base Rent and Additional Expenses for the entire Premises, including, without limitation, the Second

Expansion Premises, on a monthly basis in the manner described in the Lease. Base Rent shall be payable during such time period according to the Base Rent schedule attached hereto as **EXHIBIT B,** which rent schedule contains a blended rate of Base Rent for all of Building 2, which blended rate is calculated on the basis of an initial annual rate of Base Rent equal to Fourteen and 12/100 Dollars ($14.12) per square foot for the Second Expansion Premises.

10. Security Deposit. Tenant shall pay to Landlord as security for the full performance of all the provisions of the Lease an additional sum equal to $101,689.79 (the "Additional Deposit"). The Additional Deposit will be added to and become a part of the Security Deposit Landlord currently is holding in the amount of $119,918.57, for a total Security Deposit amount of $221,608.36, which is equal to one month of gross rent for the Existing Premises and the Second Expansion Premises, calculated on the basis of the Base Rent payable for the final month of the Term plus Landlord's current estimate of monthly Additional Expenses that will be payable in the first full month immediately following the Second Expansion Commencement Date. The Additional Deposit shall be paid to Landlord on the Amendment Date. The entire Security Deposit shall be held, applied, replenished and refunded in accordance with the terms of the Lease.

11. Letter of Credit. In addition to the cash Security Deposit described above, and to further secure and guarantee the obligations of Tenant under this Lease, Tenant shall deliver to Landlord, on or before the date that is thirty (30) days after the Amendment Date, an irrevocable, transferable, standby letter of credit ("Letter of Credit") in the amount of $664,825.07, in form and substance, and issued by a bank, reasonably acceptable to Landlord. Provided that no monetary or other default under the Lease shall have occurred, the requirement to maintain a Letter of Credit shall terminate on the scheduled Termination Date and shall not apply to any Renewal Terms. Subject to the foregoing sentence, the Letter of Credit shall have an expiry date of no earlier than thirty (30) days following the last day of the Term of the Lease, as the same may be extended or renewed; provided, however, that this requirement may be satisfied by a series of Letters of Credit issued on an annual basis, or an automatically renewing Letter of Credit which otherwise meet the requirements hereof, provided that at no time before the last day of the Term of the Lease shall the Letter of Credit then held by Landlord hereunder have less than thirty (30) remaining days prior to its expiration or cancellation. If at any time prior to the last day of the Term of the Lease less than thirty (30) days exists prior to the expiration or cancellation of the Letter of Credit then held by Landlord and if Tenant has failed to provide a substitute letter of credit or equal amount of cash security complying with the terms hereof within fifteen (15) days after Tenant's receipt of written notice and opportunity to cure from Landlord, a Tenant Event of Default shall be deemed to have occurred under this Lease, without any further requirement or notice or opportunity to cure, notwithstanding any notice requirements or cure periods provided in the Lease. The Letter of Credit shall be issued in favor of the Landlord (and its transferees), and shall be conditioned only upon receipt of a certified statement from Landlord (or its transferees) to the issuer that an Event of Default by Tenant has occurred under the Lease after applicable notice and opportunity to cure (if applicable), and that Landlord is entitled to draw upon the Letter of Credit. Landlord is authorized to present the Letter of Credit to the issuer for payment in the event of any Event of Default by Tenant under the Lease after any applicable notice and opportunity to

cure provided in the Lease for such Event of Default. The proceeds of such Letter of Credit shall thereupon be payable by the issuer thereof to the Landlord, who shall hold and use such proceeds as additional cash security for the performance of Tenant's covenants and obligations under this Lease in the same manner as the cash Security Deposit.

12. Financial Statements. For so long as Tenant remains a publicly-traded company and is subject to reporting to the Securities and Exchange Commission (SEC), Landlord shall obtain all financial information concerning Tenant from publicly available records filed by Tenant with the SEC and Tenant shall have no obligation to deliver financial statements pursuant to the Lease. If Tenant ceases to be a publicly traded company, Tenant shall provide to Landlord financial statements in accordance with Section 27 of the Original Lease.

13. Access Devices. Promptly after completion of Tenant's Work, Tenant shall deliver to Landlord's property manager keys, access codes or cards, or other appropriate access devices to all doors and gates leading to the Premises and to each gate to be installed as part of Tenant's Work. Thereafter, Tenant shall ensure that Landlord or Landlord's property manager shall promptly receive updated keys, access codes or cards, or other appropriate access devices any time locks or other security devices are modified, such that Landlord always has in its possession, or in the possession of its property manager, working keys, access codes or cards, or other appropriate access devices by which Landlord can gain access to all areas of the Project, including, without limitation, any areas inside the Fence, 24 hours per day and 7 days per week.

14. Brokers. Each party represents and warrants that it has had no dealings with any real estate broker or agent in connection with the negotiation of this Amendment other than Cushman & Wakefield and Aquila Commercial, LLC (collectively, the "Brokers"), and Landlord and Tenant each agrees to indemnify and hold harmless the other from and against any claims by any other broker, agent or other person claiming a commission or other form of compensation by virtue of having dealt with the indemnifying party with regard to this transaction. Landlord shall pay a commission to Brokers pursuant to a separate written agreement or agreements. No broker shall be a third party beneficiary of this Amendment.

15. Authority. Tenant and each person signing this Amendment on behalf of Tenant represents to Landlord as follows: (i) Tenant is duly formed and validly existing under the laws of the State of Delaware, (ii) Tenant has and is qualified to do business in Texas. (iii) Tenant has the full right and authority to enter into this Amendment, and (iv) each person signing on behalf of Tenant was and continues to be authorized to do so. Landlord and each person signing this Amendment on behalf of Landlord represents to Tenant as follows: (i) Landlord has the full right and authority to bind itself without the consent or approval of any other person or entity and that it has full power, capacity, authority, and legal right to execute and deliver this Amendment and to perform all of its obligations hereunder; and (ii) no consent of any lender or any other party is required for the execution of this Amendment, or such consent has been obtained and evidence of same has been delivered to Tenant.

16. Estoppel Certificate. Concurrently with Tenant's execution of this Amendment, or at such later date as Landlord may request on not fewer than ten (10) days' advance notice, Tenant shall deliver to Landlord an estoppel certificate, in the

form attached hereto as **EXHIBIT C,** duly executed by Tenant (the "Second Amendment Estoppel Certificate"). In the event Tenant fails to deliver to Landlord a signed Second Amendment Estoppel Certificate as and when required herein, Landlord shall have the right to sign such Second Amendment Estoppel Certificate in the name of Tenant, and Tenant hereby irrevocably appoints Landlord as Tenant's attorney-in-fact for such purposes.

17. Exhibits. Each Exhibit and Addendum attached hereto is made a part hereof for all purposes.

18. Execution. This Amendment may be executed in multiple counterparts and all such counterparts when taken together shall constitute one and the same instrument. This Amendment and counterparts thereof, may be executed and delivered by facsimile or other electronic transmission, with the same effect as an original executed Amendment or counterpart.

19. Effect of Amendment. The Second Expansion Premises shall be subject to all of the terms and conditions of the Existing Lease except as expressly modified herein and except that Tenant shall not be entitled to receive any allowances, abatements or other financial concessions that were granted with respect to the Existing Premises unless such concessions are expressly provided for in this Amendment with respect to the Second Expansion Premises. Except as expressly modified herein, the terms of the Existing Lease shall remain in full force and effect, and Landlord and Tenant hereby ratify such terms, as herein amended. From and after the Amendment Date, references in the Existing Lease or in this Amendment to the "Lease," shall mean the Existing Lease as amended by this Amendment.

20. No Representations. Landlord, Landlord's agents, Tenant, and Tenant's agents have made no representations or promises, express or implied, in connection with this Amendment except as expressly set forth herein and neither Landlord nor Tenant has relied on any representations except as expressly set forth herein.

21. Entire Agreement. This Amendment, together with the Existing Lease and the Commencement Date Agreement executed by the parties with respect to the Existing Premises, contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Amendment or the Existing Lease, and no prior agreement. understanding or representation pertaining to any such matter shall be effective for any purpose.

22. Severability. A determination that any provision of this Amendment is unenforceable or invalid shall not affect the enforceability or validity of any other provision hereof and any determination that the application of any provision of this Amendment to any person or circumstance is illegal or unenforceable shall not affect the enforceability or validity of such provision as it may apply to any other persons or circumstances.

23. Governing Law. Construction and interpretation of this Lease will be governed by the applicable laws of the State of Texas, excluding any principles of conflicts of laws. Any disputes arising under, in connection with, or incident to this Amendment or about its interpretation will be resolved exclusively in the state or federal courts located in the county in which the Premises are located. Each of the

parties irrevocably submits to those courts' venue and jurisdiction for such disputes.

24. Submission Not an Offer. The submission by Landlord or Tenant of this Amendment shall have no binding force or effect, shall not constitute an option, and shall not confer any right or impose any obligations upon either party, until execution and delivery of this Amendment by both parties.

[Signature page follows.]

IN WITNESS WHEREOF, this Amendment is executed to be effective as of the Amendment Date.

TENANT:

HYLIION INC.,
a Delaware corporation

By: /s/ Greg Standley
Name: Greg Standley
Title: VP of Finance & Acctg

Date Signed: June 2, 2021

LANDLORD:

IGX BRUSHY CREEK, LLC.
a Texas limited liability company

By: IGX Dynamo Holdings, LP,
a Texas limited partnership
its Managing Member

By: IGX Dynamo Brushy Creek GP, LLC,
a Texas limited liability company
its General Partner

By: /s/ Marcelo Gutierrez
Name: Marcelo Gutierrez Gutierrez
Title: Manager

Date signed: June 4, 2021

THIRD AMENDMENT TO INDUSTRIAL LEASE

This Third Amendment to Industrial Lease (the "Amendment") is made and entered into by and between **IGX BRUSHY CREEK, LLC,** a Texas limited liability company ("Landlord") and **HYLIION INC.,** a Delaware corporation ("Tenant"), and is dated for reference purposes only as of December 17, 2021 (the "Amendment Date").

RECITALS:

WHEREAS, Landlord and Tenant are parties to that certain Industrial Lease dated as of February 5, 2018 (the "Original Lease"), as amended by that certain First Amendment to Industrial Lease dated as of December 1, 2020 (the "First Amendment") and that certain Second Amendment to Industrial Lease dated as of June 2, 2021 (the "Second Amendment"), pursuant to which Tenant has leased from Landlord certain premises consisting of approximately 124,780 square feet of space in Building 2 of the Brushy Creek Corporate Center located at 1200 BMC Drive, Cedar Park, Texas 78613, such existing premises constituting all of Building 2, as such leased premises are more particularly described therein. The Original Lease, as so amended, is herein referred to as the "Existing Lease," and the premises leased to Tenant thereunder are herein referred to as the "Existing Premises."

WHEREAS, Landlord and Tenant now desire to modify the Existing Lease in order to further expand the leased premises to include the Third Expansion Premises (as defined below), which consists of approximately 26,908 square feet located in Building 1 of the Brushy Creek Corporate Center located at 1200 BMC Drive, Cedar Park, Texas 78613 ("Building **1"),** which Building 1 contains approximately 106,250 square feet and to make certain other modifications to the terms of the Existing Lease, all as more specifically set forth herein below.

AGREEMENT:

NOW, THEREFORE, for and in consideration of the sum of Ten and No/100 Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant agree as follows:

1. Definitions. Capitalized terms not otherwise defined herein have the meaning attributed to them in the Existing Lease. As used herein and in the Existing Lease, "Lease" shall mean the Existing Lease, as amended by this Amendment.

2. Third Expansion Premises. The Term of the Lease for the Third Expansion Premises (as defined below) shall commence upon the earlier of (i) June 1, 2022, (ii) the date on which the Tenant's Work (as defined in **ADDENDUM 1** attached hereto) to be performed in the Third Expansion Premises shall be substantially completed (the "Third Expansion Commencement Date"), provided that in the event of any Landlord Delay (as defined in **ADDENDUM 1),** the date described in clause (ii) shall be extended on a per diem basis beyond the actual date of substantial completion of Tenant's Work for each day of Landlord Delay. As of the Third Expansion Commencement Date, the Premises shall be

Initials

Landlord Tenant

expanded to include Suite 100 in Building 1, which the parties agree contain in the aggregate 26,908 square feet of space, the location of which is shown for identification purposes only on EXHIBIT A attached hereto (the "Third Expansion Premises"). Any possession or occupancy by Tenant of the Third Expansion Premises prior to the Third Expansion Commencement Date shall be subject to all the terms and provisions of the Lease, except that no Base Rent or Additional Expenses shall be payable with respect to the Third Expansion Premises until the Third Expansion Commencement Date. From and after the Third Expansion Commencement Date, the Premises shall consist of the Existing Premises and the Third Expansion Premises. The "Building," as such term is used in the Lease, shall mean Building 1 and/or Building 2, as the context may require.

3. Term. Upon the occurrence of the Third Expansion Commencement Date, the Term of the Lease for the entire Premises shall be amended to expire on April 30, 2027, and the phrase "Termination Date" shall be amended refer to such date. Other than the renewal option set forth in Exhibit E to the Lease, as the same was modified by Section 8 of the Second Amendment, Tenant has no other rights or options to renew or extend the Term of the Lease or to lease or purchase any portion of the Project.

4. Rent. Tenant's obligation to pay Base Rent and Additional Rent for the Third Expansion Premises shall commence on the Third Expansion Commencement Date. Subject to the immediately preceding sentence, commencing on the Amendment Date and continuing throughout the remainder of the Term, Tenant shall pay Base Rent, Additional Expenses and all other rentals provided for in the Lease for the entire Premises, provided that Base Rent shall be paid in accordance with the Base Rent schedule attached hereto as **EXHIBIT B.** Notwithstanding anything in this Amendment to the contrary, Tenant shall have a right, but not the obligation, at Tenant's sole expense, to cause its architect to remeasure the Third Expansion Premises within sixty (60) days after the Amendment Date pursuant to the most recent applicable BOMA standards. If Tenant elects to have its architect remeasure the Third Expansion Premises, Tenant shall, prior to the expiration of such 60-day period, provide to Landlord a written certification from Tenant's architect setting forth the number of rentable square feet of space in the Third Expansion Premises as so determined by Tenant's architect, and upon Landlord's reasonable verification of such discrepancy, the parties shall enter into an amendment to this Lease adjusting any sums (but expressly excluding the per square foot Base Rent rate set forth on **EXHIBIT B)** so affected by such discrepancy.

5. Tenant's Pro **Rata Share.**

   a. Third Expansion Premises. As set forth in Section 8.1 of the Lease, Tenant's pro rata share is the percentage that the square foot area of the Premises bears to the total square foot area of the buildings(s) comprising the Project, which, prior to the Third Expansion Commencement Date, is equal to 100% of Building 2. From and after the Third Expansion Commencement Date Tenant's pro rata share shall be (i) 100% of all Additional Expenses relating solely to Building 2 and (ii) 25.3% of all Additional Expenses relating solely to Building 1, subject to adjustment in accordance with Section 4 above. With respect to Additional Expenses that are not

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incurred solely for the benefit of one particular building in the Project, Landlord reserves the right to reasonably allocate such expenses among the buildings in the Project benefitting from such expenses in a manner determined by Landlord to be fair and reasonable, and otherwise subject to the provisions of the Lease. All such amounts shall be due and payable at the time and in the manner set forth in the Lease.

b. Cap on Additional Expenses. The calculation of the cap on increases in Controllable Additional Expenses set forth in said Section 8.6 of the Lease shall be calculated on a per square foot basis, and, at Landlord's option, shall be calculated separately with respect to the Third Expansion Premises. With respect to the Third Expansion Premises, such cap shall not apply until January 1 following the end of the first full calendar year after the Third Expansion Commencement Date.

6. Early Access. Tenant shall have the right, on a temporary basis, to occupy the Third Expansion Premises commencing on the date Landlord tenders to Tenant the Third Expansion Premises in the condition required by this Amendment. During any such period of temporary occupancy, all of Tenant's obligations under the Lease shall apply and be in full force and effect, and Tenant shall comply with and perform all such obligations with respect to the Third Expansion Premises, except that no Base Rent or Additional Expenses shall be payable with respect to the Third Expansion Premises until the Third Expansion Commencement Date. In the event the Third Expansion Commencement Date has not occurred, for any reason, by June 1, 2022, Tenant's temporary right to occupy the Third Expansion Premises shall terminate as of such date.

7. Parking. Commencing on the Third Expansion Commencement Date, Tenant shall have the non-exclusive right to use its pro rata share of parking spaces associated with Building 1, subject to the terms of the Lease, and shall have the right, as part of Tenant's Work, to install signage identifying up to three (3) such spaces as being reserved for Tenant's visitors, such signage to be subject to Landlord's prior written approval which shall not be unreasonably withheld, conditioned or delayed, and the location of the reserved spaces shall be in those locations as set forth in **EXHIBIT A** attached hereto. Following the Amendment Date, Landlord shall not grant any other tenant the right to use any parking spaces located directly adjacent to Building 2 during the term of the Lease, so long as Tenant is the sole tenant of Building 2 and is operating its business in all of Building 2.

8. Condition of Third Expansion Premises. Landlord shall tender the Third Expansion Premises to Tenant on the date that is one (1) day after the Amendment Date (the "Delivery Date"). As of the Delivery Date, Landlord shall have caused the Third Expansion Premises to be delivered to Tenant with all existing building systems (i.e., mechanical, electrical, plumbing, and HVAC) serving the Third Expansion Premises in good working order and condition, and in compliance with all applicable laws, regulations and building codes in all material respects, including, without limitation, all laws governing non-discrimination in public accommodations and commercial facilities, including, without limitation, the Americans with Disabilities Act, Texas Architectural Barriers Act, and all regulations thereunder, as amended or modified (the "Delivery Condition"), provided, however, that

any compliance required for Tenant's particular use of the Third Expansion Premises (other than for general office and warehouse use) shall be Tenant's sole responsibility. Notwithstanding the foregoing, the Delivery Condition shall not require that the Third Expansion Premises comply with Environmental Laws. Landlord represents and warrants to Tenant that, to Landlord's knowledge, there are no Hazardous Substances existing on, in, under or about the Third Expansion Premises in violation of applicable Environmental Laws. Subject to the obligations of Landlord set forth in this Amendment, and subject to latent defects and Landlord's general maintenance and repair obligations set forth in Section 9.1 of the Existing Lease, as modified by this Amendment, Tenant accepts the Third Expansion Premises in their **"AS-IS", "WHERE IS" and "WITH ALL FAULTS"** condition, subject to all matters now or hereafter of record, and all laws, ordinances, and governmental regulations and orders. Other than satisfying the Delivery Condition, Landlord has no obligation to construct, refurbish or otherwise clean, improve or repair the Third Expansion Premises prior to or as a condition of Tenant's occupancy. **EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES OF LANDLORD SET FORT HEREIN OR OTHERWISE SET FORTH IN THE LEASE, TENANT ACKNOWLEDGES THAT NEITHER LANDLORD NOR ANY AGENT OF LANDLORD HAS MADE, AND TENANT IS NOT RELYING ON, AND (TO THE EXTENT PERMITTED BY APPLICABLE LAWS) TENANT HEREBY WAIVES AND TENANT AND LANDLORD HEREBY DISCLAIM, ANY WARRANTY OR REPRESENTATION OF ANY KIND, EITHER EXPRESS OR IMPLIED, AS TO THE HABITABILITY, FITNESS, QUALITY OR CONDITION OF THE THIRD EXPANSION PREMISES OR THE PROJECT OR THE IMPROVEMENTS THEREON, OR THE SUITABILITY OF THE THIRD EXPANSION PREMISES, THE PROJECT OR THE IMPROVEMENTS THEREON FOR TENANT'S INTENDED USE OR ANY OTHER MATTERS RELATING TO THE PREMISES.** The provisions of this paragraph are a material part of the consideration for this Amendment.

9. Tenant's Work.

a. Third Expansion Allowance. Landlord agrees to provide Tenant with an additional allowance for completion of Tenant's Work in the First Expansion Premises, the Second Expansion Premises and the Third Expansion Premises in the aggregate amount of $1,319,258.00 (the "Third Expansion Allowance"), which amount is calculated as follows: (i) for the First Expansion Premises, an amount equal to $15.00 per rentable square foot contained within the First Expansion Premises, being a total amount for the First Expansion Premises equal to $309,630.00; (ii) for the Second Expansion Premises, an amount equal to $15.00 per rentable square foot contained within the Second Expansion Premises, being a total amount for the Second Expansion Premises equal to $310,020.00; and (iii) for the Third Expansion Premises, an amount equal to $26.00 per rentable square foot contained within the Third Expansion Premises, being a total amount for the Third Expansion Premises equal to $699,608.00. In addition to the Third Expansion Allowance, Landlord shall make available to Tenant an amount equal to $2,690.80 for an initial test fit for Tenant's Work. Any portion of the Third Expansion Allowance or test fit

allowance for which Tenant has not submitted to Landlord a written request for disbursement and satisfied all requirements to disbursement set forth in the Lease by December 31, 2022 (the "Third Expansion Allowance Deadline"), subject to extension due to Unavoidable Delay and Landlord Delay, shall be forfeited by Tenant, and Landlord shall have no further obligation with respect thereto. Landlord agrees to pay the Third Expansion Allowance to Tenant in accordance with ADDENDUM **1** hereto.

b. Tenant's Performance of Tenant's Work. With respect to any alterations or improvements approved by Landlord in connection with the First Amendment or the Second Amendment and which have not been completed by Tenant prior to the Amendment Date, Landlord and Tenant agrees that such approvals are hereby revoked, and if Tenant wishes to proceed with any such work, then Tenant shall resubmit the request for Landlord's review pursuant to the terms of the Lease. Tenant shall perform certain modifications to the First Expansion Premises, the Second Expansion Premises and the Third Expansion Premises in accordance with **ADDENDUM 1** attached hereto, subject to compliance with the terms and conditions of said **ADDENDUM 1** and the Lease. The parties agree that Tenant shall have the right, but not the obligation, to perform all or a portion of the Tenant's Work; provided, however, if Tenant commences any part of the Tenant's Work, Tenant shall be obligated to complete the portion(s) of the Tenant's Work commenced by Tenant (so as not to leave commenced construction in an unfished or unsafe condition) and any other portions of Tenant's Work related thereto. All Tenant's Work, if performed, shall be completed at Tenant's sole expense, subject only to the payment by Landlord of the Third Expansion Allowance in accordance with, and subject to all limitations and conditions precedent set forth in, **ADDENDUM 1** hereto. Tenant shall use commercially reasonable efforts to complete Tenant's Work on or prior to December 31, 2022. Tenant, at Tenant's sole expense, shall obtain all necessary licenses, permits and approvals of any kind relating in any way to Tenant's Work prior to the commencement thereof, and Landlord shall reasonably cooperate with the same at no cost or liability to Landlord.

c. Notwithstanding anything in the Lease to the contrary, including without limitation, Section 9.5 of the Lease, any remaining alterations, additions, improvements and fixtures to the Premises performed by or for Tenant, whether comprising a part of Tenant's Work or otherwise, shall remain and be surrendered to Landlord, and become the property of Landlord, at the termination of this Lease (excluding, however, Tenant's trade fixtures, furniture and equipment, which Tenant may remove at the expiration of the Lease so long as no Event of Default then exists and any damage caused by such removal is repaired by Tenant to Landlord's satisfaction prior to the expiration or termination of this Lease), unless Landlord requests their removal in writing; provided, however that any such request by Landlord with respect to removal of alterations, additions, improvements or fixtures expressly approved by Landlord must be made by Landlord at the time Landlord approves the installation thereof, which removal Landlord shall not unreasonably

require so long as such alterations, additions, improvements and fixtures (i) are typical for industrial properties comparable with the Project in the Cedar Park, Texas market, (ii) are generally consistent with other space within the Project, and (iii) do not adversely affect the structural portions of the Project or the Building systems. If Landlord so requires their removal, then Tenant, at Tenant's sole cost and expense and prior to the last day of the Term of the Lease, shall remove the same, repair any damage caused by such removal, and restore the Premises and common areas to their original condition as existing prior to such installation, normal wear and tear excepted. Landlord agrees that any alterations, additions, improvements and fixtures to the Premises made by Tenant prior to the Amendment Date are not required to be removed at the upon the termination of the Lease. Notwithstanding anything to the contrary contained in the Lease, in no event shall Tenant perform any work in the Premises or on the Project that would void, jeopardize, violate or invalidate any warranties that may cover any portion of the Premises or Project, including, without limitation, the roof of the building in which the Premises are located, provided Landlord notifies Tenant of the applicable warranty. Landlord reserves the right to require Tenant to use a contractor designated by Landlord to perform any work affecting the roof, so long as the costs of such contractor are commercially reasonable.

10. Landlord Repairs. For the period commencing on the Third Expansion Commencement Date and continuing until the first (1') anniversary of the Third Expansion Commencement Date, and notwithstanding anything in the Existing Lease to the contrary, Landlord, as part of Landlord's maintenance and repair obligations set forth in Section 9.1 of the Existing Lease, shall, at Landlord's sole cost and expense, maintain in a good state of repair and working order the mechanical, electrical, plumbing and HVAC systems serving the Third Expansion Premises, except for any maintenance, repairs or replacement caused by the negligent acts or omissions of Tenant, Tenant's agents, employees, contactors or invitees. Landlord's obligations hereunder with respect to maintaining the HVAC system shall be subject to Tenant's entering into and maintaining at all times from and after the Third Expansion Commencement Date a regular service contract requiring the entire HVAC system serving the Premises to be inspected and serviced by a qualified or licensed HVAC contractor at least quarterly at Tenant's expense. In addition, Landlord's obligation to maintain the floors and foundations of the Premises set forth in Section 9.1 of the Existing Lease shall be deemed to include the slab floor of the Premises.

11. Replacement of HVAC Units. In the event that, during the initial Term of the Lease with respect to the Third Expansion Premises, any of the HVAC units serving the Third Expansion Premises can no longer be economically repaired and are required to be replaced, in Landlord's reasonable opinion, then, provided the cost thereof is reasonable, Landlord shall replace such unit(s) and the cost thereof shall be amortized over a period of twelve (12) years. Tenant shall reimburse Landlord for all costs reasonably incurred by Landlord which are associated with such HVAC replacements by including in each payment of monthly Base Rent following such replacement an additional amount equal to 1/144th of the total costs reasonably incurred by Landlord in connection with any such HVAC replacement(s). Such amounts shall constitute rent under the Lease.

Notwithstanding the foregoing, to the extent any replacement of HVAC unit(s) results from (or is accelerated as a result of) Tenant's negligence, misuse or failure to perform regular quarterly service of the HVAC unit(s), the costs of such replacement shall be paid by Tenant at the time of replacement.

12. Previous Landlord Repairs: Release by Tenant.

(a) Tenant acknowledges that Landlord has caused to be performed certain repairs and remediation to Building 2, including to the Existing Premises, that required Tenant to temporarily vacate the Existing Premises at the request of Landlord (the "Building 2 Repairs"), and that Tenant has received written notice from Landlord's engineer confirming that such repairs and remediation were designed, and have been completed, in accordance with applicable building codes. Landlord and Tenant agree that Tenant has incurred or will incur certain costs, expenses and damages in connection with Landlord's performance of such Building 2 Repairs, the conditions which precipitated such work, and Tenant's temporary vacation of the Premises, and further agree that as a final settlement between the parties of all damages, costs or expenses incurred by Tenant as a result of Landlord performing the Building 2 Repairs and Tenant's temporary vacation of the Premises, Landlord has agreed pay to Tenant, and Tenant has agreed to accept, payment in the total amount of $1,500,000.00 (the "Relocation Payment"). Tenant previously has received from Landlord of a portion of the Relocation Payment in the amount of $290,186.01, and Landlord shall pay to Tenant the remainder of the Relocation Payment in the amount of $1,209,813.99 within five (5) business days following the Amendment Date or the date on which this Amendment has been executed by both Landlord and Tenant, whichever is later. Landlord's payment to Tenant of such remainder of the Relocation Payment shall be made via wire transfer payment to Tenant's bank account pursuant to wire instructions previously provided by Tenant to Landlord. Landlord's agreement to pay to Tenant the Relocation Payment shall not be construed as an agreement to reimburse or pay any other amounts relating in any way to Landlord performing the Building 2 Repairs or Tenant's temporary vacation of the Premises as a result thereof, or to any other repairs or work performed, to be performed, or required to be performed by Landlord under the Lease.

(a) In consideration of Landlord's payment to Tenant of the Relocation Payment, Tenant hereby **SETTLES, RELEASES, WAIVES, DISCHARGES AND QUITCLAIMS** any and all actions, defaults, causes of action, claims, suits, debts, expenses, damages, judgments, liabilities and demands whatsoever, whether now known or unknown, whether matured or un-matured, whether at law or in equity, or thereafter claimed to have, arising out of or relating to the performance of the Building 2 Repairs, the conditions which precipitated such work and Tenant's temporary vacation of the Premises, subject, however, to the second to last sentence of this Section 12(b). Tenant's occupancy of the Existing Premises after the Amendment Date is an acknowledgement by Tenant that, to the best of the Tenant's knowledge after reasonable investigation, the Existing Premises complies with all requirements of the Lease. The foregoing waiver and release from Tenant is a material part of the consideration for this Amendment without which Landlord would not be willing to enter into this Amendment. The provisions of this Section 12(b) do not

release Landlord from any claims for breach of Landlord's obligation to pay the Relocation Payment to Tenant pursuant to Section 12(a) of this Amendment, nor are they intended to relieve Landlord of its continuing obligations for maintenance and repair expressly set forth in the Lease. This Section 12 shall survive any termination of the Lease.

13. Brokers. Each party represents and warrants that it has had no dealings with any real estate broker or agent in connection with the negotiation of this Amendment other than Jones Lang LaSalle Brokerage, Inc. and Aquila Commercial, LLC (collectively, the "Brokers"), and Landlord and Tenant each agrees to indemnify and hold harmless the other from and against any claims by any other broker, agent or other person claiming a commission or other form of compensation by virtue of having dealt with the indemnifying party with regard to this transaction. Landlord shall pay a commission to Brokers pursuant to a separate written agreement or agreements. No broker shall be a third party beneficiary of this Amendment.

14. Authority. Tenant represents to Landlord as follows: (i) Tenant is duly formed and validly existing under the laws of the State of Delaware, (ii) Tenant has and is qualified to do business in Texas, (iii) Tenant has the full right and authority to enter into this Amendment, and (iv) each person signing on behalf of Tenant was and continues to be authorized to do so. Landlord represents to Tenant as follows: (i) Landlord has the full right and authority to bind itself without the consent or approval of any other person or entity and that it has full power, capacity, authority, and legal right to execute and deliver this Amendment and to perform all of its obligations hereunder; and (ii) no consent of any lender or any other party is required for the execution of this Amendment, or such consent has been obtained and evidence of same has been delivered to Tenant.

15. Estoppel Certificates. Section 23.2 of the Lease is hereby deleted, and the following is substituted in its place:

"23.2 Condition of Lease. From time to time, within fifteen (15) days after Tenant's receipt of Landlord's written request, Tenant shall execute, acknowledge and deliver to Landlord an estoppel certificate in such form or forms, and containing such statements by Tenant, as Landlord shall reasonably require. Without limiting Tenant's obligations described above, Tenant agrees that each of the statements set forth on EXHIBIT C hereto (with blanks therein completed), as the same may be reasonably modified by Landlord, constitute reasonable requirements for any such estoppel certificate, and Tenant shall not object to the inclusion of the same, or any reasonable modifications thereof, in any estoppel certificates. In the event Tenant fails to deliver to Landlord a signed estoppel certificate as and when required herein, and if Landlord provides to Tenant a second written notice requesting the estoppel certificate and Tenant fails to return the estoppel certificate within five (5) days after such second written request, such failure shall constitute a material Event of Default under the Lease without the requirement of any further notice or elapse of time notwithstanding any provision of the Lease to the contrary. In such event, and in addition to any other rights or remedies of Landlord under the Lease, at law or in equity, including, without limitation, the right to terminate the Lease or Tenant's right of possession, Tenant shall be liable to Landlord for any damages suffered by Landlord as a result of such failure or delay. Without limiting the foregoing, Tenant shall in such event, upon demand, pay to Landlord and amount

equal to $2,000 per day for each day after the end of such 5-day period until Tenant signs and returns the estoppel certificate as required hereunder; provided that the payment of such amounts shall not cure such default or otherwise limit Landlord's right to recover damages or exercise other remedies available to it."

16. Material Landlord Default Resulting in Untenantable Premises. The following provisions of this paragraph shall not apply in the event Tenant is in default under the Lease, or if any events have occurred or circumstances exist which after the giving of notice or passage of time would be a Tenant default under the Lease. In the event Landlord materially defaults in its *obligations under the Lease* relating to the condition of the Premises, *and* such default is not cured *within thirty (30) days after* written *notice* from Tenant (provided that if such *default is* of a nature that cannot reasonably be *cured* within *such* 30-day period, such cure period shall be extended for such time as is reasonable so long as *Landlord* commences *the* cure within such 30-day period and thereafter diligently prosecutes such cure to completion), subject to extension for Unavoidable Delays, Tenant shall have the right to send to Landlord a second notice identifying such Landlord default and notifying Landlord that Landlord's failure to cure the same within an additional period of fifteen (15) days following Landlord's receipt of such notice shall constitute a Material Landlord Default, and if *such default* is not cured within such 15-day period, a "Material Landlord Default" shall have occurred. If such Material Landlord Default shall render all or a material portion *of the Premises* untenantable *for a period in excess of one* hundred eighty (180) days (and Tenant in fact ceases to occupy such portion of the Premises for the entirety of such period as a direct consequent of such Landlord default), then *Tenant shall have the right to terminate* this *Lease* by *written notice* given *to Landlord* prior to the earlier of the date on which Landlord cures such default or the Premises (or applicable portion thereof) is returned to a tenantable condition. Notwithstanding the foregoing, such termination right shall not apply in the event of a casualty, *which shall be* governed *by* Section 19 of the Existing Lease, an Eminent Domain Proceeding, which shall be governed by Section 21 of the Existing Lease, or any damage or condition caused, in whole or in part, by Tenant or its agents, officers, employees, representatives, contractors, vendors or invitees. Upon Landlord's cure of any such default or the earlier date on which the Premises (or applicable portion thereof) is returned to a tenantable condition, Tenant promptly shall resume occupancy and the operation of its business in the entire Premises. Notwithstanding anything to the contrary contained herein or in the Lease, in no event shall Landlord be liable to Tenant for lost profits or any special, consequential or punitive damages. In the event of a Material Landlord Default, in addition to the termination right set forth above, Tenant shall have the right to elect, by written notice given to Landlord within ten (10) days after the occurrence of such Material Landlord Default, time being of the essence, to require Landlord to reimburse Tenant for its documented actual and reasonable out of pocket expenses incurred as a direct result of such Material Landlord Default, provided that Tenant shall continue to pay as and when due all Rent and other amounts accruing under the Lease prior to Tenant's termination of the Lease as set forth above. For purposes hereof, a material portion of the Premises means not less than one-third (1/3) of the total area of the Premises. The obligations set forth in this Section 15 shall survive expiration or termination of this Lease.

17. Landlord's Exculpation. Notwithstanding anything contained herein or in the Lease to the contrary, Tenant shall look solely to Landlord to enforce Landlord's obligations under the Lease, and no member, partner, shareholder, director, officer, principal, employee or agent, directly or indirectly, of Landlord (collectively, the "Exculpated Parties") shall be personally liable for the performance of Landlord's obligations under the Lease. Tenant shall not, and hereby waives the right to, seek any damages against any of the Exculpated Parties. The obligations of the Landlord named herein (or of any subsequent landlord) under this Lease accruing from and after the sale, conveyance, assignment or transfer by the Landlord named herein (or by any subsequent landlord) of its interest in the Premises shall not be binding upon the Landlord named herein after the sale, conveyance, assignment or transfer of the interest in the Premises of the Landlord named herein (or upon any subsequent landlord after the sale, conveyance, assignment or transfer of the interest in the Premises of such subsequent landlord); and in the event of any such sale, conveyance, assignment or transfer, Landlord shall be and hereby is entirely freed and relieved of all covenants and obligations of Landlord hereunder that accrue from and after such sale, conveyance, assignment or transfer of Landlord's interest in the Premises, provided that the subsequent landlord after the sale, conveyance, assignment or transfer of the interest in the Premises agrees to assume all liability under the Lease accruing from and after such sale, conveyance, assignment or transfer of Landlord's interest in the Premises. The liability of Landlord for Landlord's obligations under this Lease shall in all cases be limited to Landlord's interest in the Premises, the rents and income derived therefrom, and the proceeds of a public sale of such interest pursuant to foreclosure of a judgment against Landlord, and Tenant shall not look to any other property or assets of Landlord or any Exculpated Parties in seeking either to enforce Landlord's obligations under this Lease or to satisfy a judgment for Landlord's failure to perform such obligations. This provision shall survive the expiration or any termination of the Lease or of this Amendment.

18. Exhibits. Each Exhibit and Addendum attached hereto is made a part hereof for all purposes.

19. Execution. This Amendment may be executed in multiple counterparts and all such counterparts when taken together shall constitute one and the same instrument. This Amendment and counterparts thereof, may be executed and delivered by facsimile or other electronic transmission, with the same effect as an original executed Amendment or counterpart.

20. Effect of Amendment. The Third Expansion Premises shall be subject to all of the terms and conditions of the Existing Lease except as expressly modified herein and except that Tenant shall not be entitled to receive any allowances, abatements or other financial concessions that were granted with respect to the Existing Premises unless such concessions are expressly provided for in this Amendment with respect to Tenant's Work. Except as expressly modified herein, the terms of the Existing Lease shall remain in full force and effect, and Landlord and Tenant hereby ratify such terms, as herein amended.

21. No Representations. Landlord, Landlord's agents, Tenant, and Tenant's agents have made no representations or promises, express or implied, in connection with this Amendment

except as expressly set forth herein and neither Landlord nor Tenant has relied on any representations except as expressly set forth herein.

22. Entire Agreement. This Amendment, together with the Existing Lease and any commencement date agreements executed by the parties with respect to the Existing Premises (or portions thereof), contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Amendment or the Existing Lease, and no prior agreement, understanding or representation pertaining to any such matter shall be effective for any purpose.

23. Severability. A determination that any provision of this Amendment is unenforceable or invalid shall not affect the enforceability or validity of any other provision hereof and any determination that the application of any provision of this Amendment to any person or circumstance is illegal or unenforceable shall not affect the enforceability or validity of such provision as it may apply to any other persons or circumstances.

24. Governing Law. Construction and interpretation of this Lease will be governed by the applicable laws of the State of Texas, excluding any principles of conflicts of laws. Any disputes arising under, in connection with, or incident to this Amendment or about its interpretation will be resolved exclusively in the state or federal courts located in the county in which the Premises are located. Each of the parties irrevocably submits to those courts' venue and jurisdiction for such disputes.

25. Submission Not an Offer. The submission by Landlord or Tenant of this Amendment shall have no binding force or effect, shall not constitute an option, and shall not confer any right or impose any obligations upon either party, until execution and delivery of this Amendment by both parties.

[Signature page follows.]

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IN WITNESS WHEREOF, this Amendment is executed to be effective as of the Amendment Date.

TENANT:

HYLIION INC.,
a Delaware corporation

By: /s/ Thomas Healy
Name: Thomas Healy
Title: CEO

Date Signed: 12/6/21

LANDLORD:

IGX BRUSHY CREEK, LLC,
a Texas limited liability company

By: IGX Dynamo Holdings, LP,
a Texas limited partnership
its Managing Member

By: IGX Dynamo Brushy Creek GP, LLC,
a Texas limited liability company
its General Partner

By: /s/ Marcelo Gutierrez
Name: Marcelo Gutierrez Gutierrez
Title: Manager

Date Signed: December 17th, 2021

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This Amended and Restated Employment Agreement **("Agreement")** is made and entered into by and between Hyliion Holdings Corp., a Delaware corporation, (the **"Company"),** and Thomas J. Healy **("Employee"),** and shall be effective as of the Effective Date, as defined below. This Agreement is intended to terminate and supersede any employment agreement, offer letter or other employment-related agreement by and between Employee and the Company, any Company subsidiary or predecessor entity, including, without limitation, the offer letter provided to Employee by Hyliion Inc. **("Hyliion")** on August 3, 2017 (the **"Original Agreement"),** unless otherwise specifically noted herein.

RECITALS

WHEREAS, the Company and Employee previously entered into an employment agreement effective as of October 1, 2021; and

WHEREAS, on February 24, 2022 the Company and Employee desire to amend and restate the employment agreement in its entirety and to enter into this Agreement on the terms and subject to the conditions set forth herein as of October 1,2021 (the **"Effective Date"**).

NOW, THEREFORE, in consideration of the above recitals incorporated herein and the mutual covenants and premises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged, the parties agree as follows:

1. **Employment.** During the Employment Period (as defined in Section 4), the Company shall employ Employee, and Employee shall serve, as Chief Executive Officer **("CEO")** of the Company and in such other position or positions as may be assigned from time to time by the board of directors of the Company (the **"Board"**).

2. **Duties and Responsibilities of Employee.**

(a) Subject to Section 11(b) below, Employee shall, during the Employment Period, devote Employee's best efforts and full business time and attention to the businesses of the Company and its direct and indirect subsidiaries as may exist from time to time (collectively, the Company and its current and future wholly owned direct and indirect subsidiaries are referred to as the **"Company Group"**) as may be requested by the Board from time to time. Employee's duties and responsibilities shall include those normally incidental to the position(s) identified in Section 1. as well as such additional duties as may be assigned to Employee by the Board from time to time, which duties and responsibilities may include providing services to other members of the Company Group in addition to the Company. Employee may, without violating this Section 2(a), (i) as a passive investment, own publicly-traded securities in such form or manner as will not require any services by Employee in the operation of the entities in which such securities are owned; or (ii) engage in outside activities provided (x) such activities (including but not limited to membership on boards of directors of for-profit organizations), so long as such ownership interests

or activities do not interfere with Employee's ability to fulfill Employee's duties and responsibilities under this Agreement and are not inconsistent with Employee's obligations to any member of the Company Group or competitive with the business of any member of the Company Group, and (y) Employee gives written notice to the Board of any significant outside business activity in which Employee plans to become involved, if such activity is pursued for profit. Notwithstanding the foregoing, Employee will not serve as a member on any Board of Directors (or similar body) of any for-profit organization without first obtaining the approval of the Board of Directors. Employee has listed, in Exhibit A attached hereto, a complete list of all such entities and/or organizations that may be implicated by this Section 2, which shall be deemed approved by the Board.

(b) Employee hereby represents and warrants that Employee is not the subject of, or a party to, any non-competition, non-solicitation, restrictive covenant or non-disclosure agreement, or any other agreement, obligation, restriction or understanding that would prohibit Employee from executing this Agreement or fully performing each of Employee's duties and responsibilities hereunder, or would in any manner, directly or indirectly, limit or affect any of the duties and responsibilities assigned to Employee hereunder. Employee expressly acknowledges and agrees that Employee is strictly prohibited from using or disclosing any confidential information belonging to any prior employer in the course of performing services for any member of the Company Group, and Employee promises that Employee shall not do so. Employee shall not introduce documents or other materials containing confidential information of any prior employer to the premises or property (including computers and computer systems) of any member of the Company Group.

(c) Employee owes each member of the Company Group fiduciary duties (including (i) duties of loyalty and disclosure and (ii) such fiduciary duties that an officer of the Company would have if the Company were a corporation organized under the laws of the State of Delaware), and the obligations described in this Agreement are in addition to, and not in lieu of, the obligations Employee owes each member of the Company Group under statutory and common law.

(d) The Company shall use its best efforts to elect Employee to the Board for so long as Employee holds the position of CEO of the Company. Employee agrees to serve as a director if elected by the shareholders and the Board, as the case may be.

3. **Compensation.**

(a) Base Salary. During the Employment Period, the Company shall pay to Employee an annualized base salary of [redacted] (the "**Base Salary**") in consideration for Employee's services under this Agreement, payable in substantially equal installments in accordance with the Company's customary payroll practices for similarly situated employees as may exist from time to time, but no less frequently than monthly. Employee's Base Salary will be reviewed annually by the Board based on the performance of Employee and the Company. The Board may, but will not be required to, increase the Base Salary during the Initial and any Renewal Term.

(b) Cash Bonus. Employee shall be eligible for discretionary cash bonuses, from time to time, at the Board's discretion.

(c) Equity Awards.

(i) Subject to the approval of the Compensation Committee of the Board (the **"Compensation Committee"),** Employee may be granted annual time-vested restricted stock unit awards (each a **"Time-Vested Award"**) and shall be granted a one time performance-based restricted stock unit award (a **"Performance Award"**) as soon as administratively practicable following the effective registration of the securities reserved for issuance under the Company's 2020 Equity Incentive Plan (the **"2020 Plan")** on a Form S-8 registration statement pursuant to the Securities Act of 1933, as amended (the **"Form S-8"**). Notwithstanding anything to the contrary in this Agreement, the Time-Vested Award and the Performance Award will not be deemed granted unless and until (i) the Form S-8 has become effective and (ii) the vesting schedule and all other material terms of such equity awards have been approved by the Compensation Committee. Employee acknowledges and agrees that the actual grant dates for future Time-Vested Awards shall be determined by the Compensation Committee and may be coordinated with the grant dates for Time-Vested Awards granted to other employees.

(ii) If Time-Vested Awards are granted to Employee after the date of this Agreement, each such Time- Vested Award will vest over a three-year period, with 33.33% of the Time-Vested Award vesting on the one-year anniversary of the first Quarterly Vesting Date following the grant date of such Time-Vested Award, and 8.33% of such Time-Vested Award vesting on each Quarterly Vesting Date thereafter, subject to Employee remaining in Continuous Service (as defined in the 2020 Plan) through each applicable vesting date. For purposes of this Agreement, **"Quarterly Vesting Dates"** with respect to any calendar year means February 15, May 15, August 15, and November 15, provided, to the extent any of such dates occurs on a weekend day or U.S. federal holiday, the Quarterly Vesting Date will be deemed to occur instead on the immediately following day that is not a weekend day or U.S. federal holiday.

(iii) The Performance Award will cover 1,500,000 shares of the Company's common stock. The Performance Award will vest based upon the achievement of objective performance criteria, as determined by the Compensation Committee in its sole and absolute discretion prior to the date of grant of the Performance Award, during the period from the Effective Date through December 31, 2025, subject to Employee remaining in Continuous Service through each applicable vesting date.

(iv) In the event of a Change in Control (as defined in the 2020 Plan), unless determined otherwise by the Board or the Compensation Committee, with the consent of Employee, prior to such Change in Control, and provided Employee remains
2349798477 w1lZ ntinuous Service through immediately prior to such Change in Control, the Performance Award will vest immediately prior
2349798477 w1lZ Change in Control based upon the actual achievement of the applicable performance vesting criteria to which the
2349798477 w1lZ Performance Award is subject (measured as of immediately prior to the Change in Control), taking into account performance through the latest date preceding the Change in Control as to which
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performance can, as a practical matter, be determined (but not later than the end of the applicable performance period). For clarity, any portion of the Performance Award that has not vested as of immediately prior to a Change in Control (after taking into account the vesting treatment contemplated in the immediately preceding sentence) will be forfeited without cost to the Company, unless otherwise determined by the Board or the Compensation Committee prior to such Change in Control. In addition, if the Time-Vested Award is not assumed, substituted for or otherwise continued by the successor corporation (or a parent or subsidiary thereof) in the event of a Change in Control, or if this Agreement is not assumed or replaced with a substantially similar (or more beneficial) employment agreement (excluding performance-based equity awards) by the successor corporation (or a parent or subsidiary thereof) in the event of a Change in Control, the Time-Vested Award will fully vest and will be settled immediately prior to the consummation of such Change in Control, subject to Employee remaining in Continuous Service through immediately prior to such Change in Control.

(v) Each of the Time-Vested Award and the Performance Award will be granted under and subject to the terms and conditions of the 2020 Plan and an appropriate form of award agreement approved by the Board or the Compensation Committee for use thereunder. The terms of this Agreement shall be reflected in such award agreement, and in the event of any conflict between the terms of such award agreement and this Agreement, the terms of such award agreement shall govern and control only if it has been executed by Employee.

(vi) Employee and the Company hereby acknowledge and agree that the consummation of the Merger did not constitute a "Change in Control" (as defined in the Company's 2016 Equity Incentive Plan (the **"2016 Plan"**)) for the purposes of any vesting acceleration provision that applies to stock options or any other Company equity compensation awards granted to Employee under the 2016 Plan.

4. **Term of Employment.** The initial term of Employee's employment under this Agreement shall be for the period beginning on the Effective Date and ending on the third 3rd anniversary of the Effective Date (the **"Initial Term"**). On the third 3rd anniversary of the Effective Date and on each subsequent anniversary thereafter, the term of Employee's employment under this Agreement shall automatically renew and extend for a period of twelve (12) months (each such twelve (12)-month period being a **"Renewal Term"**) unless written notice of non renewal is delivered by either party to the other not less than one hundred eighty (180) days prior to the expiration of the then-existing Initial Term or Renewal Term, as applicable. Notwithstanding any other provision of this Agreement, Employee's employment pursuant to this Agreement may be terminated at any time in accordance with Section 7. The period from the Effective Date through the expiration of this Agreement or, if sooner, the termination of Employee's employment pursuant to this Agreement, regardless of the time or reason for such termination, shall be referred to herein as the **"Employment Period."**

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5. **Business Expenses.** Subject to Section 22, the Company shall reimburse Employee for Employee's reasonable out-of-

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pocket business-related expenses actually incurred in the performance of Employee's duties under this Agreement so long as Employee

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timely submits all documentation for such expenses, as required by Company policy in effect from time to time. Any

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such reimbursement of expenses shall be made by the Company in accordance with the Company's expense reimbursement policy as in effect from time to time following the receipt of such documentation. In no event shall any reimbursement be made to Employee for any expenses incurred after the date of Employee's termination of employment with the Company.

6. **Benefits.** During the Employment Period, Employee shall be eligible to participate in the same benefit plans and programs in which other similarly situated Company employees are eligible to participate, subject to the terms and conditions of the applicable plans and programs in effect from time to time. The Company shall not, however, by reason of this Section 6, be obligated to institute, maintain, or refrain from changing, amending, or discontinuing, any such plan or policy, so long as such changes are similarly applicable to similarly situated Company employees generally.

7. **Termination of Employment.**

(a) Company s Right to Terminate Employee's Employment for Cause. The Company shall have the right to terminate Employee's employment hereunder at any time for Cause. For purposes of this Agreement, **"Cause"** shall mean:

(i) Employee's material breach of this Agreement (including, but not limited to his/her willful failure or refusal to follow any lawful directive of the Board) or any other written agreement between Employee and one or more members of the Company Group;

(ii) Employee is convicted of, or pleads guilty or *nolo contendere* to, any felony, or any misdemeanor involving moral turpitude, in either case other than related to a motor vehicle violation;

(iii) Employee's intentional or grossly negligent act of fraud or dishonesty against the Company or a member of the Company Group, which causes or can reasonably be expected to cause material loss, damage or injury to the property or reputation of the Company or a Company Group member;

(iv) Employee's breach of any written policy or code of conduct established by a member of the Company Group and applicable to Employee, which causes or can reasonably be expected to cause material loss, damage or inquiry to the property or reputation of the Company or a Company Group member.

Notwithstanding the foregoing, it shall be a condition precedent to the Company's right to terminate Employee's employment for Cause under Section 7(a)(i), (iii), (iv), or (v) that the Company: (x) first have given Employee written notice stating with specificity the reason for the termination **("Breach"),** and (y) if such Breach is susceptible of cure or remedy, a period of thirty (30) days from and after the giving of such notice shall have elapsed without Employee's having effectively cured or remedied such Breach during such thirty (30)-day period, unless such Breach cannot be cured or remedied within thirty (30) days, in which case the remedy or cure shall be extended for a reasonable time (not to exceed an additional thirty (30) days) *provided that* the Employee has made and continues to make a diligent effort to effect such remedy or cure within the initial thirty (30) day period and any such extension.

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(b) Company's Right to Terminate for Convenience. The Company shall have the right to terminate Employee's employment for convenience at any time and for any reason, or no reason at all, upon written notice to Employee.

(c) Employee's Right to Terminate for Good Reason. Employee shall have the right to terminate Employee's employment with the Company at any time for Good Reason. For purposes of this Agreement, **"Good Reason"** shall mean a resignation by Employee as a result of:

(i) a material diminution in Employee's Base Salary, other than a general reduction in Base Salary that affects all similarly situated executives of the Company in substantially the same proportions;

(ii) an adverse change in title, authorities or responsibilities that materially diminishes Employee's position;

(iii) a material change in the Employee's reporting relationship such that Employee no longer reports directly to the Board; or

(iv) a breach by any member of the Company Group of any of its obligations under this Agreement or any other written agreement between such member of the Company Group and Employee, which causes or can reasonably be expected to cause material loss, damage or inquiry to the property or reputation of Employee.

A resignation for Good Reason will not be deemed to have occurred unless Employee gives the Company written notice of the condition within sixty (60) days after the condition comes into existence, the Company fails to remedy the condition within thirty (30) days after receiving Employee's written notice, and the date of Employee's termination of employment must occur within ninety (90) days after the initial occurrence of the condition(s) specified in such notice.

(d) Death. Upon the death of Employee, Employee's employment with the Company and/or all members of the Company Group shall automatically (and without any further action by any person or entity) terminate with no further obligation under this Agreement of either Party, except as expressly provided within this paragraph. Upon the Employee's separation from service (within the meaning of Section 409A (as defined below)) due to death all unvested Company equity compensation awards (other than any Company equity compensation awards that are subject to performance-based or other similar vesting criteria) granted under any equity compensation plan of the Company that are held by Employee as of the date immediately prior to the applicable Termination Date (defined below) shall immediately vest in full and such awards, to the extent applicable, shall immediately become exercisable and be eligible for settlement in accordance with the terms and conditions provided in the applicable award agreements governing such awards.

(e) Employees Right to Terminate for Convenience. In addition to Employee's right to terminate Employee's employment for Good Reason, Employee shall have the right to terminate Employee's employment with the Company for convenience at any time for any other reason, or no reason at all, upon thirty (30) days' advance written notice to the Company; *provided, however,* that if Employee has provided notice to the Company of Employee's termination of employment, the Company may determine, in its sole discretion, that

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such termination shall be effective on any date prior to the effective date of termination provided in such notice (and, if such earlier date is so required, then it shall not change the basis for Employee's termination of employment nor be construed or interpreted as a termination of employment pursuant to Section 7(b)).

(f) Effect of Termination.

(i) Subject to Section 7(f)(iv), if Employee's employment hereunder is terminated by the Company via expiration and/or non-renewal of the Agreement pursuant to Section 4, without Cause pursuant to Section 7(b), or is terminated by Employee for Good Reason pursuant to Section 7(c). then so long as (and only if) Employee: (1) executes on or before the Release Expiration Date (as defined below), and does not revoke within any time provided by the Company to do so, a release of all claims in a form acceptable to the Company (the **"Release")** (in the form attached hereto as Exhibit B, as updated if necessary, pursuant to applicable law), which Release shall release each member of the Company Group and their respective affiliates, and the foregoing entities' respective shareholders, members, partners, officers, managers, directors, fiduciaries, employees, representatives, agents and benefit plans (and fiduciaries of such plans) from any and all claims, including any and all causes of action arising out of Employee's employment with the Company and any other member of the Company Group or the termination of such employment, but excluding all claims to Termination Benefits (as defined below) Employee may have under this Section 7; and (2) abides by the terms of each of sections 9, 10, and 11, then (a) the Company shall make a severance payment to Employee in an
amount equal to the sum of thirty-six (36) months' worth of Employee's the-current Base **Salary ("Severance Payment")**, (b) cause each of Employee's then-outstanding and unvested stock options, restricted stock awards, restricted stock unit awards and any other Company equity compensation awards (other than any Company equity compensation awards that are subject to performance-based or other similar vesting criteria) that was granted to Employee more than one year prior to the date of Employee's termination of employment to vest in full and, to the extent applicable, become fully exercisable **("Vesting Acceleration"),** and (c) cause each of Employee's then-outstanding and unexercised stock options (to the extent vested as of Employee's Termination Date) to remain exercisable until the earlier of (i) the date that is three years following Employee's Termination Date,
(ii) the expiration date of the stock option, and (iii) in the event of a "Change in Control" (as defined in the 2020 Plan or the 2016 Plan), or any similar transaction, in which the successor corporation (or a parent or subsidiary thereof) does not assume or substitute for the stock option, immediately prior to the effective time of such transaction **("Post Termination Exercise Period Extension").**

(ii) If Employee's employment hereunder is terminated in circumstances in which Employee is eligible to receive a Severance Payment under Section 7 (f)(i) and Employee satisfies each of the conditions to receive a Severance Payment under Section 7(f)(i) then, if Employee elects to continue coverage for Employee and Employee's spouse and eligible dependents, if any, under the Company's group health plans pursuant to Consolidated Omnibus Budget Reconciliation Act of 1985 **("COBRA"),** the Company shall promptly reimburse Employee on a monthly basis for the difference between the amount Employee pays to effect continue such coverage and the employee contribution amount that similarly situated employees of the Company pay for the same or similar coverage under such group health plans (the **"COBRA Subsidy"** and together with the Severance Payment, the Vesting Acceleration, and the Post-Termination Exercise Period Extension, the **"Termination**

Benefits"). Each payment of the COBRA Subsidy shall be paid to Employee on the Company's first regularly-scheduled pay date in the calendar month immediately following the calendar month in which Employee submits to the Company documentation of the applicable premium payment having been paid by Employee, which documentation shall be submitted by Employee to the Company within thirty (30) days following the date on which the applicable premium payment is paid. Employee shall be eligible to receive such reimbursement payments until the earliest of:

(1) the date that is eighteen (18) months following the Termination Date (the **"COBRA Expiration Date");** (2) the date Employee is no longer eligible to receive COBRA continuation coverage; and (3) the date on which Employee becomes eligible to receive coverage under a group health plan sponsored by another employer of Employee or Employee's spouse (and any such eligibility shall be promptly reported to the Company by Employee); provided, however, that the election of COBRA continuation coverage and the payment of any premiums due with respect to such COBRA continuation coverage shall remain Employee's sole responsibility, and the Company shall not assume any obligation for payment of any such premiums relating to such COBRA continuation coverage. Notwithstanding the foregoing, if the provision of the benefits described in this Section 7(t)(ii) cannot be provided in the manner described above without penalty, tax or other adverse impact on the Company or any other member of the Company Group, then the Company and Employee shall negotiate in good faith to determine an alternative manner in which the Company may provide substantially equivalent benefits to Employee without such adverse impact on the Company or such other member of the Company Group.

(iii) Subject to Section 7(f)(v) below, the Severance Payment will be divided into substantially equal installments over the thirty-six (36)-month period following the date of Employee's applicable separation from service (the **"Termination Date").** On the Company's first regularly-scheduled pay date that is on or after the date that is sixty (60) days after the Termination Date (the **"First Payment Date"),** the Company shall pay to Employee, without interest, a number of such installments equal to the number of such installments that would have been paid during the period beginning on the Termination Date and ending on the First Payment Date had the installments been paid on the Company's regularly-scheduled pay dates on or following the Termination Date, and each of the remaining installments shall be paid on the Company's regularly-scheduled pay dates during the remainder of applicable payment period; *provided, however,* that (1) to the extent, if any, that the aggregate amount of the installments of the Severance Payment that would otherwise be paid pursuant to the preceding provisions of this Section 7(f)(i) after March 15 of the calendar year following the calendar year in which the Termination Date occurs (the **"Applicable March 15")** exceeds the maximum exemption amount under Treasury Regulation Section 1.409A-1(b)(9)(iii)(A), then such excess shall be paid to Employee in a lump sum on the Applicable March 15 (or the first Business Day preceding the Applicable March 15 if the Applicable March 15 is not a Business Day) and the installments of the Severance Payment payable after the Applicable March 15 shall be reduced by such excess (beginning with the installment first payable after the Applicable March 15 and continuing with the next succeeding installment until the aggregate reduction equals such excess), and (2) all remaining installments of the Severance Payment, if any, that would otherwise be paid pursuant to the preceding provisions of this Section 7(f)(i) after December 31 of the calendar year following the calendar year in which the Termination Date occurs shall be paid with the installment of the Severance Payment, if any, due in December of the calendar year following the calendar year in which the Termination Date occurs. **"Business Day"** shall mean any day except a Saturday, Sunday or

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other day on which commercial banks in New York, New York are authorized or required by law to be closed.

(iv) Notwithstanding anything herein to the contrary, the Severance Payment and COBRA Subsidy (and any portion thereof) shall not be payable if Employee's employment hereunder terminates upon the expiration of the then-existing Initial Term or Renewal Term, as applicable, as a result of a non-renewal of the term of Employee's employment under this Agreement by Employee pursuant to Section 4.

(v) If the Release is not executed and returned to the Company on or before the Release Expiration Date, and the required revocation period has not fully expired without revocation of the Release by Employee, then Employee shall not be entitled to any portion of the Termination Benefits. As used herein, the "**Release Expiration Date**" is that date that is twenty-one (21) days following the date upon which the Company delivers the Release to Employee (which shall occur no later than seven (7) days after the Termination Date) or, in the event that such termination of employment is "in connection with an exit incentive or other employment termination program" (as such phrase is defined in the Age Discrimination in Employment Act of 1967), the date that is forty-five (45) days following such delivery date.

(g) After-Acquired Evidence. Notwithstanding any provision of this Agreement to the contrary, in the event that the Company determines that Employee is eligible to receive the Termination Benefits pursuant to Section 7(f) but, after such determination, the Company subsequently acquires evidence or determines that: (i) Employee has failed to abide by the terms of Sections 9, 10 or 11; or (ii) a Cause condition existed prior to the Termination Date that, had the Company been fully aware of such condition, would have given the Company the right to terminate Employee's employment pursuant to Section 7(a), then upon written notice to Employee of a good faith reasonable belief of Employee's breach or Cause condition the Employee shall forfeit all unpaid Termination Benefits, and the Company shall have the right to cease the payment of any future installments of the Termination Benefits, *provided that* such breach or Cause condition must remain uncured thirty (30) days after the Board first provided Employee written notice of the obligation to cure such breach or Cause condition.

8. **Disclosures.**

(a) Employee hereby represents and warrants that as of the Effective Date, there exist no actual or potential Conflicts of Interest (as defined below).

(b) Promptly (and in any event, within three (3) Business Days) upon becoming aware of any actual or potential Conflict of Interest, Employee shall disclose such actual or potential Conflict of Interest to the Board.

(c) A **"Conflict of Interest"** shall exist when Employee engages in, or plans to engage in, any activities, associations, or interests that conflict with, or create an appearance of a conflict with, Employee's duties, responsibilities, authorities, or obligations for and to any member of the Company Group.

9. **Confidentiality.** In the course of Employee's employment with the Company and the performance of Employee's duties on behalf of the Company Group hereunder, Employee will be provided with, and will have access to, Confidential Information (as defined below). In consideration of Employee's receipt and access to such Confidential Information, and as a condition of Employee's employment, Employee shall comply with this Section 9.

(a) Both during the Employment Period and thereafter, except as expressly permitted by this Agreement or by directive of the Board, Employee shall not disclose any Confidential Information to any person or entity and shall not use any Confidential Information except for the benefit of the Company Group. Employee shall follow all Company Group policies and protocols regarding the security of all documents and other materials containing Confidential Information (regardless of the medium on which Confidential Information is stored). The covenants of this Section 9(a) shall apply to all Confidential Information, whether now known or later to become known to Employee during the period that Employee is employed by or affiliated with the Company or any other member of the Company Group.

(b) Notwithstanding any provision of Section 9(a) to the contrary, Employee may make the following disclosures and uses of Confidential Information:

(i) disclosures to other employees of a member of the Company Group who have a need to know the information in connection with the businesses of the Company Group;

(ii) disclosures to customers and suppliers when, in the reasonable and good faith belief of Employee, such disclosure is in connection with Employee's performance of Employee's duties under this Agreement and is in the best interests of the Company Group;

(iii) disclosures and uses that are approved in writing by the Board; or

(iv) disclosures to a person or entity that has (x) been retained by a member of the Company Group to provide services to one or more members of the Company Group and (y) agreed in writing to abide by the terms of a confidentiality agreement.

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(c) Upon the expiration of the Employment Period, and at any other time upon request of the Company, Employee shall promptly surrender and deliver to the Company all documents (including electronically stored information) and all copies thereof 2349798477 w1lZ and materials of any nature containing or pertaining to all Confidential Information and any other Company Group property 2349798477 w1lZ (including any Company Group-issued computer, mobile device or other equipment) in Employee's possession, custody or control and 2349798477 w1lZ Employee shall not retain any such documents or other materials or property of the Company Group. Within five (5) days of any

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such request, Employee shall certify to the Company in writing that all such documents, materials and property have been returned to the Company.

(d) All trade secrets, non-public information, designs, ideas, concepts, improvements, product developments, discoveries and inventions, whether patentable or not, that are conceived, made, developed or acquired by or disclosed to Employee, individually or in conjunction with others, during the period that Employee is employed by the Company or any other member of the Company Group (whether during business hours or otherwise and whether on the Company's premises or otherwise) that relate to any member of the Company Group's businesses or properties, products or services (including all such information relating to corporate opportunities, operations, future plans, methods of doing business, business plans, strategies for developing business and market share, research, financial and sales data, pricing terms, evaluations, opinions, interpretations, acquisition prospects, the identity of customers or acquisition targets or their requirements, the identity of key contacts within customers' organizations or within the organization of acquisition prospects, or marketing and merchandising techniques, prospective names and marks) is defined as **"Confidential Information."** Moreover, all documents, videotapes, written presentations, brochures, drawings, memoranda, notes, records, files, correspondence, manuals, models, specifications, computer programs, e-mail, voice mail, electronic databases, maps, drawings, architectural renditions, models and all other writings or materials of any type including or embodying any of such information, ideas, concepts, improvements, discoveries, inventions and other similar forms of expression are and shall be the sole and exclusive property of the Company or the other applicable member of the Company Group and be subject to the same restrictions on disclosure applicable to all Confidential Information pursuant to this Agreement. For purposes of this Agreement, Confidential Information shall not include any information that (i) is or becomes generally available to the public other than as a result of a disclosure or wrongful act of Employee or any of Employee's agents; (ii) was available to Employee on a non-confidential basis before its disclosure by a member of the Company Group; or (iii) becomes available to Employee on a non-confidential basis from a source other than a member of the Company Group; *provided, however,* that such source is not bound by a confidentiality agreement with, or other obligation with respect to confidentiality to, a member of the Company Group.

(e) Notwithstanding the foregoing, nothing in this Agreement shall prohibit or restrict Employee from lawfully: (i) initiating communications directly with, cooperating with, providing information to, causing information to be provided to, or otherwise assisting in an investigation by, any governmental authority regarding a possible violation of any law; (ii) responding to any inquiry or legal process directed to Employee from any such governmental authority (including the U.S. Securities and Exchange Commission); (iii) testifying, participating or otherwise assisting in any action or proceeding by any such governmental authority relating to a possible violation of law; or (iv) making any other disclosures that are protected under the whistleblower provisions of any applicable law. Additionally, pursuant to the federal Defend Trade Secrets Act of 2016, an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (A) is made (1) in confidence to a federal, state or local
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(B) is made to the individual's attorney in relation to a lawsuit for retaliation against the individual for reporting a suspected violation of
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law; or (C) is made in a complaint or other document filed
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in a lawsuit or proceeding, if such filing is made under seal. Nothing in this Agreement requires Employee to obtain prior authorization before engaging in any conduct described in this paragraph, or to notify the Company that Employee has engaged in any such conduct.

10. **Non-Competition; Non-Solicitation.**

(a) The Company shall provide Employee access to Confidential Information for use only during the Employment Period, and Employee acknowledges and agrees that the Company Group will be entrusting Employee, in Employee's unique and special capacity, with developing the goodwill of the Company Group, and in consideration of the Company providing Employee with access to Confidential Information and as an express incentive for the Company to enter into this Agreement and employ Employee hereunder, Employee has voluntarily agreed to the covenants set forth in this Section 10. Employee agrees and acknowledges that the limitations and restrictions set forth herein, including geographical and temporal restrictions on certain competitive activities, are reasonable in all respects, do not interfere with public interests, will not cause Employee undue hardship, and are material and substantial parts of this Agreement intended and necessary to prevent unfair competition and to protect the Company Group's Confidential Information, goodwill and legitimate business interests.

(b) During the Prohibited Period, Employee shall not, without the prior written approval of the Board, directly or indirectly, for Employee or on behalf of or in conjunction with any other person or entity of any nature:

(i) engage in or participate, directly or indirectly, in the following conduct: (A) owning, managing, operating, or being an officer or director of, any business that competes with any member of the Company Group in the Market Area related to the Business (except for the ownership of up to 3.0% of the shares of common stock or securities or any entity whose common shares or securities are listed on a national securities exchange), or (B) joining, becoming an employee or consultant of, or otherwise being affiliated with, any person or entity engaged in, or planning to engage in, the Business in the Market Area in competition, or anticipated competition, with any member of the Company Group in any capacity (with respect to this clause (B)) in which Employee's duties or responsibilities are the same as or similar to the duties or responsibilities that Employee had on behalf of any member of the Company Group;

(ii) solicit, canvass, approach, encourage, entice or induce any customer or supplier of any member of the Company Group with whom or which Employee had personal contact in the course of performing Employee's duties for any member of the Company Group to cease or lessen such customer's or supplier's business with any member of the Company Group; or

2349798477 w1lZ (iii) solicit, canvass, approach, encourage, entice or induce any employee or contractor of any member of the
2349798477 w1lZ any Group to terminate or reduce his, her or its employment or engagement with any member of the Company Group. This
2349798477 w1lZ provision shall not prohibit Employee from employing or making an offer of employment to an employee or contractor of any
2349798477 w1lZ member of the Company Group if such employment

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and/or offer resulted from a general solicitation or advertisement for applications in a newspaper, trade publication, on the Internet or other public forum.

(c) Because of the difficulty of measuring economic losses to the Company Group as a result of a breach or threatened breach of the covenants set forth in Section 9 and in this Section 10, and because of the immediate and irreparable damage that would be caused to the members of the Company Group for which they would have no other adequate remedy, the Company and each other member of the Company Group shall be entitled to enforce the foregoing covenants, in the event of a breach or threatened breach, by injunctions and restraining orders from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall not be the Company's or any other member of the Company Group's exclusive remedy for a breach but instead shall be in addition to all other rights and remedies available to the Company and each other member of the Company Group at law and equity.

(i) If Employee violates his/her obligations during the Prohibited Period and the Company (or relevant member of the Company Group) brings legal action for injunctive or other relief under Sections 9 and/or 10, the applicable Restricted Period shall be tolled by such court of competent jurisdiction so that the Company Group shall not be deprived of the benefit of the full Prohibited Period.

(ii) During the Prohibited Period, Executive expressly agrees to notify any prospective employer or affiliate in the restricted Business and Market Area of his/her obligations during the Prohibited Period and authorizes the Company to make contact with, any person or affiliate reasonably believed by the Company Group to be engaged or about to be engaged in an act that would constitute a violation of Employee's obligations under this Agreement. Employee hereby waives, and releases the Company Group from, any claims whatsoever arising in connection with the Company Group's contact or discussions with such person or affiliate.

(d) The covenants in this Section 10 and each provision and portion hereof, are severable and separate, and the unenforceability of any specific covenant (or portion thereof) shall not affect the provisions of any other covenant (or portion thereof). Moreover, in the event any court of competent jurisdiction shall determine that the scope, time or territorial restrictions set forth are unreasonable, then it is the intention of the parties that such restrictions be enforced to the fullest extent which such court deems reasonable, and this Agreement shall thereby be reformed.

(e) The following terms shall have the following meanings:

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2349798477 w1lZ (i) **"Business"** shall mean the business and operations related to electrifying the commercial vehicle space that are the same or similar to those performed (or as to which are proposed to be performed based on plans identified in the Board's Operating Plan prior to the Termination Date) by the Company and any other member of

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the Company Group if Employee provided services for and/or was involved in the development of such business and operations during the Employment Period.

(ii) **"Market Area"** shall mean: (A) the United States; and (B) and any other geographic area or market where or with respect to which the Company or any other member of the Company Group conducts or has specific plans to conduct the Business on or at any time during the twelve (12) month period prior to the Termination Date.

(iii) **"Prohibited Period"** shall mean the period during which Employee is employed by any member of the Company Group and continuing for a period of twenty four (24) months following the date that Employee is no longer employed by any member of the Company Group.

11. **Ownership of Intellectual Property.**

(a) **Related to the Business.** Employee agrees that the Company shall own, and Employee shall (and hereby does) assign, all right, title and interest (including patent rights, copyrights, trade secret rights, mask work rights, trademark rights, and all other intellectual and industrial property rights of any sort throughout the world) relating to any and all inventions (whether or not patentable), works of authorship, designs, know-how, ideas and information authored, created, contributed to, made or conceived or reduced to practice, in whole or in part, by Employee during the period in which Employee is or has been employed by or affiliated with the Company or any other member of the Company Group that relates to the Business **("Company Intellectual Property")**, and Employee shall promptly disclose all Company Intellectual Property to the Company. All of Employee's works of authorship and associated copyrights created during the period in which Employee is employed by or affiliated with the Company or any other member of the Company Group and related to the Business shall be deemed to be "works made for hire" within the meaning of the Copyright Act. Employee shall perform, during and after the period in which Employee is or has been employed by or affiliated with the Company or any other member of the Company Group, all acts deemed necessary by the Company to assist each member of the Company Group, at the Company's expense, in obtaining and enforcing its rights throughout the world in the Company Intellectual Property. Such acts may include execution of documents and assistance or cooperation (i) in the filing, prosecution, registration, and memorialization of assignment of any applicable patents, copyrights, mask work, or other applications, (ii) in the enforcement of any applicable patents, copyrights, mask work, moral rights, trade secrets, or other proprietary rights, and (iii) in other legal proceedings related to the Company Intellectual Property.

(b) **Unrelated to the Business.** The Company hereby expressly acknowledges and agrees that neither it nor any other member of the Company Group is acquiring any right, title or interest (including patent rights, copyrights, trade secret rights, mask work rights, trademark rights, or any other intellectual and industrial property rights of any sort throughout the world) relating to any invention (whether or not patentable), works of authorship, designs, know-how, ideas and information authored, created, contributed to, made or conceived or reduced to practice, in whole or in part, by Employee during the period in which Employee is or has been employed by or affiliated with the Company or any other member of the Company Group that is not related to the Business **("Employee's Intellectual** The Company also hereby expressly acknowledges that all of Employee's works of authorship and associated copyrights

the period in which Employee is employed by or affiliated with the Company or any other member of the Company Group but not related to the Business will not be deemed to be "works made for hire" within the meaning of the Copyright Act, and Employee does not assign and shall assign any of Employee's right, ownership, interest and/or patents in such works, in whole or in part, to the Company or any other member of the Company Group. Employee in Employee's sole discretion shall be permitted to devote any of Employee's time to pursue development of Employee's Intellectual Property and may do so on Company premises, *provided that* Employee shall not use Company equipment, supplies, or trade secrets in the development of Employee's Intellectual Property.

12. **Defense of Claims.** The Company shall obtain and maintain directors' and officers' liability insurance coverage in effect for Employee during the Employment Period and continuing thereafter so long as Employee shall be subject to any possible claim or threatened, pending or completed action, suit or proceeding, whether civil, criminal, arbitrational, administrative or investigative, by reason of the fact that Employee had served in the capacity or capacities referred to herein **("Legal Matter").** Employee's legal counsel must be approved by Employee in a Legal Matter. Should Employee in good faith determine that there is an actual or potential conflict of interest between him and the Company in a Legal Matter, then Employee shall be entitled to separate representation by counsel selected by him (provided that the Company may reasonably object to Employee's selection of counsel within five (5) business days after notification thereof) which counsel shall cooperate, and coordinate the defense, with the Company's counsel and minimize the expense of such separate representation to the extent consistent with Employee's separate defense. The Company shall promptly reimburse Employee on a monthly basis for attorneys' fees and associated costs incurred by Employee in such separate defense. During the Employment Period and thereafter, upon request from the Company, Employee shall cooperate with the Company Group in the defense of any claims or actions that may be made by or against any member of the Company Group that relate to Employee's actual or prior areas of responsibility.

13. **Withholdings; Deductions.** The Company may withhold and deduct from any benefits and payments made or to be made pursuant to this Agreement (a) all federal, state, local and other taxes as may be required pursuant to any law or governmental regulation or ruling and
(b) any deductions consented to in writing by Employee.

14. **Title and Headings; Construction.** Titles and headings to Sections hereof are for the purpose of reference only and shall in no way limit, define or otherwise affect the provisions hereof. Unless the context requires otherwise, all references to laws, regulations, contracts, documents, agreements and instruments refer to such laws, regulations, contracts, documents, agreements and instruments as they may be amended from time to time, and references to particular provisions of laws or regulations include a reference to the corresponding provisions of any succeeding law or regulation. All references to "dollars" or"$" in this Agreement refer to United States dollars. The words "herein", "hereof', "hereunder" and other compounds of the word "here" shall refer to the entire Agreement, including
2349798477 w1lZ ttached hereto, and not to any particular provision hereof. Unless the context requires otherwise, the word "or" is not
2349798477 w1lZ herever the context so requires, the masculine gender includes the feminine or neuter, and the singular number includes the
2349798477 w1lZ nversely. All references to "including" shall be construed as meaning "including without limitation." Neither this Agreement
nor any uncertainty
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or ambiguity herein shall be construed or resolved against any party hereto, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by each of the parties hereto and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the parties hereto.

15. **Applicable Law; Submission to Jurisdiction.** This Agreement shall in all respects be construed according to the laws of the State of Texas without regard to its conflict of laws principles that would result in the application of the laws of another jurisdiction. With respect to any claim or dispute related to or arising under this Agreement, the parties hereby recognize and agree that should any resort to a court be necessary and permitted under this Agreement, then they consent to the exclusive jurisdiction forum and venue of the state and federal courts (as applicable) located in Austin, Texas.

16. **Entire Agreement and Amendment.** This Agreement contains the entire agreement of the parties with respect to the matters covered herein and supersede all prior and contemporaneous agreements and understandings, oral or written, between the parties hereto concerning the subject matter hereof, including the Original Agreement. This Agreement may be amended only by a written instrument executed by both parties hereto.

17. **Waiver of Breach.** Any waiver of this Agreement must be executed by the party to be bound by such waiver. No waiver by either party hereto of a breach of any provision of this Agreement by the other party, or of compliance with any condition or provision of this Agreement to be performed by such other party, will operate or be construed as a waiver of any subsequent breach by such other party or any similar or dissimilar provision or condition at the same or any subsequent time. The failure of either party hereto to take any action by reason of any breach will not deprive such party of the right to take action at any time.

18. **Assignment.** This Agreement is personal to Employee, and neither this Agreement nor any rights or obligations hereunder shall be assignable or otherwise transferred by Employee. The Company may assign this Agreement without Employee's consent, including to any member of the Company Group and to any successor to or acquirer of (whether by merger, purchase or otherwise) all or substantially all of the equity, assets or businesses of the Company.

19. **Notices.** Notices provided for in this Agreement shall be in writing and shall be deemed to have been duly received (a) when delivered in person, (b) when sent by facsimile transmission (with confirmation of transmission) on a Business Day to the number set forth below, if applicable; *provided, however,* that if a notice is sent by facsimile transmission after normal business hours of the recipient or on a non-Business Day, then it shall be deemed to have been received on the next Business Day after it is sent, (c) on the first Business Day after such notice is sent by express overnight courier service, or (d) on the second Business Day following deposit with an internationally-recognized second-day courier service with proof of receipt maintained, in each case, to the following address, as applicable:

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2349798477 w1IZ **he Company, addressed to:**

2349798477 w1IZ Hyliion Holdings Corp 1202 BMC Drive, Suite 100

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Cedar Park, TX 78613 Attention: Human Resources

If to Employee, addressed to:

Hyliion Holdings Corp 1202 BMC Drive, Suite I 00 Cedar Park,
TX 78613 Attention: Thomas Healy

20. **Counterparts.** This Agreement may be executed in any number of counterparts, including by electronic mail or facsimile, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a copy hereof containing multiple signature pages, each signed by one party, but together signed by both parties hereto.

21. **Deemed Resignations.** Except as otherwise determined by the Board or as otherwise agreed to in writing by Employee and any member of the Company Group prior to the termination of Employee's employment with the Company or any member of the Company Group, any termination of Employee's employment shall constitute, as applicable, an automatic resignation of Employee: (a) as an officer of the Company and each member of the Company Group; (b) from the Board; and (c) from the board of directors or board of managers (or similar governing body) of any member of the Company Group and from the board of directors or board of managers (or similar governing body) of any corporation, limited liability entity, unlimited liability entity or other entity in which any member of the Company Group holds an equity interest and with respect to which board of directors or board of managers (or similar governing body) Employee serves as such Company Group member's designee or other representative.

22. **Section 409A.**

(a) Notwithstanding any prov1s1on of this Agreement to the contrary, all provisions of this Agreement are intended to comply with Section 409A of the Internal Revenue Code of 1986 (the **"Code"**), and the applicable Treasury regulations and administrative guidance issued thereunder (collectively, **"Section 409A"**) or an exemption therefrom and shall be construed and administered in accordance with such intent. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service or as a short-term deferral shall be excluded from Section 409A to the maximum extent possible. For purposes of Section 409A, each installment payment provided under this Agreement shall be treated as a separate payment. No payment or benefits to be paid to Employee, if any, under this Agreement or otherwise, when considered together with any other severance payments or separation benefits that are considered deferred compensation under Section 409A will be paid or otherwise provided until the Employee has a "separation from service" within the meaning of Section 409A.

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2349798477 w1lZ (b) To the extent that any right to reimbursement of expenses or payment of any benefit in-kind under this Agreement constitutes nonqualified deferred compensation (within the meaning of Section 409A), (i) any such expense reimbursement shall be made

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expense was incurred by Employee, (ii) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (iii) the amount of expenses eligible for reimbursement or in-kind benefits provided during any taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year; *provided,* that the foregoing clause shall not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Code solely because such expenses are subject to a limit related to the period in which the arrangement is in effect.

(c) Notwithstanding any provision in this Agreement to the contrary, if any payment or benefit provided for herein would be subject to additional taxes and interest under Section 409A if Employee's receipt of such payment or benefit is not delayed until the earlier of
(i) the date of Employee's death or (ii) the date that is six (6) months after the Termination Date (such date, the **"Section 409A Payment Date"**), then such payment or benefit shall not be provided to Employee (or Employee's estate, if applicable) until the Section 409A Payment Date. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement are exempt from, or compliant with, Section 409A and in no event shall any member of the Company Group be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by Employee on account of non compliance with Section 409A.

23. **Certain Excise Taxes.**

(a) Notwithstanding anything to the contrary in this Agreement, if any payment or benefit Employee would receive from the Company or any other party whether in connection with the provisions of this Agreement or otherwise **("Payment")** would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the **"Excise Tax")**, then such Payment shall be equal to the Reduced Amount. The "Reduced Amount" shall be either (x) the largest portion of the Payment that would result in no portion of the Payment being subject to the Excise Tax, or (y) the largest portion, up to and including the total, of the Payment, whichever amount ((x) or (y)), after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in Employee's receipt of the greatest economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a Reduced Amount will give rise to the greater after tax benefit, the reduction in the Payments shall occur in the following order: (a) reduction of cash payments; (b) cancellation of accelerated vesting of equity awards other than stock options;
(c) cancellation of accelerated vesting of stock options; and (d) reduction of other benefits paid to Employee. Within any such category of payments and benefits (that is, (a), (b), (c) or (d)), a reduction shall occur first with respect to amounts that are not "deferred compensation" within the meaning of Section 409A and then with respect to amounts that are. In the event that acceleration of compensation from Employee's equity awards is to be reduced, such acceleration of vesting shall be canceled, subject to the immediately preceding sentence, in the reverse order of the date of grant.

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2349798477 w1lZ (b) The independent accounting firm engaged by the Company for general accounting and/or tax advisory purposes as of the day prior to the effective date of the event described in Section 280G(b)(2)(A)(i) of the Code shall perform the foregoing calculations.

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independent accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting such event, the Company shall appoint an independent accounting firm to make the determinations required hereunder. The Company shall bear all expenses with respect to the determinations by such independent accounting firm required to be made hereunder. The independent accounting firm engaged to make the determinations hereunder shall provide its calculations, together with detailed supporting documentation, to the Company and Employee within thirty (30) calendar days after the date on which Employee's right to a Payment is triggered (if requested at that time by the Company or Employee) or such other time as reasonably requested by the Company or Employee. Any good faith determinations of the independent accounting firm made hereunder shall be final, binding and conclusive upon the Company and Employee.

24. **Effect of Termination.** The provisions of Sections 7, 9-13 and 21 and those provisions necessary to interpret and enforce them, shall survive any termination of this Agreement and any termination of the employment relationship between Employee and the Company.

25. **Third-Party Beneficiaries.** Each member of the Company Group that is not a signatory to this Agreement shall be a third-party beneficiary of Employee's obligations under Sections 8, 9, 10, 11and 21 and shall be entitled to enforce such obligations as if a party hereto.

26. **Severability.** Other than as set forth in Section 10(d), if a court of competent jurisdiction determines that any provision of this Agreement (or portion thereof) is invalid or unenforceable, then the invalidity or unenforceability of that provision (or portion thereof) shall not affect the validity or enforceability of any other provision of this Agreement, and all other provisions shall remain in full force and effect.

27. **Non-Disparagement.** Employee shall not, directly or indirectly, make or cause to be made any disparaging, denigrating, derogatory, misleading, or false statement orally or in writing to any person, including clients or prospective clients, competitors and advisors to the Company Group and members of the investment community or press, about (i) the Company and/or Company Group, or bers, managers, officers, employees, agents, or clients, or (ii) the business strategy or plans, policies, practices, or operations any Group. Notwithstanding the foregoing, nothing in this section is intended to prevent Employee from making truthful statements to his attorney of record and/or any other government or law enforcement agency or official, or as otherwise required by applicable subpoena or court order.

IN WITNESS WHEREOF, Employee and the Company each have caused this Agreement to be executed, and intend this Agreement to become effective as of the Effective Date.

EMPLOYEE

/s/ Thomas Healy

Name: Thomas Healy
Title: Chief Executive Officer

HYLIION HOLDINGS CORP.

By: /s/ Sherri Baker Name: Sherri Baker
Title: Chief Financial Officer

AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

This Amended and Restated Employment Agreement ("**Agreement**") is made and entered into by and between Hyliion Holdings Corp., a Delaware corporation, (the "**Company**"), and Sherri Baker ("**Employee**"), and shall be effective as of the Effective Date, as defined below. This Agreement is intended to terminate and supersede any employment agreement, offer letter or other employment-related agreement by and between Employee and the Company, any Company subsidiary or predecessor entity.

RECITALS

WHEREAS, the Company and Employee previously entered into an employment agreement, effective as of February 8, 2021; and

WHEREAS, on February 24, 2022 the Company and Employee desire to amend and restate the employment agreement in its entirety and to enter into this Agreement on the terms and subject to the conditions set forth herein, effective as of February 8, 2021 (the "**Effective Date**").

NOW, THEREFORE, in consideration of the above recitals incorporated herein and the mutual covenants and premises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged, the parties agree as follows:

1. **Employment**. During the Employment Period (as defined in Section 4), the Company shall employ Employee, and Employee shall serve, as Chief Financial Officer of the Company and in such other position or positions as may be assigned from time to time by the Chief Executive Officer ("**CEO**") of the Company or as otherwise designated by the board of directors of the Company (the "**Board**").

2. Duties and Responsibilities of Employee.

(a) Employee shall, during the Employment Period, devote Employee's best efforts and full business time and attention to the businesses of the Company and its direct and indirect subsidiaries as may exist from time to time (collectively, the Company and its current and future wholly owned direct and indirect subsidiaries are referred to as the "**Company Group**") as may be requested by the CEO from time to time. Employee's duties and responsibilities shall include those normally incidental to the position(s) identified in Section 1, as well as such additional duties as may be assigned to Employee by the CEO from time to time, which duties and responsibilities may include providing services to other members of the Company Group in addition to the Company. Employee shall report to the CEO. Employee may, without violating this Section 2(a), (i) as a passive investment, own publicly-traded securities in such form or manner as will not require any services by Employee in the operation of the entities in which such securities are owned; or (ii) engage in outside activities provided (x) such ownership interests or activities (including but not limited to membership on boards of directors of for-profit organizations), so long as such ownership interests or activities do not interfere with Employee's ability to fulfill Employee's duties and responsibilities under this Agreement and are not inconsistent with Employee's obligations to any member of the Company Group or competitive with the business of any member of the Company Group; and (y) Employee gives written notice to the CEO of any significant outside business activity in which Employee plans to become involved, if such activity is pursued for profit. Notwithstanding the foregoing, Employee will not serve as a member on any Board of Directors (or similar body) of any for-profit organization without first obtaining the express written approval of the CEO. Employee has

listed, in Exhibit A attached hereto, a complete list of all such entities and/or organizations that may be implicated by this Section 2, which shall be deemed approved by the CEO.

(b) Employee hereby represents and warrants that Employee is not the subject of, or a party to, any non-competition, non-solicitation, restrictive covenant or non-disclosure agreement, or any other agreement, obligation, restriction or understanding that would prohibit Employee from executing this Agreement or fully performing each of Employee's duties and responsibilities hereunder, or would in any manner, directly or indirectly, limit or affect any of the duties and responsibilities assigned to Employee hereunder. Employee expressly acknowledges and agrees that Employee is strictly prohibited from using or disclosing any confidential information belonging to any prior employer or third party in the course of performing services for any member of the Company Group, and Employee promises that Employee shall not do so. Employee shall not introduce documents or other materials containing confidential information of any prior employer and/or other third party to the premises or property (including computers and computer systems) of any member of the Company Group.

(c) Employee owes each member of the Company Group fiduciary duties (including (i) duties of loyalty and disclosure and (ii) such fiduciary duties that an officer of the Company would have if the Company were a corporation organized under the laws of the State of Delaware), and the obligations described in this Agreement are in addition to, and not in lieu of, the obligations Employee owes each member of the Company Group under statutory and common law.

3. **Compensation**.

(a) Base Salary. During the Employment Period, the Company shall pay to Employee an annualized base salary of $425,000 (the "**Base Salary**") in consideration for Employee's services under this Agreement, payable in substantially equal installments in conformity with the Company's customary payroll practices for similarly situated employees as may exist from time to time, but no less frequently than monthly. Employee's Base Salary will be reviewed annually by the CEO based on the performance of the Employee and the Company. The CEO may, but will not be required to, increase the Base Salary during the Initial and any Renewal Term.

(b) Target Bonus; Sign-On Bonus.

(i) In addition to the Base Salary, during the Employment Period, Employee will be entitled to participate in an annual incentive compensation plan of the Company. Employee's target annual bonus will be equal to 75% of Employee's Base Salary as in effect for such year (the "**Target Bonus**") based upon achievement of performance goals established by the Compensation Committee of the Board pursuant to such plan. The Target Bonus will be paid at the time and in the manner specified under the annual incentive compensation plan of the Company.

(ii) The Company will pay you a one-time cash bonus (the "Sign-On Bonus") in the amount of $350,000 to be paid on the first payroll following your start date. If, within 1 year of hire date, Employee is terminated for Cause (as defined hereinbelow) or Employee chooses to leave the employment of the Company, Employee (or Employee's representative) agrees to return the Sign-On Bonus on the date of Employee's termination or departure.

(c) Equity Awards.

(i) Subject to the approval of the Compensation Committee of the Board (the "Compensation Committee"), Employee will be granted a one-time stock award (a "**Special Vested Award**"). The Special Vested Award will cover such number of shares of the Company's common stock valued at $250,000 as of the grant date, disregarding any fractional share amounts. The Special Vested Award will be immediately 100% vested upon grant. If, within 1 year of hire date, Employee is terminated for Cause (as defined hereinbelow) or Employee chooses to leave the employment of the Company, Employee (or Employee's representative) agrees to return either the shares of common stock underlying this Special Vested Award (for no consideration from the Company or its affiliates) or the cash value of such shares as of the date of the Employee's termination or departure. Employee acknowledges and agrees that Employee is bound by the lock-up policy preventing employees of the Company from selling common stock of the Company until April 1, 2021, as well as the Company's insider trading policy.

(ii) Subject to the approval of the Compensation Committee, Employee will be granted annual time-vested restricted stock unit awards (each, a "**Time-Vested Award**") and a one-time performance-based restricted stock unit award (a "**Performance Award**") as soon as administratively practicable following the effective registration of the securities reserved for issuance under the Company's 2020 Equity Incentive Plan (the "**2020 Plan**") on a Form S-8 registration statement pursuant to the Securities Act of 1933, as amended (the "**Form S-8**"). Notwithstanding anything to the contrary in this Agreement, the Time-Vested Award and the Performance Award will not be deemed granted unless and until (i) the Form S-8 has become effective and (ii) the vesting schedule and all other material terms of such equity awards have been approved by the Compensation Committee. Employee acknowledges and agrees that the actual grant dates for future Time-Vested Awards shall be determined by the Compensation Committee and may be coordinated with the annual grant dates for Time-Vested Awards granted to other employees.

(iii) The annual Time-Vested Award for 2022 will cover such number of shares of the Company's common stock valued at $600,000 and each annual Time-Vested Award granted after 2022 will cover such number of shares of the Company's common stock valued at such amount as the Board of Directors or the Compensation Committee shall determine, in each case as of the applicable grant date, disregarding any fractional share amounts and shall be awarded on such terms and conditions as the Board or the Compensation Committee shall determine from time to time. Each Time- Vested Award will vest over a three-year period, with 33.33% of the Time-Vested Award vesting on the one-year anniversary of the first Quarterly Vesting Date following the applicable grant date and approximately 8.33% of the Time-Vested Award vesting on each Quarterly Vesting Date thereafter, subject to Employee remaining in Continuous Service (as defined in the 2020 plan) through such Quarterly Vesting Date. For purposes of this agreement, "**Quarterly Vesting Dates**" with respect to any calendar year means February 15, May 15, August 15, or November 15, as applicable, provided, to the extent any of such dates occurs on a weekend day or U.S. federal holiday, the Quarterly Vesting Date will be deemed to occur instead on the immediately following day that is not a weekend day or federal holiday.

(iv) The Performance Award will cover 200,000 shares of the Company's common stock. The Performance Award will vest based upon the achievement of objective performance criteria, as determined by the Compensation Committee in its sole and absolute discretion prior to the date of grant of the Performance

Award, during the period from the Effective Date through December 31, 2024, subject to Employee remaining in Continuous Service through each applicable vesting date.

(v) In the event of a Change in Control (as defined in the 2020 Plan), unless determined otherwise by the Board or the Compensation Committee, with the consent of Employee, prior to such Change in Control, and provided Employee remains in Continuous Service through immediately prior to such Change in Control, the Performance Award will vest immediately prior to the Change in Control based upon the actual achievement of the applicable performance vesting criteria to which the Performance Award is subject (measured as of immediately prior to the Change in Control), taking into account performance through the latest date preceding the Change in Control as to which performance can, as a practical matter, be determined (but not later than the end of the applicable performance period). For clarity, any portion of the Performance Award that has not vested as of immediately prior to a Change in Control (after taking into account the vesting treatment contemplated in the immediately preceding sentence) will be forfeited without cost to the Company, unless otherwise determined by the Board or the Compensation Committee prior to such Change in Control. In addition, if the Time-Vested Award is not assumed, substituted for or otherwise continued by the successor corporation (or a parent or subsidiary thereof) in the event of a Change in Control, or if this Agreement is not assumed or replaced with a substantially similar (or more beneficial) employment agreement (excluding performance-based equity awards) by the successor corporation (or a parent or subsidiary thereof) in the event of a Change in Control, the Time-Vested Award will fully vest and will be settled immediately prior to the consummation of such Change in Control, subject to Employee remaining in Continuous Service through immediately prior to such Change in Control.

(vi) Each of the Time-Vested Award and the Performance Award will be granted under and subject to the terms and conditions of the 2020 Plan and an appropriate form of award agreement approved by the Board or the Compensation Committee for use thereunder. The terms of this Agreement shall be reflected in such award agreement, and in the event of any conflict between the terms of such award agreement and this Agreement, the terms of such award agreement shall govern and control only if it has been executed by Employee.

4. **Term of Employment**. The initial term of Employee's employment under this Agreement shall be for the period beginning on the Effective Date and ending on the third (3rd) anniversary of the Effective Date (the "**Initial Term**"). On the third (3rd) anniversary of the Effective Date and on each subsequent anniversary thereafter, the term of Employee's employment under this Agreement shall automatically renew and extend for a period of twelve (12) months (each such twelve (12)-month period being a "**Renewal Term**") unless written notice of non- renewal is delivered by either party to the other not less than one hundred eighty (180) days prior to the expiration of the then-existing Initial Term or Renewal Term, as applicable. Notwithstanding any other provision of this Agreement, Employee's employment pursuant to this Agreement may be terminated at any time in accordance with Section 7. The period from the Effective Date through the expiration of this Agreement or, if sooner, the termination of Employee's employment pursuant to this Agreement, regardless of the time or reason for such termination, shall be referred to herein as the "**Employment Period**."

5. **Business Expenses**. Subject to Section 22, the Company shall reimburse Employee for Employee's reasonable out-of-pocket business-related expenses actually incurred in the performance of Employee's duties under this Agreement so long as Employee timely submits all documentation for such expenses, as required by Company policy in effect from time to time. Any such reimbursement of expenses shall be made by the Company in accordance with

the Company's expense reimbursement policy as in effect from time to time following the receipt of such documentation. In no event shall any reimbursement be made to Employee for any expenses incurred after the date of Employee's termination of employment with the Company.

6. **Benefits**. During the Employment Period, Employee shall be eligible to participate in the same benefit plans and programs in which other similarly situated Company employees are eligible to participate, subject to the terms and conditions of the applicable plans and programs in effect from time to time. The Company shall not, however, by reason of this Section 6, be obligated to institute, maintain, or refrain from changing, amending, or discontinuing, any such plan or policy, so long as such changes are similarly applicable to similarly situated Company employees generally.

7. **Termination of Employment**.

(a) Company's Right to Terminate Employee's Employment for Cause. The Company shall have the right to terminate Employee's employment hereunder at any time for Cause. For purposes of this Agreement, "**Cause**" shall mean:

(i) Employee's material breach of this Agreement (including, but not limited to his/her willful failure or refusal to follow any lawful directive of the Board) or any other written agreement between Employee and one or more members of the Company Group;

(ii) Employee is convicted of, or pleads guilty or *nolo contendere* to, any felony, or any misdemeanor involving moral turpitude, in either case other than related to a motor vehicle violation;

(iii) Employee's intentional or grossly negligent act of fraud or dishonesty against the Company or a member of the Company Group, which causes or can reasonably be expected to cause material loss, damage or injury to the property or reputation of the Company or a Company Group member; or

(iv) Employee's breach of any written policy or code of conduct established by a member of the Company Group and applicable to Employee, which causes or can reasonably be expected to cause material loss, damage or injury to the property or reputation of the Company or a Company Group member.

Notwithstanding the foregoing, it shall be a condition precedent to the Company's right to terminate Employee's employment for Cause under Section 7(a)(i), (iii), (iv), or (v) that the Company: (x) first have given Employee written notice stating with specificity the reason for the termination ("**Breach**"), and (y) if such Breach is susceptible of cure or remedy, a period of thirty (30) days from and after the giving of such notice shall have elapsed without Employee's having effectively cured or remedied such Breach during such thirty (30)-day period, unless such Breach cannot be cured or remedied within thirty (30) days, in which case the period for remedy or cure shall be extended for a reasonable time (not to exceed an additional thirty (30) days) provided that the Employee has made and continues to make a diligent effort to effect such remedy or cure within the initial thirty (30) day period and any such extension.

(b) Company's Right to Terminate for Convenience. The Company shall have the right to terminate Employee's employment for convenience at any time and for any reason, or no reason at all, upon written notice to Employee.

(c) Employee's Right to Terminate for Good Reason. Employee shall have the right to terminate Employee's employment with the Company at any time for Good Reason. For purposes of this Agreement, "**Good Reason**" shall mean: a resignation by Employee as a result of:

(i) a material diminution in Employee's Base Salary, other than a general reduction in Base Salary that affects all similarly situated executives of the Company in substantially the same proportions;

(ii) an adverse change in title, authorities or responsibilities that materially diminishes Employee's position;

(iii) a material change in the Employee's reporting relationship such that Employee no longer reports directly to an "executive officer", as defined in 17 CFR § 240.3b-7, of any member of the Company Group; or

(iv) a breach by any member of the Company Group of any of its obligations under this Agreement or any other written agreement between such member of the Company Group and Employee, which causes or can reasonably be expected to cause material loss, damage or injury to the property or reputation of Employee.

A resignation for Good Reason will not be deemed to have occurred unless Employee gives the Company written notice of the condition within sixty (60) days after the condition comes into existence, the Company fails to remedy the condition within thirty (30) days after receiving Employee's written notice, and the date of Employee's termination of employment must occur no later than ninety (90) days after the initial occurrence of the condition(s) specified in such notice.

(d) Death. Upon the death of Employee, Employee's employment with the Company and/or all members of the Company Group shall automatically (and without any further action by any person or entity) terminate with no further obligation under this Agreement of either Party, except as expressly provided within this paragraph. Upon the Employee's separation from service (within the meaning of Section 409A (as defined below)) due to death all unvested Company equity compensation awards (other than any Company equity compensation awards that are subject to performance-based or other similar vesting criteria) granted under any equity compensation plan of the Company that are held by Employee as of the date immediately prior to the applicable Termination Date (defined below) shall immediately vest in full and such awards, to the extent applicable, shall immediately become exercisable and be eligible for settlement in accordance with the terms and conditions provided in the applicable award agreements governing such awards.

(e) Employee's Right to Terminate for Convenience. In addition to Employee's right to terminate Employee's employment for Good Reason, Employee shall have the right to terminate Employee's employment with the Company for convenience at any time and for any other reason, or no reason at all, upon thirty (30) days' advance written notice to the Company; *provided*, *however*, that if Employee has provided notice to the Company of Employee's termination of employment, the Company may determine, in its sole discretion, that such termination shall be effective on any date prior to the effective date of termination provided in such notice (and, if such earlier date is so required, then it shall not change the basis for Employee's termination of employment nor be construed or interpreted as a termination of employment pursuant to Section 7(b)).

(f) Effect of Termination.

(i) Subject to Section 7(f)(iv), if Employee's employment hereunder is terminated by the Company via expiration and/or non-renewal of the Agreement pursuant to Section 4, without Cause pursuant to Section 7(b), or is terminated by Employee for Good Reason pursuant to Section 7(c), then so long as (and only if) Employee: (1) executes on or before the Release Expiration Date (as defined below), and does not revoke within any time provided by the Company to do so, a release of all claims in a form acceptable to the Company (the "**Release**") (in the form attached hereto as Exhibit B, as updated if necessary, pursuant to applicable law), which Release shall release each member of the Company Group and their respective affiliates, and the foregoing entities' respective shareholders, members, partners, officers, managers, directors, fiduciaries, employees, representatives, agents and benefit plans (and fiduciaries of such plans) from any and all claims, including any and all causes of action arising out of Employee's employment with the Company and any other member of the Company Group or the termination of such employment, but excluding all claims to Termination Benefits (as defined below) Employee may have under this Section 7; and (2) abides by the terms of each of Sections 9, 10 and 11, then (a) the Company shall make a severance payment to Employee in an amount equal to the sum of twelve (12) months' worth of Employee's then current Base Salary ("**Severance Payment**"), (b) cause each of Employee's then-outstanding and unvested stock options, restricted stock awards, restricted stock unit awards and any other Company equity compensation awards (other than (1) any Company equity compensation awards that are subject to performance-based or other similar vesting criteria, and (2) any stock options or any other equity awards that were granted to Employee under the 2016 Plan) that was granted to Employee more than one year prior to the date of Employee's termination of employment to vest in full and, to the extent applicable, become fully exercisable ("**Vesting Acceleration**"), and (c) cause each of Employee's then-outstanding and unexercised stock options (to the extent vested as of Employee's Termination Date) to remain exercisable until the earlier of (i) the date that is three years following Employee's Termination Date, (ii) the expiration date of the stock option, and (iii) in the event of a "Change in Control" (as defined in the 2020 Plan or the 2016 Plan), or any similar transaction, in which the successor corporation (or a parent or subsidiary thereof) does not assume or substitute for the stock option, immediately prior to the effective time of such transaction ("**Post-Termination Exercise Period Extension**").

(ii) If Employee's employment hereunder is terminated in circumstances in which Employee is eligible to receive a Severance Payment under Section 7(f)(i) and Employee satisfies each of the conditions to receive a Severance Payment under Section 7(f)(i), then, if Employee elects to continue coverage for Employee and Employee's spouse and eligible dependents, if any, under the Company's group health plans pursuant to Consolidated Omnibus Budget Reconciliation Act of 1985 ("**COBRA**"), the Company shall promptly reimburse Employee on a monthly basis for the difference between the amount Employee pays to effect and continue such coverage and the employee contribution amount that similarly situated employees of the Company pay for the same or similar coverage under such group health plans (the "**COBRA Subsidy**" and together with the Severance Payment, the Vesting Acceleration, and the Post-Termination Exercise Period Extension, the "**Termination Benefits**"). Each payment of the COBRA Subsidy shall be paid to Employee on the Company's first regularly scheduled pay date in the calendar month immediately following the calendar month in which Employee submits to the Company documentation of the applicable premium payment having been paid by Employee, which documentation shall be submitted by Employee to the Company within thirty (30) days following the date on which the applicable premium payment is paid. Employee shall be eligible to receive

such reimbursement payments until the earliest of: (1) the date that is twelve (12) months following the Termination Date (the "**COBRA Expiration Date**"); (2) the date Employee is no longer eligible to receive COBRA continuation coverage; and (3) the date on which Employee becomes eligible to receive coverage under a group health plan sponsored by another employer (and any such eligibility shall be promptly reported to the Company by Employee); provided, however, that the election of COBRA continuation coverage and the payment of any premiums due with respect to such COBRA continuation coverage shall remain Employee's sole responsibility, and the Company shall not assume any obligation for payment of any such premiums relating to such COBRA continuation coverage. Notwithstanding the foregoing, if the provision of the benefits described in this Section 7(f)(ii) cannot be provided in the manner described above without penalty, tax or other adverse impact on the Company or any other member of the Company Group, then the Company and Employee shall negotiate in good faith to determine an alternative manner in which the Company may provide substantially equivalent benefits to Employee without such adverse impact on the Company or such other member of the Company Group.

(iii) Subject to Section 7(f)(v) below, the Severance Payment will be divided into substantially equal installments over the twelve (12)-month period following the date of Employee's applicable separation from service (the "**Termination Date**"). On the Company's first regularly scheduled pay date that is on or after the date that is sixty (60) days after the Termination Date (the "**First Payment Date**"), the Company shall pay to Employee, without interest, a number of such installments equal to the number of such installments that would have been paid during the period beginning on the Termination Date and ending on the First Payment Date had the installments been paid on the Company's regularly scheduled pay dates on or following the Termination Date, and each of the remaining installments shall be paid on the Company's regularly scheduled pay dates during the remainder of applicable payment period; *provided*, *however*, that (1) to the extent, if any, that the aggregate amount of the installments of the Severance Payment that would otherwise be paid pursuant to the preceding provisions of this Section 7(f)(i) after March 15 of the calendar year following the calendar year in which the Termination Date occurs (the "**Applicable March 15**") exceeds the maximum exemption amount under Treasury Regulation Section 1.409A-1(b)(9)(iii)(A), then such excess shall be paid to Employee in a lump sum on the Applicable March 15 (or the first Business Day preceding the Applicable March 15 if the Applicable March 15 is not a Business Day) and the installments of the Severance Payment payable after the Applicable March 15 shall be reduced by such excess (beginning with the installment first payable after the Applicable March 15 and continuing with the next succeeding installment until the aggregate reduction equals such excess), and (2) all remaining installments of the Severance Payment, if any, that would otherwise be paid pursuant to the preceding provisions of this Section 7(f)(i) after December 31 of the calendar year following the calendar year in which the Termination Date occurs shall be paid with the installment of the Severance Payment, if any, due in December of the calendar year following the calendar year in which the Termination Date occurs. "**Business Day**" shall mean any day except a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by law to be closed.

(iv) Notwithstanding anything herein to the contrary, the Severance Payment and COBRA Subsidy (and any portion thereof) shall not be payable if Employee's employment hereunder terminates upon the expiration of the then-existing Initial Term or Renewal Term, as applicable, as a result of a non-renewal of the term of Employee's employment under this Agreement by Employee pursuant to Section 4.

(v) If the Release is not executed and returned to the Company on or before the Release Expiration Date, and the required revocation period has not fully expired without revocation of the Release by Employee, then Employee shall not be entitled to any portion of the Termination Benefits. As used herein, the "**Release Expiration Date**" is that date that is twenty-one (21) days following the date upon which the Company delivers the Release to Employee (which shall occur no later than seven (7) days after the Termination Date) or, in the event that such termination of employment is "in connection with an exit incentive or other employment termination program" (as such phrase is defined in the Age Discrimination in Employment Act of 1967), the date that is forty-five (45) days following such delivery date.

(g) After-Acquired Evidence. Notwithstanding any provision of this Agreement to the contrary, in the event that the Company determines that Employee is eligible to receive the Termination Benefits pursuant to Section 7(f) but, after such determination, the Company subsequently acquires evidence or determines that: (i) Employee has failed to abide by the terms of Sections 9, 10 or 11; or (ii) a Cause condition existed prior to the Termination Date that, had the Company been fully aware of such condition, would have given the Company the right to terminate Employee's employment pursuant to Section 7(a), then upon written notice to Employee of a good faith reasonable belief of Employee's breach or Cause condition the Employee shall forfeit all unpaid Termination Benefits, and the Company shall have the right to cease the payment of any future installments of the Termination Benefits, *provided that* such breach or Cause condition must remain uncured thirty (30) days after the Board first provided Employee written notice of the obligation to cure such breach or Cause condition.

8. **Disclosures**.

(a) Employee hereby represents and warrants that as of the Effective Date, there exist no actual or potential Conflicts of Interest (as defined below).

(b) Promptly (and in any event, within three (3) Business Days) upon becoming aware of any actual or potential Conflict of Interest, Employee shall disclose such actual or potential Conflict of Interest to the Board.

(c) A "**Conflict of Interest**" shall exist when Employee engages in, or plans to engage in, any activities, associations, or interests that conflict with, or create an appearance of a conflict with, Employee's duties, responsibilities, authorities, or obligations for and to any member of the Company Group.

9. **Confidentiality**. In the course of Employee's employment with the Company and the performance of Employee's duties on behalf of the Company Group hereunder, Employee will be provided with, and will have access to, Confidential Information (as defined below). In consideration of Employee's receipt and access to such Confidential Information, and as a condition of Employee's employment, Employee shall comply with this Section 9.

(a) Both during the Employment Period and thereafter, except as expressly permitted by this Agreement or by directive of the Board, Employee shall not disclose any Confidential Information to any person or entity and shall not use any Confidential Information except for the benefit of the Company Group. Employee shall follow all Company Group policies and protocols regarding the security of all documents and other materials containing Confidential Information (regardless of the medium on which Confidential Information is stored). The covenants of this Section 9(a) shall apply to all Confidential Information, whether now known or later to become known to Employee during the period that Employee is employed by or affiliated with the Company or any other member of the Company Group.

(b) Notwithstanding any provision of Section 9(a) to the contrary, Employee may make the following disclosures and uses of Confidential Information:

(i) disclosures to other employees of a member of the Company Group who have a need to know the information in connection with the businesses of the Company Group;

(ii) disclosures to customers and suppliers when, in the reasonable and good faith belief of Employee, such disclosure is in connection with Employee's performance of Employee's duties under this Agreement and is in the best interests of the Company Group;

(iii) disclosures and uses that are approved in writing by the Board; or

(iv) disclosures to a person or entity that has (x) been retained by a member of the Company Group to provide services to one or more members of the Company Group and (y) agreed in writing to abide by the terms of a confidentiality agreement.

(c) Upon the expiration of the Employment Period, and at any other time upon request of the Company, Employee shall promptly surrender and deliver to the Company all documents (including electronically stored information) and all copies thereof and all other materials of any nature containing or pertaining to all Confidential Information and any other Company Group property (including any Company Group-issued computer, mobile device or other equipment) in Employee's possession, custody or control and Employee shall not retain any such documents or other materials or property of the Company Group. Within five (5) days of any such request, Employee shall certify to the Company in writing that all such documents, materials and property have been returned to the Company.

(d) All trade secrets, non-public information, designs, ideas, concepts, improvements, product developments, discoveries and inventions, whether patentable or not, that are conceived, made, developed or acquired by or disclosed to Employee, individually or in conjunction with others, during the period that Employee is employed by the Company or any other member of the Company Group (whether during business hours or otherwise and whether on the Company's premises or otherwise) that relate to any member of the Company Group's businesses or properties, products or services (including all such information relating to corporate opportunities, operations, future plans, methods of doing business, business plans, strategies for developing business and market share, research, financial and sales data, pricing terms, evaluations, opinions, interpretations, acquisition prospects, the identity of customers or acquisition targets or their requirements, the identity of key contacts within customers' organizations or within the organization of acquisition prospects, or marketing and merchandising techniques, prospective names and marks) is defined as "**Confidential Information**." Moreover, all documents, videotapes, written presentations, brochures, drawings, memoranda, notes, records, files, correspondence, manuals, models, specifications, computer programs, e-mail, voice mail, electronic databases, maps, drawings, architectural renditions, models and all other writings or materials of any type including or embodying any of such information, ideas, concepts, improvements, discoveries, inventions and other similar forms of expression are and shall be the sole and exclusive property of the Company or the other applicable member of the Company Group and be subject to the same restrictions on disclosure applicable to all Confidential Information pursuant to this Agreement. For purposes of this Agreement, Confidential Information shall not include any information that (i) is or becomes generally available to the public other than as a result of a disclosure or wrongful act of Employee or any of Employee's agents; (ii) was available to Employee on a non-confidential basis before its disclosure by a member of the Company Group; or (iii) becomes available to

Employee on a non-confidential basis from a source other than a member of the Company Group; *provided*, *however*, that such source is not bound by a confidentiality agreement with, or other obligation with respect to confidentiality to, a member of the Company Group.

(e) Notwithstanding the foregoing, nothing in this Agreement shall prohibit or restrict Employee from lawfully: (i) initiating communications directly with, cooperating with, providing information to, causing information to be provided to, or otherwise assisting in an investigation by, any governmental authority regarding a possible violation of any law; (ii) responding to any inquiry or legal process directed to Employee from any such governmental authority (including the U.S. Securities and Exchange Commission); (iii) testifying, participating or otherwise assisting in any action or proceeding by any such governmental authority relating to a possible violation of law; or (iv) making any other disclosures that are protected under the whistleblower provisions of any applicable law. Additionally, pursuant to the federal Defend Trade Secrets Act of 2016, an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (A) is made (1) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney and (2) solely for the purpose of reporting or investigating a suspected violation of law; (B) is made to the individual's attorney in relation to a lawsuit for retaliation against the individual for reporting a suspected violation of law; or (C) is made in a complaint or other document filed in a lawsuit or proceeding, if such filing is made under seal. Nothing in this Agreement requires Employee to obtain prior authorization before engaging in any conduct described in this paragraph, or to notify the Company that Employee has engaged in any such conduct.

10. **Non-Competition; Non-Solicitation**.

(a) The Company shall provide Employee access to Confidential Information for use only during the Employment Period, and Employee acknowledges and agrees that the Company Group will be entrusting Employee, in Employee's unique and special capacity, with developing the goodwill of the Company Group, and in consideration of the Company providing Employee with access to Confidential Information and as an express incentive for the Company to enter into this Agreement and employ Employee hereunder, Employee has voluntarily agreed to the covenants set forth in this Section 10. Employee agrees and acknowledges that the limitations and restrictions set forth herein, including geographical and temporal restrictions on certain competitive activities, are reasonable in all respects, do not interfere with public interests, will not cause Employee undue hardship, and are material and substantial parts of this Agreement intended and necessary to prevent unfair competition and to protect the Company Group's Confidential Information, goodwill and legitimate business interests.

(b) During the Prohibited Period, Employee shall not, without the prior written approval of the Board, directly or indirectly, for Employee or on behalf of or in conjunction with any other person or entity of any nature:

(i) engage in or participate, directly or indirectly, in the following conduct: (A) owning, managing, operating, or being an officer or director of, any business that competes with any member of the Company Group in the Market Area related to the Business (except for the ownership of up to 3.0% of the shares of common stock or securities or any entity whose common shares or securities are listed on a national securities exchange), or (B) joining, becoming an employee or consultant of, or otherwise being affiliated with, any person or entity engaged in, or planning to engage in, the Business in the Market Area in competition, or anticipated competition, with any member of the Company Group in any capacity (with respect to this clause (B)) in which Employee's duties or responsibilities are the same as or similar to the duties or responsibilities that Employee had on behalf of any member of the Company Group;

(ii) solicit, canvass, approach, encourage, entice or induce any customer or supplier of any member of the Company Group with whom or which Employee had personal contact in the course of performing Employee's duties for any member of the Company Group to cease or lessen such customer's or supplier's business with any member of the Company Group; or

(iii) solicit, canvass, approach, encourage, entice or induce any employee or contractor of any member of the Company Group to terminate or reduce his, her or its employment or engagement with any member of the Company Group. This provision shall not prohibit Employee from employing or making an offer of employment to an employee or contractor of any member of the Company Group if such employment and/or offer resulted from a general solicitation or advertisement for applications in a newspaper, trade publication, on the Internet or other public forum.

(c) Because of the difficulty of measuring economic losses to the Company Group as a result of a breach or threatened breach of the covenants set forth in Section 9 and in this Section 10, and because of the immediate and irreparable damage that would be caused to the members of the Company Group for which they would have no other adequate remedy, the Company and each other member of the Company Group shall be entitled to enforce the foregoing covenants, in the event of a breach or threatened breach, by injunctions and restraining orders from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall not be the Company's or any other member of the Company Group's exclusive remedy for a breach but instead shall be in addition to all other rights and remedies available to the Company and each other member of the Company Group at law and equity.

(i) If Employee violates his/her obligations during the Prohibited Period and the Company (or relevant member of the Company Group) brings legal action for injunctive or other relief under Sections 9 and/or 10, the applicable Restricted Period shall be tolled by such court of competent jurisdiction so that the Company Group shall not be deprived of the benefit of the full Prohibited Period.

(ii) During the Prohibited Period, Executive expressly agrees to notify any prospective employer or affiliate in the restricted Business and Market Area of his/her obligations during the Prohibited Period and authorizes the Company to make contact with, any person or affiliate reasonably believed by the Company Group to be engaged or about to be engaged in an act that would constitute a violation of Employee's obligations under this Agreement. Employee hereby waives, and releases the Company Group from, any claims whatsoever arising in connection with the Company Group's contact or discussions with such person or affiliate.

(d) The covenants in this Section 10, and each provision and portion hereof, are severable and separate, and the unenforceability of any specific covenant (or portion thereof) shall not affect the provisions of any other covenant (or portion thereof). Moreover, in the event any court of competent jurisdiction shall determine that the scope, time or territorial restrictions set forth are unreasonable, then it is the intention of the parties that such restrictions be enforced to the fullest extent which such court deems reasonable, and this Agreement shall thereby be reformed.

(e) The following terms shall have the following meanings:

(i) "**Business**" shall mean the business and operations that are the same or similar to those performed (or as to which are proposed to be performed based on

plans developed within the twelve (12) month period immediately prior to the Termination Date) by the Company and any other member of the Company Group for which Employee provides services or about which Employee obtains Confidential Information during the Employment Period.

(ii) "**Market Area**" shall mean: (A) the United States; and (B) and any other geographic area or market where or with respect to which the Company or any other member of the Company Group conducts or has specific plans to conduct the Business on or at any time during the twelve (12) month period prior to the Termination Date.

(iii) "**Prohibited Period**" shall mean the period during which Employee is employed by any member of the Company Group and continuing for a period of twenty- four (24) months following the date that Employee is no longer employed by any member of the Company Group.

11. **Ownership of Intellectual Property.** Employee agrees that the Company shall own, and Employee shall (and hereby does) assign, all right, title and interest (including patent rights, copyrights, trade secret rights, mask work rights, trademark rights, and all other intellectual and industrial property rights of any sort throughout the world) relating to any and all inventions (whether or not patentable), works of authorship, designs, know-how, ideas and information authored, created, contributed to, made or conceived or reduced to practice, in whole or in part, by Employee during the period in which Employee is or has been employed by or affiliated with the Company or any other member of the Company Group that relates to the Business ("**Company Intellectual Property**"), and Employee shall promptly disclose all Company Intellectual Property to the Company. All of Employee's works of authorship and associated copyrights created during the period in which Employee is employed by or affiliated with the Company or any other member of the Company Group and related to the Business shall be deemed to be "works made for hire" within the meaning of the Copyright Act. Employee shall perform, during and after the period in which Employee is or has been employed by or affiliated with the Company or any other member of the Company Group, all acts deemed necessary by the Company to assist each member of the Company Group, at the Company's expense, in obtaining and enforcing its rights throughout the world in the Company Intellectual Property. Such acts may include execution of documents and assistance or cooperation (i) in the filing, prosecution, registration, and memorialization of assignment of any applicable patents, copyrights, mask work, or other applications, (ii) in the enforcement of any applicable patents, copyrights, mask work, moral rights, trade secrets, or other proprietary rights, and (iii) in other legal proceedings related to the Company Intellectual Property.

12. **Defense of Claims**. The Company shall obtain and maintain directors' and officers' liability insurance coverage in effect for Employee during the Employment Period and continuing thereafter so long as Employee shall be subject to any possible claim or threatened, pending or completed action, suit or proceeding, whether civil, criminal, arbitrational, administrative or investigative, by reason of the fact that Employee had served in the capacity or capacities referred to herein. During the Employment Period and thereafter, upon request from the Company, Employee shall cooperate with the Company Group in the defense of any claims or actions that may be made by or against any member of the Company Group that relate to Employee's actual or prior areas of responsibility.

13. **Withholdings; Deductions**. The Company may withhold and deduct from any benefits and payments made or to be made pursuant to this Agreement (a) all federal, state, local and other taxes as may be required pursuant to any law or governmental regulation or ruling and (b) any deductions consented to in writing by Employee.

14. **Title and Headings; Construction**. Titles and headings to Sections hereof are for the purpose of reference only and shall in no way limit, define or otherwise affect the provisions hereof. Unless the context requires otherwise, all references to laws, regulations, contracts, documents, agreements and instruments refer to such laws, regulations, contracts, documents, agreements and instruments as they may be amended from time to time, and references to particular provisions of laws or regulations include a reference to the corresponding provisions of any succeeding law or regulation. All references to "dollars" or "$" in this Agreement refer to United States dollars. The words "herein", "hereof", "hereunder" and other compounds of the word "here" shall refer to the entire Agreement, including all Exhibits attached hereto, and not to any particular provision hereof. Unless the context requires otherwise, the word "or" is not exclusive. Wherever the context so requires, the masculine gender includes the feminine or neuter, and the singular number includes the plural and conversely. All references to "including" shall be construed as meaning "including without limitation." Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against any party hereto, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by each of the parties hereto and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the parties hereto.

15. **Applicable Law; Submission to Jurisdiction**. This Agreement shall in all respects be construed according to the laws of the State of Texas without regard to its conflict of laws principles that would result in the application of the laws of another jurisdiction. With respect to any claim or dispute related to or arising under this Agreement, the parties hereby recognize and agree that should any resort to a court be necessary and permitted under this Agreement, then they consent to the exclusive jurisdiction, forum and venue of the state and federal courts (as applicable) located in Austin, Texas.

16. **Entire Agreement and Amendment**. This Agreement contain the entire agreement of the parties with respect to the matters covered herein and supersede all prior and contemporaneous agreements and understandings, oral or written, between the parties hereto concerning the subject matter hereof, including the Original Agreement. This Agreement may be amended only by a written instrument executed by both parties hereto.

17. **Waiver of Breach**. Any waiver of this Agreement must be executed by the party to be bound by such waiver. No waiver by either party hereto of a breach of any provision of this Agreement by the other party, or of compliance with any condition or provision of this Agreement to be performed by such other party, will operate or be construed as a waiver of any subsequent breach by such other party or any similar or dissimilar provision or condition at the same or any subsequent time. The failure of either party hereto to take any action by reason of any breach will not deprive such party of the right to take action at any time.

18. **Assignment**. This Agreement is personal to Employee, and neither this Agreement nor any rights or obligations hereunder shall be assignable or otherwise transferred by Employee. The Company may assign this Agreement without Employee's consent, including to any member of the Company Group and to any successor to or acquirer of (whether by merger, purchase or otherwise) all or substantially all of the equity, assets or businesses of the Company.

19. **Notices**. Notices provided for in this Agreement shall be in writing and shall be deemed to have been duly received (a) when delivered in person, (b) when sent by facsimile transmission (with confirmation of transmission) on a Business Day to the number set forth below, if applicable; *provided*, *however*, that if a notice is sent by facsimile transmission after normal business hours of the recipient or on a non-Business Day, then it shall be deemed to have been received on the next Business Day after it is sent, (c) on the first Business Day after such

notice is sent by express overnight courier service, or (d) on the second Business Day following deposit with an internationally-recognized second-day courier service with proof of receipt maintained, in each case, to the following address, as applicable:

If to the Company, addressed to:

Hyliion Holdings Corp
1202 BMC Drive, Suite
100 Cedar Park, TX 78613
Attention: Human Resources

If to Employee, addressed to:

_____
_____
_____

20. **Counterparts**. This Agreement may be executed in any number of counterparts, including by electronic mail or facsimile, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a copy hereof containing multiple signature pages, each signed by one party, but together signed by both parties hereto.

21. **Deemed Resignations**. Except as otherwise determined by the Board or as otherwise agreed to in writing by Employee and any member of the Company Group prior to the termination of Employee's employment with the Company or any member of the Company Group, any termination of Employee's employment shall constitute, as applicable, an automatic resignation of Employee: (a) as an officer of the Company and each member of the Company Group; (b) from the Board; and (c) from the board of directors or board of managers (or similar governing body) of any member of the Company Group and from the board of directors or board of managers (or similar governing body) of any corporation, limited liability entity, unlimited liability entity or other entity in which any member of the Company Group holds an equity interest and with respect to which board of directors or board of managers (or similar governing body) Employee serves as such Company Group member's designee or other representative.

22. **Section 409A**.

(a) Notwithstanding any provision of this Agreement to the contrary, all provisions of this Agreement are intended to comply with Section 409A of the Internal Revenue Code of 1986 (the "**Code**"), and the applicable Treasury regulations and administrative guidance issued thereunder (collectively, "**Section 409A**") or an exemption therefrom and shall be construed and administered in accordance with such intent. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service or as a short-term deferral shall be excluded from Section 409A to the maximum extent possible. For purposes of Section 409A, each installment payment provided under this Agreement shall be treated as a separate payment. No payment or benefits to be paid to Employee, if any, under this Agreement or otherwise, when considered together with any other severance payments or separation benefits that are considered deferred compensation under Section 409A will be paid or otherwise provided until the Employee has a "separation from service" within the meaning of Section 409A.

(b) To the extent that any right to reimbursement of expenses or payment of any benefit in-kind under this Agreement constitutes nonqualified deferred compensation (within the meaning of Section 409A), (i) any such expense reimbursement shall be made by the

Company no later than the last day of Employee's taxable year following the taxable year in which such expense was incurred by Employee, (ii) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (iii) the amount of expenses eligible for reimbursement or in-kind benefits provided during any taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year; *provided*, that the foregoing clause shall not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Code solely because such expenses are subject to a limit related to the period in which the arrangement is in effect.

(c) Notwithstanding any provision in this Agreement to the contrary, if any payment or benefit provided for herein would be subject to additional taxes and interest under Section 409A if Employee's receipt of such payment or benefit is not delayed until the earlier of (i) the date of Employee's death or (ii) the date that is six (6) months after the Termination Date (such date, the "**Section 409A Payment Date**"), then such payment or benefit shall not be provided to Employee (or Employee's estate, if applicable) until the Section 409A Payment Date. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement are exempt from, or compliant with, Section 409A and in no event shall any member of the Company Group be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by Employee on account of non- compliance with Section 409A.

23. **Certain Excise Taxes**.

(a) Notwithstanding anything to the contrary in this Agreement, if any payment or benefit Employee would receive from the Company or any other party whether in connection with the provisions of this Agreement or otherwise ("**Payment**") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "**Excise Tax**"), then such Payment shall be equal to the Reduced Amount. The "Reduced Amount" shall be either (x) the largest portion of the Payment that would result in no portion of the Payment being subject to the Excise Tax, or (y) the largest portion, up to and including the total, of the Payment, whichever amount ((x) or (y)), after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in Employee's receipt of the greatest economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a Reduced Amount will give rise to the greater after tax benefit, the reduction in the Payments shall occur in the following order: (a) reduction of cash payments; (b) cancellation of accelerated vesting of equity awards other than stock options; (c) cancellation of accelerated vesting of stock options; and (d) reduction of other benefits paid to Employee. Within any such category of payments and benefits (that is, (a), (b), (c) or (d)), a reduction shall occur first with respect to amounts that are not "deferred compensation" within the meaning of Section 409A and then with respect to amounts that are. In the event that acceleration of compensation from Employee's equity awards is to be reduced, such acceleration of vesting shall be canceled, subject to the immediately preceding sentence, in the reverse order of the date of grant.

(b) The independent accounting firm engaged by the Company for general accounting and/or tax advisory purposes as of the day prior to the effective date of the event described in Section 280G(b)(2)(A)(i) of the Code shall perform the foregoing calculations. If the independent accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting such event, the Company shall appoint an independent accounting firm to make the determinations required hereunder. The Company shall bear all expenses with respect to the determinations by such independent accounting firm required to be made hereunder. The independent accounting firm engaged to make the determinations hereunder shall provide its calculations, together with detailed supporting

documentation, to the Company and Employee within thirty (30) calendar days after the date on which Employee's right to a Payment is triggered (if requested at that time by the Company or Employee) or such other time as reasonably requested by the Company or Employee. Any good faith determinations of the independent accounting firm made hereunder shall be final, binding and conclusive upon the Company and Employee.

24. **Effect of Termination**. The provisions of Sections 7, 9-13 and 21 and those provisions necessary to interpret and enforce them, shall survive any termination of this Agreement and any termination of the employment relationship between Employee and the Company.

25. **Third-Party Beneficiaries**. Each member of the Company Group that is not a signatory to this Agreement shall be a third-party beneficiary of Employee's obligations under Sections 8, 9, 10, 11 and 21 and shall be entitled to enforce such obligations as if a party hereto.

26. **Severability**. Other than as set forth in Section 10(d), if a court of competent jurisdiction determines that any provision of this Agreement (or portion thereof) is invalid or unenforceable, then the invalidity or unenforceability of that provision (or portion thereof) shall not affect the validity or enforceability of any other provision of this Agreement, and all other provisions shall remain in full force and effect.

27. **Non-Disparagement**. Employee shall not, directly or indirectly, make or cause to be made any disparaging, denigrating, derogatory, misleading, or false statement orally or in writing to any person, including clients or prospective clients, competitors and advisors to the Company Group and members of the investment community or press, about (i) the Company and/or Company Group, or its/their members, managers, officers, employees, agents, or clients, or (ii) the business strategy or plans, policies, practices, or operations of the Company Group. Notwithstanding the foregoing, nothing in this section is intended to prevent Employee from making truthful statements to his attorney of record and/or any other government or law enforcement agency or official, or as otherwise required by applicable subpoena or court order.

IN WITNESS WHEREOF, Employee and the Company each have caused this Agreement to be executed, and intend this Agreement to become effective as of the Effective Date.

EMPLOYEE

/s/ Sherri Baker
Name: Sherri Baker
Title: Chief Financial Officer

HYLIION HOLDINGS CORP.

By: /s/ Thomas Healy
Name: Thomas Healy
Title: Chief Executive Officer

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This Employment Agreement **("Agreement")** is made and entered into by and between Hyliion Holdings Corp., a Delaware corporation, (the "**Company**"), and Dennis M. Gallagher **("Employee")**, and shall be effective as of the Effective Date, as defined below. This Agreement is intended to terminate and supersede any employment agreement, offer letter or other employment-related agreement by and between Employee and the Company, any Company subsidiary or predecessor entity.

RECITALS

WHEREAS, the Company and Employee previously entered into an employment agreement effective as of August 16, 2021 and

WHEREAS, on February 24, 2022, the Company and Employee desire to Amend and Restate the employment agreement in its entirety and to enter into this Agreement on the terms and subject to the conditions set forth herein, effective as of August 16, 2021 (the **"Effective Date"**).

NOW, THEREFORE, in consideration of the above recitals incorporated herein and the mutual covenants and premises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged, the parties agree as follows:

1. **Employment**. During the Employment Period (as defined in Section 4), the Company shall employ Employee, and Employee shall serve, as Chief Operating Officer of the Company and in such other position or positions as may be assigned from time to time by the Chief Executive Officer **("CEO")** of the Company or as otherwise designated by the board of directors of the Company (the **"Board").**

2. **Duties and Responsibilities of Employee**.

(a) Employee shall, during the Employment Period, devote Employee's best efforts and full business time and attention to the businesses of the Company and its direct and indirect subsidiaries as may exist from time to time (collectively, the Company and its current and future wholly owned direct and indirect subsidiaries are referred to as the **"Company Group")** as may be requested by the CEO from time to time. Employee's duties and responsibilities shall include those normally incidental to the position(s) identified in Section I, as well as such additional duties as may be assigned to Employee by the CEO from time to time, which duties and responsibilities may include providing services to other members of the Company Group in addition to the Company. Employee shall report to the CEO. Employee may, without violating this Section 2(a), (i) as a passive investment, own publicly-traded securities in such form or manner as will not require any services by Employee in the operation of the entities in which such securities are owned; or (ii) engage in outside activities provided (x) such ownership interests or activities (including but not limited to membership on boards of directors of for-profit organizations), so long as such ownership interests or activities do not interfere with Employee's ability to fulfill Employee's duties and responsibilities under this Agreement and are not inconsistent with Employee's obligations to any member of the Company Group or competitive with the business of any member of the Company Group; and (y) Employee gives written notice to the CEO of any significant outside business activity in which Employee plans to become involved, if such activity is pursued for profit. Notwithstanding the foregoing, Employee will not serve as a member on any Board of Directors (or similar body) of any for-profit organization without first obtaining the express written approval of the CEO. Employee has listed, in Exhibit A attached hereto, a complete list of all such entities and/or organizations that may be implicated by this Section 2, which shall be deemed approved by the CEO.

(b) Employee hereby represents and warrants that Employee is not the subject of, or a party to, any non-competition, non-solicitation, restrictive covenant or non-disclosure agreement, or any other agreement, obligation, restriction or understanding that would prohibit Employee from executing this Agreement or fully performing each of Employee's duties and responsibilities hereunder, or would in any manner, directly or indirectly, limit or affect any of the duties and responsibilities assigned to Employee hereunder. Employee expressly acknowledges and agrees that Employee is strictly prohibited from using or disclosing any confidential information belonging to any prior employer or third party in

the course of performing services for any member of the Company Group, and Employee promises that Employee shall not do so. Employee shall not introduce documents or other materials containing confidential information of any prior employer and/or other third party to the premises or property (including computers and computer systems) of any member of the Company Group.

(c) Employee owes each member of the Company Group fiduciary duties (including (i) duties of loyalty and disclosure and (ii) such fiduciary duties that an officer of the Company would have if the Company were a corporation organized under the laws of the State of Delaware), and the obligations described in this Agreement are in addition to, and not in lieu of, the obligations Employee owes each member of the Company Group under statutory and common law.

3. **Compensation**.

(a) Base Salary. During the Employment Period, the Company shall pay to Employee an annualized base salary of $500,000 (the **"Base Salary"**) in consideration for Employee's services under this Agreement, payable in substantially equal installments in conformity with the Company's customary payroll practices for similarly situated employees as may exist from time to time, but no less frequently than monthly. Employee's Base Salary will be reviewed annually by the CEO based on the performance of the Employee and the Company. The CEO may, but will not be required to, increase the Base Salary during the Initial and any Renewal Term.

(b) Target Bonus; Sign-On Bonus.

(i) In addition to the Base Salary, during the Employment Period, Employee will be entitled to participate in an annual incentive compensation plan of the Company. Employee's target annual bonus will be equal to 75% of Employee's Base Salary as in effect for such year (the **"Target Bonus"**) based upon achievement of performance goals established by the Compensation Committee of the Board pursuant to such plan. The Target Bonus will be paid at the time and in the manner specified under the annual incentive compensation plan of the Company.

(ii) The Company will pay Employee a one-time cash bonus (the **"Sign-On Bonus")** in the amount of $100,000 to be paid on the first payroll following Employee's start date. If, within one (1) year of hire date, Employee is terminated for Cause (as defined hereinbelow) or Employee chooses to leave the employment of the Company, Employee (or Employee's representative) agrees to repay the full amount of the Sign-On Bonus received by Employee after taxes and withholdings (the **"Repayment Amount")** on the date of Employee's termination or departure. Employee agrees that, should Employee be required to repay the Sign-On Bonus, the Company may make deductions from Employee's compensation up to the full Repayment Amount, consistent with applicable law. If such deductions do not fully repay the Repayment Amount, Employee agrees to remit the balance to the Company.

(c) Equity Awards.

(i) Subject to the approval of the Compensation Committee of the Board (the "Compensation Committee"), Employee will be granted as soon as administratively practicable following the Effective Date two one-time stock awards (each a **"Special Award").**

(A) The first Special Award will cover such number of shares of the Company's common stock valued at $235,324 as of the grant date, disregarding any fractional share amounts. The first Special Award will be immediately 100% vested upon grant. If, within two (2) years of date when the first Special Award is granted, Employee is terminated for Cause (as defined hereinbelow) or Employee chooses to leave the employment of the Company, Employee (or Employee's representative) agrees to return either the shares of common stock underlying this first Special Award (for no consideration from the Company or its affiliates) or the cash value of such shares as of the date of the Employee's termination or departure. Employee agrees that, should Employee be required to repay the cash value for the shares, the Company may make

deductions from Employee's compensation to repay the full amount owed, consistent with applicable law. If such deductions do not fully repay the amount owed, Employee agrees to remit the balance to the Company. Employee acknowledges and agrees that Employee is bound by the Company's insider trading policy.

(B) The second Special Award will cover such number of shares of the Company's common stock valued at $441,606 as of the grant date, disregarding any fractional share amounts. The second Special Award will vest over a three-year period, with 33.33% of this Special Award vesting on the one year anniversary of the first Quarterly Vesting Date (as defined below) following the applicable grant date and approximately 8.33% of the second Special Award vesting on each Quarterly Vesting Date thereafter, subject to Employee remaining in Continuous Service (as defined in the Company's 2020 Equity Incentive Plan (the "2020 Plan")) through such Quarterly Vesting Date. If, within two (2) years of date when the second Special Award is granted, Employee is terminated for Cause (as defined hereinbelow) or Employee chooses to leave the employment of the Company, Employee (or Employee's representative) agrees to return either the shares of common stock underlying this second Special Award (for no consideration from the Company or its affiliates) or the cash value of such shares as of the date of the Employee's termination or departure. Employee agrees that, should Employee be required to repay the cash value for the shares, the Company may make deductions from Employee's compensation to repay the full amount owed, consistent with applicable law. If such deductions do not fully repay the amount owed, Employee agrees to remit the balance to the Company. Employee acknowledges and agrees that Employee is bound by the Company's insider trading policy. For purposes of this agreement, **"Quarterly Vesting Dates"** with respect to any calendar year means February 15, May 15, August 15, or November 15, as applicable, provided, to the extent any of such dates occurs on a weekend day or U.S. federal holiday, the Quarterly Vesting Date will be deemed to occur instead on the immediately following day that is not a weekend day or federal holiday.

(ii) Subject to the approval of the Compensation Committee, Employee will be granted annual time-vested restricted stock unit awards (each, a **"Time-Vested Award")** and a one-time performance-based restricted stock unit award (a **"Performance Award")** as soon as administratively practicable following the Effective Date. Notwithstanding anything to the contrary in this Agreement, the Time-Vested Award and the Performance Award will not be deemed granted unless and until the vesting schedule and all other material terms of such equity awards have been approved by the Compensation Committee. Employee acknowledges and agrees that the actual grant dates for future Time-Vested Awards shall be determined by the Compensation Committee and may be coordinated with the annual grant dates for Time-Vested Awards granted to other employees.

(iii) The 2022 Time-Vested Award will cover such number of shares of the Company's common stock valued at $700,000 as of the applicable grant date, disregarding any fractional share amounts and shall be awarded on such terms and conditions as the Board or the Compensation Committee shall determine from time to time. The amount of future awards shall be at the discretion of the Board and the Compensation Committee. Each Time Vested Award will vest over a three-year period, with 33.33% of the Time-Vested Award vesting on the one-year anniversary of the first Quarterly Vesting Date following the applicable grant date and approximately 8.33% of the Time-Vested Award vesting on each Quarterly Vesting Date thereafter, subject to Employee remaining in Continuous Service (as defined in the 2020 Plan) through such Quarterly Vesting Date.

(iv) The Performance Award will have a target of 250,000 performance based restricted stock units (62,500 per each of the four performance periods specified therein, with the pro rata portion of 62,500 based on Employee's start date). The Performance Award will vest based upon the achievement of objective performance criteria, as determined by the Compensation Committee in its sole and absolute discretion prior to the date of grant of the Performance Award, during the period as provided in the Company's form of performance-based

restricted stock unit award agreement filed with the Securities and Exchange Commission on April 1, 2021.

(v) In the event of a Change in Control (as defined in the 2020 Plan), unless determined otherwise by the Board or the Compensation Committee, with the consent of Employee, prior to such Change in Control, and provided Employee remains in Continuous Service through immediately prior to such Change in Control, the Performance Award will vest immediately prior to the Change in Control based upon the actual achievement of the applicable performance vesting criteria to which the Performance Award is subject (measured as of immediately prior to the Change in Control), taking into account performance through the latest date preceding the Change in Control as to which performance can, as a practical matter, be determined (but not later than the end of the applicable performance period). For clarity, any portion of the Performance Award that has not vested as of immediately prior to a Change in Control (after taking into account the vesting treatment contemplated in the immediately preceding sentence) will be forfeited without cost to the Company, unless otherwise determined by the Board or the Compensation Committee prior to such Change in Control. In addition, if the Time-Vested Award is not assumed, substituted for or otherwise continued by the successor corporation (or a parent or subsidiary thereof) in the event of a Change in Control, or if this Agreement is not assumed or replaced with a substantially similar (or more beneficial) employment agreement (excluding performance-based equity awards) by the successor corporation (or a parent or subsidiary thereof) in the event of a Change in Control, the Time-Vested Award will fully vest and will be settled immediately prior to the consummation of such Change in Control, subject to Employee remaining in Continuous Service through immediately prior to such Change in Control.

(vi) Each of the Time-Vested Award and the Performance Award will be granted under and subject to the terms and conditions of the 2020 Plan and an appropriate form of award agreement approved by the Board or the Compensation Committee for use thereunder. The terms of this Agreement shall be reflected in such award agreement, and in the event of any conflict between the terms of such award agreement and this Agreement, the terms of such award agreement shall govern and control.

4. **Term of Employment**. The initial term of Employee's employment under this Agreement shall be for the period beginning on the Effective Date and ending on the third (3rd) anniversary of the Effective Date (the **"Initial Term")**. On the third (3rd) anniversary of the Effective Date and on each subsequent anniversary thereafter, the term of Employee's employment under this Agreement shall automatically renew and extend for a period of twelve (12) months (each such twelve (12)-month period being a **"Renewal Term")** unless written notice of nonrenewal is delivered by either party to the other not less than one hundred eighty (180) days prior to the expiration of the then-existing Initial Term or Renewal Term, as applicable. Notwithstanding any other provision of this Agreement, Employee's employment pursuant to this Agreement may be terminated at any time in accordance with Section 7. The period from the Effective Date through the expiration of this Agreement or, if sooner, the termination of Employee's employment pursuant to this Agreement, regardless of the time or reason for such termination, shall be referred to herein as the **"Employment Period**.**"**

5. **Business Expenses**. Subject to Section 22, the Company shall reimburse Employee for Employee's reasonable out-of-pocket business-related expenses actually incurred in the performance of Employee's duties under this Agreement so long as Employee timely submits all documentation for such expenses, as required by Company policy in effect from time to time. Any such reimbursement of expenses shall be made by the Company in accordance with the Company's expense reimbursement policy as in effect from time to time following the receipt of such documentation. In no event shall any reimbursement be made to Employee for any expenses incurred after the date of Employee's termination of employment with the Company.

6. **Benefits**. During the Employment Period, Employee shall be eligible to participate in the same benefit plans and programs in which other similarly situated Company employees are eligible to participate, subject to the terms and conditions of the applicable plans and programs in effect from time to time. The Company shall not, however, by reason of this Section 6, be obligated to institute, maintain, or

refrain from changing, amending, or discontinuing, any such plan or policy, so long as such changes are similarly applicable to similarly situated Company employees generally.

7. **Termination of Employment**.

(a) Company's Right to Terminate Employee's Employment for Cause. The Company shall have the right to terminate Employee's employment hereunder at any time for Cause. For purposes of this Agreement, **"Cause"** shall mean:

(i) Employee's material breach of this Agreement (including, but not limited to his/her willful failure or refusal to follow any lawful directive of the Board) or any other written agreement between Employee and one or more members of the Company Group;

(ii) Employee is convicted of, or pleads guilty or *nolo contendere* to, any felony, or any misdemeanor involving moral turpitude, in either case other than related to a motor vehicle violation;

(iii) Employee's intentional or grossly negligent act of fraud or dishonesty against the Company or a member of the Company Group, which causes or can reasonably be expected to cause material loss, damage or injury to the property or reputation of the Company or a Company Group member; or

(iv) Employee's breach of any written policy or code of conduct established by a member of the Company Group and applicable to Employee, which causes or can reasonably be expected to cause material loss, damage or injury to the property or reputation of the Company or a Company Group member.

Notwithstanding the foregoing, it shall be a condition precedent to the Company's right to terminate Employee's employment for Cause under Section 7(a)(i). (iii). or (iv) that the Company: (x) first have given Employee written notice stating with specificity the reason for the termination **("Breach")**, and (y) if such Breach is susceptible of cure or remedy, a period of thirty (30) days from and after the giving of such notice shall have elapsed without Employee's having effectively cured or remedied such Breach during such thirty (30)-day period, unless such Breach cannot be cured or remedied within thirty (30) days, in which case the period for remedy or cure shall be extended for a reasonable time (not to exceed an additional thirty (30) days) provided that the Employee has made and continues to make a diligent effort to effect such remedy or cure within the initial thirty (30) day period and any such extension. Termination for Cause pursuant to Section 7(a)(ii) shall be effective immediately upon the Company's written notice of termination to Employee.

(b) Company's Right to Terminate for Convenience. The Company shall have the right to terminate Employee's employment for convenience at any time and for any reason, or no reason at all, upon written notice to Employee.

(c) Employee's Right to Terminate for Good Reason. Employee shall have the right to terminate Employee's employment with the Company at any time for Good Reason. For purposes of this Agreement, **"Good Reason"** shall mean: a resignation by Employee as a result of:

(i) a material diminution in Employee's Base Salary, other than a general reduction in Base Salary that affects all similarly situated executives of the Company in substantially the same proportions;

(ii) an adverse change in title, authorities or responsibilities that materially diminishes Employee's position;

(iii) a material change in the Employee's reporting relationship such that Employee no longer reports directly to an "executive officer", as defined in 17 CFR § 240.3b-7, of any member of the Company Group; or

(iv) a breach by any member of the Company Group of any of its obligations under this Agreement or any other written agreement between such member of the Company Group and Employee, which causes or can reasonably be expected to cause material loss, damage or injury to the property or reputation of Employee.

A resignation for Good Reason will not be deemed to have occurred unless Employee gives the Company written notice of the condition within sixty (60) days after the condition comes into existence, the Company fails to remedy the condition within thirty (30) days after receiving Employee's written notice, and the date of Employee's termination of employment must occur no later than ninety (90) days after the initial occurrence of the condition(s) specified in such notice.

(d) Death. Upon the death of Employee, Employee's employment with the Company and/or all members of the Company Group shall automatically (and without any further action by any person or entity) terminate with no further obligation under this Agreement of either Party, except as expressly provided within this Section 7(d). Upon the Employee's separation from service (within the meaning of Section 409A (as defined below)) due to death, all unvested Company equity compensation awards (other than any Company equity compensation awards that are subject to performance-based or other similar vesting criteria) granted under any equity compensation plan of the Company that are held by Employee as of the date immediately prior to the applicable Termination Date (defined below) shall immediately vest in full and such awards, to the extent applicable, shall immediately become exercisable and be eligible for settlement in accordance with the terms and conditions provided in the applicable award agreements governing such awards.

(e) Employee's Right to Terminate for Convenience. In addition to Employee's right to terminate Employee's employment for Good Reason, Employee shall have the right to terminate Employee's employment with the Company for convenience at any time and for any other reason, or no reason at all, upon thirty (30) days' advance written notice to the Company; *provided, however,* that if Employee has provided notice to the Company of Employee's termination of employment, the Company may determine, in its sole discretion, that such termination shall be effective on any date prior to the effective date of termination provided in such notice (and, if such earlier date is so required, then it shall not change the basis for Employee's termination of employment nor be construed or interpreted as a termination of employment pursuant to Section 7(b)).

(f) Effect of Termination.

(i) Subject to Section 7(t)(iv), if Employee's employment hereunder is terminated by the Company via expiration and/or non-renewal of the Agreement pursuant to Section 4, at the Company's convenience pursuant to Section 7(b), or is terminated by Employee for Good Reason pursuant to Section 7(c), then so long as (and only if) Employee: (1) executes on or before the Release Expiration Date (as defined below), and does not revoke within any time provided by the Company to do so, a release of all claims in a form acceptable to the Company (the **"Release"**), which Release shall release each member of the Company Group and their respective affiliates, and the foregoing entities' respective shareholders, members, partners, officers, managers, directors, fiduciaries, employees, representatives, agents and benefit plans (and fiduciaries of such plans) from any and all claims, including any and all causes of action arising out of Employee's employment with the Company and any other member of the Company Group or the termination of such employment, but excluding all claims to Termination Benefits (as defined below) Employee may have under this Section 7; and (2) abides by the terms of each of Sections 9, 10 and 11, then the Company shall (a) make a severance payment to Employee in an amount equal to the sum of twelve (12) months' worth of Employee's then current Base Salary **("Severance Payment")**, (b) cause each of Employee's then outstanding and unvested stock options, restricted stock awards, restricted stock unit awards and any other Company equity compensation awards that were granted to Employee more than one year prior to the date of Employee's termination of employment to vest in full and, to the extent applicable, become fully exercisable **("Vesting Acceleration")** (other than any Company equity compensation awards that are subject to performance-based or other similar vesting criteria), and (c) cause each of Employee's then-outstanding and unexercised stock options (to the extent vested as of Employee's Termination Date) to remain exercisable until the earlier of (i) the date that is three

years following Employee's Termination Date, (ii) the expiration date of the stock option, or (iii) in the event of a "Change in Control" (as defined in the 2020 Plan or the 2016 Plan), or any similar transaction, in which the successor corporation (or a parent or subsidiary thereof) does not assume or substitute for the stock option, immediately prior to the effective time of such transaction **("Post-Termination Exercise Period Extension")**

(ii) If Employee's employment hereunder is terminated in circumstances in which Employee is eligible to receive a Severance Payment under section (7)(f)(i)and Employee satisfies each of the conditions to receive a Severance Payment under section 7(f)(i) then, if Employee timely elects to continue coverage for Employee and Employee's spouse and eligible dependents, if any, under the Company's group health plans pursuant to Consolidated Omnibus Budget Reconciliation Act of 1985 **("COBRA"),** the Company shall promptly reimburse Employee on a monthly basis for the difference between the amount Employee pays to effect and continue such coverage and the employee contribution amount that similarly situated employees of the Company pay for the same or similar coverage under such group health plans (the **"COBRA Subsidy"** and together with the Severance Payment, the Vesting Acceleration, and the Post-Termination Exercise Period Extension, the **"Termination Benefits").** Each payment of the COBRA Subsidy shall be paid to Employee on the Company's first regularly scheduled pay date in the calendar month immediately following the calendar month in which Employee submits to the Company documentation of the applicable premium payment having been paid by Employee, which documentation shall be submitted by Employee to the Company within thirty (30) days following the date on which the applicable premium payment is paid. Employee shall be eligible to receive such reimbursement payments until the earliest of: (1) the date that is twelve (12) months following the Termination Date; (2) the date Employee is no longer eligible to receive COBRA continuation coverage; and (3) the date on which Employee becomes eligible to receive coverage under a group health plan sponsored by another employer (and any such eligibility shall be promptly reported to the Company by Employee); *provided, however,* that the election of COBRA continuation coverage and the payment of any premiums due with respect to such COBRA continuation coverage shall remain Employee's sole responsibility, and the Company shall not assume any obligation for payment of any such premiums relating to such COBRA continuation coverage. Notwithstanding the foregoing, if the provision of the benefits described in this Section 7(f)(ii) cannot be provided in the manner described above without penalty, tax or other adverse impact on the Company or any other member of the Company Group, then the Company and Employee shall negotiate in good faith to determine an alternative manner in which the Company may provide substantially equivalent benefits to Employee without such adverse impact on the Company or such other member of the Company Group.

(iii) Subject to Section 7(f)(v) below, the Severance Payment will be divided into substantially equal installments over the twelve (12)-month period following the date of Employee's applicable separation from service (the **"Termination Date").** On the Company's first regularly scheduled pay date that is on or before the date that is sixty (60) days after the Termination Date (the **"First Payment Date")**, the Company shall pay to Employee, without interest, a number of such installments equal to the number of such installments that would have been paid during the period beginning on the Termination Date and ending on the First Payment Date had the installments been paid on the Company's regularly scheduled pay dates on or following the Termination Date, and each of the remaining installments shall be paid on the Company's regularly scheduled pay dates during the remainder of applicable payment period; *provided, however,* that (1) to the extent, if any, that the aggregate amount of the installments of the Severance Payment that would otherwise be paid pursuant to the preceding provisions of this Section 7(f)(i) after March 15 of the calendar year following the calendar year in which the Termination Date occurs (the **"Applicable March 15"**) exceeds the maximum exemption amount under Treasury Regulation Section 1.409A-l(b)(9)(iii)(A), then such excess shall be paid to Employee in a lump sum on the Applicable March 15 (or the first Business Day preceding the Applicable March 15 if the Applicable March 15 is not a Business Day) and the installments of the Severance Payment payable after the Applicable March 15 shall be reduced by such excess (beginning with the installment first payable after the Applicable March 15 and continuing with the next succeeding installment until the aggregate reduction equals such excess), and (2) all remaining installments of the Severance Payment, if any, that would otherwise be paid pursuant

to the preceding provisions of this Section 7(f)(i) after December 31 of the calendar year following the calendar year in which the Termination Date occurs shall be paid with the installment of the Severance Payment, if any, due in December of the calendar year following the calendar year in which the Termination Date occurs. **"Business Day"** shall mean any day except a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by law to be closed.

(iv) Notwithstanding anything herein to the contrary, the Severance Payment and COBRA Subsidy (and any portion thereof) shall not be payable if Employee's employment hereunder terminates upon the expiration of the then-existing Initial Term or Renewal Term, as applicable, as a result of a non-renewal of the term of Employee's employment under this Agreement by Employee pursuant to Section 4.

(v) If the Release is not executed and returned to the Company on or before the Release Expiration Date, and the required revocation period has not fully expired without revocation of the Release by Employee, then Employee shall not be entitled to any portion of the Termination Benefits. As used herein, the **"Release Expiration Date"** is that date that is twenty-one (21) days following the date upon which the Company delivers the Release to Employee (which shall occur no later than seven (7) days after the Termination Date) or, in the event that such termination of employment is "in connection with an exit incentive or other employment termination program" (as such phrase is defined in the Age Discrimination in Employment Act of 1967), the date that is forty-five (45) days following such delivery date.

(g) After-Acquired Evidence. Notwithstanding any prov1s10n of this Agreement to the contrary, in the event that the Company determines that Employee is eligible to receive the Termination Benefits pursuant to Section 7(f) but, after such determination, the Company subsequently acquires evidence or determines that: (i) Employee has failed to abide by the terms of Sections 9, 10 or 11; or (ii) a Cause condition existed prior to the Termination Date that, had the Company been fully aware of such condition, would have given the Company the right to terminate Employee's employment pursuant to Section 7(a), then upon written notice to Employee of a good faith reasonable belief of Employee's breach or Cause condition the Employee shall forfeit all unpaid Termination Benefits, and the Company shall have the right to cease the payment of any future installments of the Termination Benefits, *provided that* such breach or Cause condition must remain uncured thirty (30) days after the Board first provided Employee written notice of the obligation to cure such breach or Cause condition.

8. **Disclosures**.

(a) Employee hereby represents and warrants that as of the Effective Date, there exist no actual or potential Conflicts of Interest (as defined below).

(b) Promptly (and in any event, within three (3) Business Days) upon becoming aware of any actual or potential Conflict of Interest, Employee shall disclose such actual or potential Conflict of Interest to the Board.

(c) (c) A **"Conflict of Interest"** shall exist when Employee engages in, or plans to engage in, any activities, associations, or interests that conflict with, or create an appearance of a conflict with, Employee's duties, responsibilities, authorities, or obligations for and to any member of the Company Group.

9. **Confidentiality**. In the course of Employee's employment with the Company and the performance of Employee's duties on behalf of the Company Group hereunder, Employee will be provided with, and will have access to, Confidential Information (as defined below). In consideration of Employee's receipt and access to such Confidential Information, and as a condition of Employee's employment, Employee shall comply with this Section 9.

(a) Both during the Employment Period and thereafter, except as expressly permitted by this Agreement or by directive of the Board, Employee shall not directly or indirectly disseminate, publicize, use, copy, transfer, or disclose any Confidential Information to any person or entity and shall

not use any Confidential Information except for the benefit of the Company Group. Employee shall follow all Company Group policies and protocols regarding the security of all documents and other materials containing Confidential Information (regardless of the medium on which Confidential Information is stored). The covenants of this Section 9(a) shall apply to all Confidential Information, whether now known or later to become known to Employee during the period that Employee is employed by or affiliated with the Company or any other member of the Company Group.

(b) Notwithstanding any provision of Section 9(a) to the contrary, Employee may make the following disclosures and uses of Confidential Information:

(i) disclosures to other employees of a member of the Company Group who have a need to know the information in connection with the businesses of the Company Group;

(ii) disclosures to customers and suppliers when, in the reasonable and good faith belief of Employee, such disclosure is in connection with Employee's performance of Employee's duties under this Agreement and is in the best interests of the Company Group and, if applicable, following written agreements by such customers or suppliers to safeguard and not disclose the Confidential Information.

(iii) disclosures and uses that are approved in writing by the Board; or

(iv) disclosures to a person or entity that has (x) been retained by a member of the Company Group to provide services to one or more members of the Company Group and (y) agreed in writing to abide by the terms of a confidentiality agreement; or

(v) if compelled by law, subpoena, or other lawful process; *provided, however,* that Employee give prompt written notice of such fact to the Company so that the Company may, if it so desires, seek a protective order or other governmental or judicial relief, at the Company's expense, to prevent disclosure of the Confidential Information.

(c) Upon the expiration of the Employment Period, and at any other time upon request of the Company, Employee shall promptly surrender and deliver to the Company all documents (including electronically stored information) and all copies thereof and all other materials of any nature containing or pertaining to all Confidential Information and any other Company Group property (including any Company Group-issued computer, mobile device or other equipment) in Employee's possession, custody or control and Employee shall not retain any such documents or other materials or property of the Company Group. Within five (5) days of any such request, Employee shall certify to the Company in writing that all such documents, materials and property have been returned to the Company.

(d) All trade secrets, non-public information, designs, ideas, concepts, improvements, product developments, discoveries and inventions, whether patentable or not, that are conceived, made, developed or acquired by or disclosed to Employee, individually or in conjunction with others, during the period that Employee is employed by the Company or any other member of the Company Group (whether during business hours or otherwise and whether on the Company's premises or otherwise) that relate to any member of the Company Group's businesses or properties, products or services (including all such information relating to corporate opportunities, operations, future plans, methods of doing business, business plans, strategies for developing business and market share, research, financial and sales data, pricing terms, evaluations, opinions, interpretations, acquisition prospects, the identity of customers or acquisition targets or their requirements, the identity of key contacts within customers' organizations or within the organization of acquisition prospects, or marketing and merchandising techniques, prospective names and marks) is defined as **"Confidential Information."** Moreover, all documents, videotapes, written presentations, brochures, drawings, memoranda, notes, records, files, correspondence, manuals, models, specifications, computer programs, e-mail, voice mail, electronic databases, maps, drawings, architectural renditions, models and all other writings or materials of any type including or embodying any of such information, ideas, concepts, improvements, discoveries, inventions and other similar forms of expression are and shall be the sole and exclusive property of the Company or the other applicable member of the Company Group and be subject to the same restrictions on disclosure applicable to all Confidential Information pursuant to this Agreement. For purposes of this

Agreement, Confidential Information shall not include any information that (i) is or becomes generally available to the public other than as a result of a disclosure or wrongful act of Employee or any of Employee's agents; (ii) was available to Employee on a non-confidential basis before its disclosure by a member of the Company Group; or (iii) becomes available to Employee on a non-confidential basis from a source other than a member of the Company Group; *provided, however,* that such source is not bound by a confidentiality agreement with, or other obligation with respect to confidentiality to, a member of the Company Group

(e) Notwithstanding the foregoing, nothing in this Agreement shall prohibit or restrict Employee from lawfully: (i) initiating communications directly with, cooperating with, providing information to, causing information to be provided to, or otherwise assisting in an investigation by, any governmental authority regarding a possible violation of any law; (ii) responding to any inquiry or legal process directed to Employee from any such governmental authority (including the U.S. Securities and Exchange Commission); (iii) testifying, participating or otherwise assisting in any action or proceeding by any such governmental authority relating to a possible violation of law; or (iv) making any other disclosures that are protected under the whistleblower provisions of any applicable law. Additionally, pursuant to the federal Defend Trade Secrets Act of 2016, an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (A) is made (1) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney and (2) solely for the purpose of reporting or investigating a suspected violation of law; (B) is made to the individual's attorney in relation to a lawsuit for retaliation against the individual for reporting a suspected violation of law; or (C) is made in a complaint or other document filed in a lawsuit or proceeding, if such filing is made under seal. Nothing in this Agreement requires Employee to obtain prior authorization before engaging in any conduct described in this Section 9(e), or to notify the Company that Employee has engaged in any such conduct.

10. **Non-Competition; Non-Solicitation**.

(a) The Company shall provide Employee access to Confidential Information for use only during the Employment Period, and Employee acknowledges and agrees that the Company Group will be entrusting Employee, in Employee's unique and special capacity, with developing the goodwill of the Company Group, and in consideration of the Company providing Employee with access to Confidential Information and as an express incentive for the Company to enter into this Agreement and employ Employee hereunder, Employee has voluntarily agreed to the covenants set forth in this Section 10. Employee agrees and acknowledges that the limitations and restrictions set forth herein, including geographical and temporal restrictions on certain competitive activities, are reasonable in all respects, do not interfere with public interests, will not cause Employee undue hardship, and are material and substantial parts of this Agreement intended and necessary to prevent unfair competition and to protect the Company Group's Confidential Information, goodwill and legitimate business interests.

(b) During the Prohibited Period (as defined below), Employee shall not, without the prior written approval of the Board, directly or indirectly, for Employee or on behalf of or in conjunction with any other person or entity of any nature:

(i) engage in or participate, directly or indirectly, in the following conduct: (A) owning, managing, operating, or being an officer or director of, any business that competes with any member of the Company Group in the Market Area (as defined below) related to the Business (as defined below) (except for the ownership of up to 3.0% of the shares of common stock or securities or any entity whose common shares or securities are listed on a national securities exchange), or (B) joining, becoming an employee or consultant of, or otherwise being affiliated with, any person or entity engaged in, or planning to engage in, the Business in the Market Area in competition, or anticipated competition, with any member of the Company Group in any capacity (with respect to this Clause (B)) in which Employee's duties or responsibilities are the same as or similar to the duties or responsibilities that Employee had on behalf of any member of the Company Group;

(ii) solicit, canvass, approach, encourage, entice or induce any customer or supplier of any member of the Company Group with whom or which Employee had personal

contact in the course of performing Employee's duties for any member of the Company Group to cease or lessen such customer's or supplier's business with any member of the Company Group; or

(iii) Solicit, canvass, approach, encourage, entice or induce any employee or contractor of any member of the Company Group to terminate or reduce his, her or its employment or engagement with any member of the Company Group. This provision shall not prohibit Employee from employing or making an offer of employment to an employee or contractor of any member of the Company Group if such employment and/or offer resulted from a general solicitation or advertisement for applications in a newspaper, trade publication, on the Internet or other public forum.

(c) Because of the difficulty of measuring economic losses to the Company Group as a result of a breach or threatened breach of the covenants set forth in Section 9 and in this Section 10, and because of the immediate and irreparable damage that would be caused to the members of the Company Group for which they would have no other adequate remedy, the Company and each other member of the Company Group shall be entitled to enforce the foregoing covenants, in the event of a breach or threatened breach, by injunctions and restraining orders from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall not be the Company's or any other member of the Company Group's exclusive remedy for a breach but instead shall be in addition to all other rights and remedies available to the Company and each other member of the Company Group at law and equity.

(i) If Employee violates his/her obligations during the Prohibited Period and the Company (or relevant member of the Company Group) brings legal action for injunctive or other relief under Sections 9 and/or 10, the applicable Restricted Period shall be tolled by such court of competent jurisdiction so that the Company Group shall not be deprived of the benefit of the full Prohibited Period.

(ii) During the Prohibited Period, Executive expressly agrees to notify any prospective employer or affiliate in the restricted Business and Market Area of his/her obligations during the Prohibited Period and authorizes the Company to make contact with, any person or affiliate reasonably believed by the Company Group to be engaged or about to be engaged in an act that would constitute a violation of Employee's obligations under this Agreement. Employee hereby waives, and releases the Company Group from, any claims whatsoever arising in connection with the Company Group's contact or discussions with such person or affiliate.

(d) The covenants in this Section 10, and each provision and portion hereof, are severable and separate, and the unenforceability of any specific covenant (or portion thereof) shall not affect the provisions of any other covenant (or portion thereof). Moreover, in the event any court of competent jurisdiction shall determine that the scope, time or territorial restrictions set forth are unreasonable, then it is the intention of the parties that such restrictions be enforced to the fullest extent which such court deems reasonable, and this Agreement shall thereby be reformed and enforced as so reformed.

(e) The following terms shall have the following meanings:

(i) **"Business"** shall mean the business and operations that are the same or similar to those performed (or as to which are proposed to be performed based on plans developed within the twelve (12) month period immediately prior to the Termination Date) by the Company and any other member of the Company Group for which Employee provides services or about which Employee obtains Confidential Information during the Employment Period.

(ii) **"Market Area"** shall mean: (A) the United States; and (B) and any other geographic area or market where or with respect to which the Company or any other member of the Company Group conducts or has specific plans to conduct the Business on or at any time during the twelve (12) month period prior to the Termination Date.

(iii) **"Prohibited Period"** shall mean the period during which Employee is employed by any member of the Company Group and continuing for a period of twenty four (24) months following the date that Employee is no longer employed by any member of the Company Group.

11. **Ownership of Intellectual Property.** Employee agrees that the Company shall own, and Employee shall (and hereby does) assign, all right, title and interest (including patent rights, copyrights, trade secret rights, mask work rights, trademark rights, and all other intellectual and industrial property rights of any sort throughout the world) relating to any and all inventions (whether or not patentable), works of authorship, designs, know-how, ideas and information authored, created, contributed to, made or conceived or reduced to practice, in whole or in part, by Employee during the period in which Employee is or has been employed by or affiliated with the Company or any other member of the Company Group that relates to the Business ("**Company Intellectual Property**"), and Employee shall promptly disclose all Company Intellectual Property to the Company in writing. All of Employee's works of authorship and associated copyrights created during the period in which Employee is employed by or affiliated with the Company or any other member of the Company Group and related to the Business shall be deemed to be "works made for hire" within the meaning of the Copyright Act. Employee shall perform, during and after the period in which Employee is or has been employed by or affiliated with the Company or any other member of the Company Group, all acts deemed necessary by the Company to assist each member of the Company Group, at the Company's expense, in obtaining and enforcing its rights throughout the world in the Company Intellectual Property. Such acts may include execution of documents and assistance or cooperation (i) in the filing, prosecution, registration, and memorialization of assignment of any applicable patents, copyrights, mask work, or other applications, (ii) in the enforcement of any applicable patents, copyrights, mask work, moral rights, trade secrets, or other proprietary rights, and (iii) in other legal proceedings related to the Company Intellectual Property.

12. **Defense of Claims**. The Company shall obtain and maintain directors' and officers' liability insurance coverage in effect for Employee during the Employment Period and continuing thereafter so long as Employee shall be subject to any possible claim or threatened, pending or completed action, suit or proceeding, whether civil, criminal, arbitrational, administrative or investigative, by reason of the fact that Employee had served in the capacity or capacities referred to herein. During the Employment Period and thereafter, upon request from the Company, Employee shall cooperate with the Company Group in the defense of any claims or actions that may be made by or against any member of the Company Group that relate to Employee's actual or prior areas of responsibility.

13. **Withholdings: Deductions**. The Company may withhold and deduct from any benefits and payments made or to be made pursuant to this Agreement (a) all federal, state, local and other taxes as may be required pursuant to any law or governmental regulation or ruling and (b) any deductions consented to in writing by Employee.

14. **Title and Headings; Construction.** Titles and headings to Sections hereof are for the purpose of reference only and shall in no way limit, define or otherwise affect the provisions hereof Unless the context requires otherwise, all references to laws, regulations, contracts, documents, agreements and instruments refer to such laws, regulations, contracts, documents, agreements and instruments as they may be amended from time to time, and references to particular provisions of laws or regulations include a reference to the corresponding provisions of any succeeding law or regulation. All references to "dollars" or"$" in this Agreement refer to United States dollars. The words "herein", "hereof", "hereunder" and other compounds of the word "here" shall refer to the entire Agreement, including all Exhibits attached hereto, and not to any particular provision hereof. Unless the context requires otherwise, the word "or" is not exclusive. Wherever the context so requires, the masculine gender includes the feminine or neuter, and the singular number includes the plural and conversely. All references to "including" shall be construed as meaning "including without limitation." Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against any party hereto, whether under any rule of construction or otherwise. To the contrary, this Agreement has been reviewed by each of the parties hereto and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the parties hereto.

15. **Applicable Law; Submission to Jurisdiction**. This Agreement shall in all respects be construed according to the laws of the State of Texas without regard to its conflict of laws principles that would result in the application of the laws of another jurisdiction. With respect to any claim or dispute related to or arising under this Agreement, the parties hereby recognize and agree that should any resort to a court be necessary and permitted under this Agreement, then they consent to the exclusive jurisdiction, forum and venue of the state and federal courts (as applicable) located in Austin, Texas.

16. **Entire Agreement and Amendment.** This Agreement contain the entire agreement of the parties with respect to the matters covered herein and supersede all prior and contemporaneous agreements and understandings, oral or written, between the parties hereto concerning the subject matter hereof. This Agreement may be amended only by a written instrument executed by both parties hereto. For the avoidance of doubt, this Agreement does not supersede, in whole or in part, the 2020 Plan or the 2016 Plan except as specifically provided herein.

17. **Waiver of Breach**. Any waiver of this Agreement must be executed by the party to be bound by such waiver. No waiver by either party hereto of a breach of any provision of this Agreement by the other party, or of compliance with any condition or provision of this Agreement to be performed by such other party, will operate or be construed as a waiver of any subsequent breach by such other party or any similar or dissimilar provision or condition at the same or any subsequent time. The failure of either party hereto to take any action by reason of any breach will not deprive such party of the right to take action at any time.

18. **Assignment.** This Agreement is personal to Employee, and neither this Agreement nor any rights or obligations hereunder shall be assignable or otherwise transferred by Employee. The Company may assign this Agreement without Employee's consent, including to any member of the Company Group and to any successor to or acquirer of (whether by merger, purchase or otherwise) all or substantially all of the equity, assets or businesses of the Company.

19. **Notices.** Notices provided for in this Agreement shall be in writing and shall be deemed to have been duly received (a) when delivered in person, (b) when sent by email (with confirmation of receipt)email to the address set forth below, if applicable, (c) on the first Business Day after such notice is sent by express overnight courier service, or (d) on the second Business Day following deposit with an internationally-recognized second-day courier service with proof of receipt maintained, in each case, to the following address, as applicable:

If **to the Company, addressed to**:

Hyliion Holdings Corp 1202
BMC Drive, Suite 100
Cedar Park, TX 78613
Attention: Human Resources

If **to Employee, addressed to**:

Dennis M. Gallagher
30 Sedgwick Road
West Hartford, CT 06107

20. **Counterparts.** This Agreement may be executed in any number of counterparts, including by electronic mail or facsimile, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a copy hereof containing multiple signature pages, each signed by one party, but together signed by both parties hereto.

21. **Deemed Resignations.** Except as otherwise determined by the Board or as otherwise agreed to in writing by Employee and any member of the Company Group prior to the termination of Employee's employment with the Company or any member of the Company Group, any termination of Employee's employment shall constitute, as applicable, an automatic resignation of Employee: (a) as an

officer of the Company and each member of the Company Group; (b) from the Board; and (c) from the board of directors or board of managers (or similar governing body) of any member of the Company Group and from the board of directors or board of managers (or similar governing body) of any corporation, limited liability entity, unlimited liability entity or other entity in which any member of the Company Group holds an equity interest and with respect to which board of directors or board of managers (or similar governing body) Employee serves as such Company Group member's designee or other representative.

22. **Section 409A**.

(a) Notwithstanding any prov1s1on of this Agreement to the contrary, all provisions of this Agreement are intended to comply with Section 409A of the Internal Revenue Code of 1986 (the **"Code"**), and the applicable Treasury regulations and administrative guidance issued thereunder (collectively **"Section 409A"**) or an exemption therefrom and shall be construed and administered in accordance with such intent. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service or as a short-term deferral shall be excluded from Section 409A to the maximum extent possible. For purposes of Section 409A, each installment payment provided under this Agreement shall be treated as a separate payment. No payment or benefits to be paid to Employee, if any, under this Agreement or otherwise, when considered together with any other severance payments or separation benefits that are considered deferred compensation under Section 409A will be paid or otherwise provided until the Employee has a "separation from service" within the meaning of Section 409A.

(b) To the extent that any right to reimbursement of expenses or payment of any benefit in-kind under this Agreement constitutes nonqualified deferred compensation (within the meaning of Section 409A), (i) any such expense reimbursement shall be made by the Company no later than the last day of Employee's taxable year following the taxable year in which such expense was incurred by Employee, (ii) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (iii) the amount of expenses eligible for reimbursement or in-kind benefits provided during any taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year; *provided,* that the foregoing clause shall not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Code solely because such expenses are subject to a limit related to the period in which the arrangement is in effect.

(c) Notwithstanding any provision in this Agreement to the contrary, if any payment or benefit provided for herein would be subject to additional taxes and interest under Section 409A if Employee's receipt of such payment or benefit is not delayed until the earlier of (i) the date of Employee's death or (ii) the date that is six (6) months after the Termination Date (such date, the **"Section 409A Payment Date"),** then such payment or benefit shall not be provided to Employee (or Employee's estate, if applicable) until the Section 409A Payment Date. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement are exempt from, or compliant with, Section 409A and in no event shall any member of the Company Group be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by Employee on account of noncompliance with Section 409A.

23. **Certain Excise Taxes**.

(a) Notwithstanding anything to the contrary in this Agreement, if any payment or benefit Employee would receive from the Company or any other party whether in connection with the provisions of this Agreement or otherwise **("Payment")** would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the **"Excise Tax"),** then such Payment shall be equal to the Reduced Amount. The **"Reduced Amount"** shall be either (x) the largest portion of the Payment that would result in no portion of the Payment being subject to the Excise Tax, or (y) the largest portion, up to and including the total, of the Payment, whichever amount ((x) or (y)), after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in Employee's receipt of the greatest economic benefit

notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a Reduced Amount will give rise to the greater after tax benefit, the reduction in the Payments shall occur in the following order: (a) reduction of cash payments; (b) cancellation of accelerated vesting of equity awards other than stock options; (c) cancellation of accelerated vesting of stock options; and (d) reduction of other benefits paid to Employee. Within any such category of payments and benefits (that is, (a), (b), (c) or (d)), a reduction shall occur first with respect to amounts that are not "deferred compensation" within the meaning of Section 409A and then with respect to amounts that are. In the event that acceleration of compensation from Employee's equity awards is to be reduced, such acceleration of vesting shall be canceled, subject to the immediately preceding sentence, in the reverse order of the date of grant.

(b) The independent accounting firm engaged by the Company for general accounting and/or tax advisory purposes as of the day prior to the effective date of the event described in Section 280G(b)(2)(A)(i) of the Code shall perform the foregoing calculations. If the independent accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting such event, the Company shall appoint an independent accounting firm to make the determinations required hereunder. The Company shall bear all expenses with respect to the determinations by such independent accounting firm required to be made hereunder. The independent accounting firm engaged to make the determinations hereunder shall provide its calculations, together with detailed supporting documentation, to the Company and Employee within thirty (30) calendar days after the date on which Employee's right to a Payment is triggered (if requested at that time by the Company or Employee) or such other time as reasonably requested by the Company or Employee. Any good faith determinations of the independent accounting firm made hereunder shall be final, binding and conclusive upon the Company and Employee.

24. **Effect of Termination.** The provisions of Sections 7, 9-13, and 21 and those provisions necessary to interpret and enforce them, shall survive any termination of this Agreement and any termination of the employment relationship between Employee and the Company.

25. **Third-Party Beneficiaries.** Each member of the Company Group that is not a signatory to this Agreement shall be a third-party beneficiary of Employee's obligations under Sections 8, 9, 10, 11, and 21 and shall be entitled to enforce such obligations as if a party hereto.

26. **Severability.** Other than as set forth in Section 10(d), if a court of competent jurisdiction determines that any provision of this Agreement (or portion thereof) is invalid or unenforceable, then the invalidity or unenforceability of that provision (or portion thereof) shall not affect the validity or enforceability of any other provision of this Agreement, and all other provisions shall remain in full force and effect.

27. **Non-Disparagement.** Employee shall not, directly or indirectly, make or cause to be made any disparaging, denigrating, derogatory, misleading, or false statement orally or in writing to any person, including clients or prospective clients, competitors and advisors to the Company Group and members of the investment community or press, about (i) the Company and/or Company Group, or its/their members, managers, officers, employees, agents, or clients, or (ii) the business strategy or plans, policies, practices, or operations of the Company Group. Notwithstanding the foregoing, nothing in this section is intended to prevent Employee from making truthful statements to his attorney of record and/or any other government or law enforcement agency or official, or as otherwise required by applicable subpoena or court order or from communications internal to the Company and/or the Company Group related to Employee's duties under this Agreement.

IN WITNESS WHEREOF, Employee and the Company each have caused this Agreement to be executed, and intend this Agreement to become effective as of the Effective Date.

EMPLOYEE

By: /s/ Dennis Gallagher_____
Name: Dennis Gallagher
Title: Chief Operating Officer

HYLIION HOLDINGS CORP.

By: /s/ Thomas Healy_____
Name: Thomas Healy
Title: Chief Executive Officer

AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

This Amended and Restated Employment Agreement ("**Agreement**") is made and entered into by and between Hyliion Holdings Corp., a Delaware corporation, (the "**Company**"), and Patrick Sexton ("**Employee**"), and shall be effective as of the Effective Date, as defined below. This Agreement is intended to terminate and supersede any employment agreement, offer letter or other employment-related agreement by and between Employee and the Company, any Company subsidiary or predecessor entity, including, without limitation, the offer letter provided to Employee by Hyliion Inc. ("**Hyliion**") on May 22, 2019 (the "**Original Agreement**"), unless otherwise specifically noted herein.

RECITALS

WHEREAS, The Company and Employee previously entered into an employment agreement, effective as of October 1, 2020, and amended as of October 13, 2021; and

WHEREAS, on February 24, 2022, the Company and Employee desire to amend and restate the employment agreement in its entirety and to enter this Agreement on the terms and conditions set forth herein, effective as of October 1, 2020 (the "**Effective Date**").

NOW, THEREFORE, in consideration of the above recitals incorporated herein and the mutual covenants and premises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged, the parties agree as follows:

1. **Employment**. During the Employment Period (as defined in Section 4), the Company shall employ Employee, and Employee shall serve, as Chief Technology Officer of the Company and in such other position or positions as may be assigned from time to time by the Chief Executive Officer ("**CEO**") of the Company or as otherwise designated by the board of directors of the Company (the "**Board**").

2. **Duties and Responsibilities of Employee**.

(a) Employee shall, during the Employment Period, devote Employee's best efforts and full business time and attention to the businesses of the Company and its direct and indirect subsidiaries as may exist from time to time (collectively, the Company and its current and future wholly owned direct and indirect subsidiaries are referred to as the "**Company Group**") as may be requested by the CEO from time to time. Employee's duties and responsibilities shall include those normally incidental to the position(s) identified in Section 1, as well as such additional duties as may be assigned to Employee by the CEO from time to time, which duties and responsibilities may include providing services to other members of the Company Group in addition to the Company. Employee shall report to the CEO. Employee may, without violating this Section 2(a), (i) as a passive investment, own publicly-traded securities in such form or manner as will not require any services by Employee in the operation of the entities in which such securities are owned; or (ii) engage in outside activities provided (x) such activities (including but not limited to membership on boards of directors of for-profit organizations), so long as such ownership interests or activities do not interfere with Employee's ability to fulfill Employee's duties and responsibilities under this Agreement and are not inconsistent with Employee's obligations to any member of the Company Group or competitive with the business of any member of the Company Group; and (y) Employee gives written notice to the CEO of any significant outside business activity in which Employee plans to become involved, if such activity is pursued for profit. Notwithstanding the foregoing, Employee will not serve as a member on any Board of Directors (or similar body) of any for-profit organization

without first obtaining the express written approval of the CEO. Employee has listed, in Exhibit A attached hereto, a complete list of all such entities and/or organizations that may be implicated by this Section 2, which shall be deemed approved by the CEO.

(b) Employee hereby represents and warrants that Employee is not the subject of, or a party to, any non-competition, non-solicitation, restrictive covenant or non-disclosure agreement, or any other agreement, obligation, restriction or understanding that would prohibit Employee from executing this Agreement or fully performing each of Employee's duties and responsibilities hereunder, or would in any manner, directly or indirectly, limit or affect any of the duties and responsibilities assigned to Employee hereunder. Employee expressly acknowledges and agrees that Employee is strictly prohibited from using or disclosing any confidential information belonging to any prior employer in the course of performing services for any member of the Company Group, and Employee promises that Employee shall not do so. Employee shall not introduce documents or other materials containing confidential information of any prior employer to the premises or property (including computers and computer systems) of any member of the Company Group.

(c) Employee owes each member of the Company Group fiduciary duties (including (i) duties of loyalty and disclosure and (ii) such fiduciary duties that an officer of the Company would have if the Company were a corporation organized under the laws of the State of Delaware), and the obligations described in this Agreement are in addition to, and not in lieu of, the obligations Employee owes each member of the Company Group under statutory and common law.

3. **Compensation**.

(a) Base Salary. During the Employment Period, the Company shall pay to Employee an annualized base salary of $325,000 (the "**Base Salary**") in consideration for Employee's services under this Agreement, payable in substantially equal installments in conformity with the Company's customary payroll practices for similarly situated employees as may exist from time to time, but no less frequently than monthly. Employee's Base Salary will be reviewed annually by the CEO based on the performance of the Employee and the Company. The CEO may, but will not be required to, increase the Base Salary during the Initial and any Renewal Term.

(b) Cash Bonus. Employee shall be eligible for discretionary cash bonuses, from time to time, at the Board's discretion.

(c) Equity Awards.

(i) Subject to the approval of the Compensation Committee of the Board (the "**Compensation Committee**"), Employee will be granted annual time-vested restricted stock unit awards (each, a "**Time-Vested Award**") and a one-time performance- based restricted stock unit award (a "**Performance Award**") as soon as administratively practicable following the effective registration of the securities reserved for issuance under the Company's 2020 Equity Incentive Plan (the "**2020 Plan**") on a Form S-8 registration statement pursuant to the Securities Act of 1933, as amended (the "**Form S-8**"). Notwithstanding anything to the contrary in this Agreement, the Time-Vested Award and the Performance Award will not be deemed granted unless and until (i) the Form S-8 has become effective and (ii) the vesting schedule and all other material terms of such equity awards have been approved by the Compensation Committee. Employee acknowledges and agrees that the actual grant dates for future Time-Vested Awards shall be determined by the Compensation Committee and may be coordinated with the grant dates for Time- Vested Awards granted to other employees.

(ii) The 2022 Time-Vested Award will cover such number of shares of the Company's common stock valued at $400,000 as of the grant date, disregarding any fractional share amounts and shall be awarded on such terms and conditions as the Board or the Compensation Committee shall determine from time to time. The amount of future awards shall be at the discretion of the Board and the Compensation Committee. Each such TimeVested Award will vest over a three-year period, with 33.33% of the Time-Vested Award vesting on the one-year anniversary of the first Quarterly Vesting Date following the grant date for each Time-Vested Award, and 8.33% of such Time-Vested Award vesting on each Quarterly Vesting Date thereafter, subject to Employee remaining in Continuous Service (as defined in the 2020 Plan) through each applicable vesting date. For purposes of this Agreement, "**Quarterly Vesting Dates**" with respect to any calendar year means February 15, May 15, August 15, and November 15, provided, to the extent any of such dates occurs on a weekend day or U.S. federal holiday, the Quarterly Vesting Date will be deemed to occur instead on the immediately following day that is not a weekend day or U.S. federal holiday.

(iii) The Performance Award will cover 100,000 shares of the Company's common stock. The Performance Award will vest based upon the achievement of objective performance criteria, as determined by the Compensation Committee in its sole and absolute discretion prior to the date of grant of the Performance Award, during the period from the Effective Date through December 31, 2025, subject to Employee remaining in Continuous Service through each applicable vesting date.

(iv) In the event of a Change in Control (as defined in the 2020 Plan), unless determined otherwise by the Board or the Compensation Committee, with the consent of Employee, prior to such Change in Control, and provided Employee remains in Continuous Service through immediately prior to such Change in Control, the Performance Award will vest immediately prior to the Change in Control based upon the actual achievement of the applicable performance vesting criteria to which the Performance Award is subject (measured as of immediately prior to the Change in Control), taking into account performance through the latest date preceding the Change in Control as to which performance can, as a practical matter, be determined (but not later than the end of the applicable performance period). For clarity, any portion of the Performance Award that has not vested as of immediately prior to a Change in Control (after taking into account the vesting treatment contemplated in the immediately preceding sentence) will be forfeited without cost to the Company, unless otherwise determined by the Board or the Compensation Committee prior to such Change in Control. In addition, if the Time-Vested Award is not assumed, substituted for or otherwise continued by the successor corporation (or a parent or subsidiary thereof) in the event of a Change in Control, or if this Agreement is not assumed or replaced with a substantially similar (or more beneficial) employment agreement (excluding performance-based equity awards) by the successor corporation (or a parent or subsidiary thereof) in the event of a Change in Control, the Time-Vested Award will fully vest and will be settled immediately prior to the consummation of such Change in Control, subject to Employee remaining in Continuous Service through immediately prior to such Change in Control. The terms of this Agreement shall be reflected in such award agreement, and in the event of any conflict between the terms of such award agreement and this Agreement, the terms of such award agreement shall govern and control only if it has been executed by Employee.

(v) Each of the Time-Vested Award and the Performance Award will be granted under and subject to the terms and conditions of the 2020 Plan and an appropriate form of award agreement approved by the Board or the Compensation Committee for use thereunder. The terms of this Agreement shall be reflected in such

award agreement, and in the event of any conflict between the terms of such award agreement and this Agreement, the terms of such award agreement shall govern and control only if it has been executed by Employee.

(vi) Employee and the Company hereby acknowledge and agree that the consummation of the Merger did not constitute a "Change in Control" (as defined in the Company's 2016 Equity Incentive Plan (the "**2016 Plan**")) for the purposes of any vesting acceleration provision that applies to stock options or any other Company equity compensation awards granted to Employee under the 2016 Plan.

4. **Term of Employment**. The initial term of Employee's employment under this Agreement shall be for the period beginning on the Effective Date and ending on the third (3rd) anniversary of the Effective Date (the "**Initial Term**"). On the third (3rd) anniversary of the Effective Date and on each subsequent anniversary thereafter, the term of Employee's employment under this Agreement shall automatically renew and extend for a period of twelve (12) months (each such twelve (12)-month period being a "**Renewal Term**") unless written notice of non- renewal is delivered by either party to the other not less than one hundred eighty (180) days prior to the expiration of the then-existing Initial Term or Renewal Term, as applicable. Notwithstanding any other provision of this Agreement, Employee's employment pursuant to this Agreement may be terminated at any time in accordance with Section 7. The period from the Effective Date through the expiration of this Agreement or, if sooner, the termination of Employee's employment pursuant to this Agreement, regardless of the time or reason for such termination, shall be referred to herein as the "**Employment Period**."

5. **Business Expenses**. Subject to Section 22, the Company shall reimburse Employee for Employee's reasonable out-of-pocket business-related expenses actually incurred in the performance of Employee's duties under this Agreement so long as Employee timely submits all documentation for such expenses, as required by Company policy in effect from time to time. Any such reimbursement of expenses shall be made by the Company in accordance with the Company's expense reimbursement policy as in effect from time to time following the receipt of such documentation. In no event shall any reimbursement be made to Employee for any expenses incurred after the date of Employee's termination of employment with the Company.

6. **Benefits**. During the Employment Period, Employee shall be eligible to participate in the same benefit plans and programs in which other similarly situated Company employees are eligible to participate, subject to the terms and conditions of the applicable plans and programs in effect from time to time. The Company shall not, however, by reason of this Section 6, be obligated to institute, maintain, or refrain from changing, amending, or discontinuing, any such plan or policy, so long as such changes are similarly applicable to similarly situated Company employees generally.

7. **Termination of Employment**.

(a) Company's Right to Terminate Employee's Employment for Cause. The Company shall have the right to terminate Employee's employment hereunder at any time for Cause. For purposes of this Agreement, "**Cause**" shall mean:

(i) Employee's material breach of this Agreement (including, but not limited to his/her willful failure or refusal to follow any lawful directive of the Board) or any other written agreement between Employee and one or more members of the Company Group;

(ii) Employee is convicted of, or pleads guilty or *nolo contendere* to, any felony, or any misdemeanor involving moral turpitude, in either case other than related to a motor vehicle violation;

(iii) Employee's intentional or grossly negligent act of fraud or dishonesty against the Company or a member of the Company Group, which causes or can reasonably be expected to cause material loss, damage or injury to the property or reputation of the Company or a Company Group member; or

(iv) Employee's breach of any written policy or code of conduct established by a member of the Company Group and applicable to Employee, which causes or can reasonably be expected to cause material loss, damage or injury to the property or reputation of the Company or a Company Group member.

Notwithstanding the foregoing, it shall be a condition precedent to the Company's right to terminate Employee's employment for Cause under Section 7(a)(i), (iii), (iv), or (v) that the Company: (x) first have given Employee written notice stating with specificity the reason for the termination ("**Breach**"), and (y) if such Breach is susceptible of cure or remedy, a period of thirty (30) days from and after the giving of such notice shall have elapsed without Employee's having effectively cured or remedied such Breach during such thirty (30)-day period, unless such Breach cannot be cured or remedied within thirty (30) days, in which case the period for remedy or cure shall be extended for a reasonable time (not to exceed an additional thirty (30) days) provided that the Employee has made and continues to make a diligent effort to effect such remedy or cure within the initial thirty (30) day period and any such extension.

(b) Company's Right to Terminate for Convenience. The Company shall have the right to terminate Employee's employment for convenience at any time and for any reason, or no reason at all, upon written notice to Employee.

(c) Employee's Right to Terminate for Good Reason. Employee shall have the right to terminate Employee's employment with the Company at any time for Good Reason. For purposes of this Agreement, "**Good Reason**" shall mean: a resignation by Employee as a result of:

(i) a material diminution in Employee's Base Salary, other than a general reduction in Base Salary that affects all similarly situated executives of the Company in substantially the same proportions;

(ii) an adverse change in title, authorities or responsibilities that materially diminishes Employee's position;

(iii) a material change in the Employee's reporting relationship such that Employee no longer reports directly to an "executive officer", as defined in 17 CFR § 240.3b-7, of any member of the Company Group; or

(iv) a breach by any member of the Company Group of any of its obligations under this Agreement or any other written agreement between such member of the Company Group and Employee, which causes or can reasonably be expected to cause material loss, damage or inquiry to the property or reputation of Employee.

A resignation for Good Reason will not be deemed to have occurred unless Employee gives the Company written notice of the condition within sixty (60) days after the condition comes into existence, the Company fails to remedy the condition within thirty (30) days after receiving Employee's written notice, and the date of Employee's termination of employment must occur

no later than ninety (90) days after the initial occurrence of the condition(s) specified in such notice.

(d) Death. Upon the death of Employee, Employee's employment with the Company and/or all members of the Company Group shall automatically (and without any further action by any person or entity) terminate with no further obligation under this Agreement of either Party, except as expressly provided within this paragraph. Upon the Employee's separation from service (within the meaning of Section 409A (as defined below)) due to death all unvested Company equity compensation awards (other than any Company equity compensation awards that are subject to performance-based or other similar vesting criteria) granted under any equity compensation plan of the Company that are held by Employee as of the date immediately prior to the applicable Termination Date (defined below) shall immediately vest in full and such awards, to the extent applicable, shall immediately become exercisable and be eligible for settlement in accordance with the terms and conditions provided in the applicable award agreements governing such awards.

(e) Employee's Right to Terminate for Convenience. In addition to Employee's right to terminate Employee's employment for Good Reason, Employee shall have the right to terminate Employee's employment with the Company for convenience at any time and for any other reason, or no reason at all, upon thirty (30) days' advance written notice to the Company; *provided*, *however*, that if Employee has provided notice to the Company of Employee's termination of employment, the Company may determine, in its sole discretion, that such termination shall be effective on any date prior to the effective date of termination provided in such notice (and, if such earlier date is so required, then it shall not change the basis for Employee's termination of employment nor be construed or interpreted as a termination of employment pursuant to Section 7(b)).

(f) Effect of Termination.

(i) Subject to Section 7(f)(iv), if Employee's employment hereunder is terminated by the Company via expiration and/or non-renewal of the Agreement pursuant to Section 4, without Cause pursuant to Section 7(b), or is terminated by Employee for Good Reason pursuant to Section 7(c), then so long as (and only if) Employee: (1) executes on or before the Release Expiration Date (as defined below), and does not revoke within any time provided by the Company to do so, a release of all claims in a form acceptable to the Company (the "**Release**") (in the form attached hereto as Exhibit B, as updated if necessary, pursuant to applicable law), which Release shall release each member of the Company Group and their respective affiliates, and the foregoing entities' respective shareholders, members, partners, officers, managers, directors, fiduciaries, employees, representatives, agents and benefit plans (and fiduciaries of such plans) from any and all claims, including any and all causes of action arising out of Employee's employment with the Company and any other member of the Company Group or the termination of such employment, but excluding all claims to Termination Benefits (as defined below) Employee may have under this Section 7; and (2) abides by the terms of each of Sections 9, 10 and 11, then (a) the Company shall make a severance payment to Employee in an amount equal to the sum of twelve (12) months' worth of Employee's then current Base Salary ("**Severance Payment**"), (b) cause each of Employee's then-outstanding and unvested stock options, restricted stock awards, restricted stock unit awards and any other Company equity compensation awards (other than (1) any Company equity compensation awards that are subject to performance-based or other similar vesting criteria, and (2) any stock options or any other equity awards that were granted to Employee under the 2016 Plan) that was granted to Employee more than one year prior to the date of Employee's termination of employment to vest in full and, to the extent applicable, become fully exercisable ("**Vesting Acceleration**"), and (c) cause

each of Employee's then-outstanding and unexercised stock options (to the extent vested as of Employee's Termination Date) to remain exercisable until the earlier of (i) the date that is three years following Employee's Termination Date, (ii) the expiration date of the stock option, and (iii) in the event of a "Change in Control" (as defined in the 2020 Plan or the 2016 Plan), or any similar transaction, in which the successor corporation (or a parent or subsidiary thereof) does not assume or substitute for the stock option, immediately prior to the effective time of such transaction ("**Post-Termination Exercise Period Extension**").

(ii) If Employee's employment hereunder is terminated in circumstances in which Employee is eligible to receive a Severance Payment under Section 7(f)(i) and Employee satisfies each of the conditions to receive a Severance Payment under Section 7(f)(i), then, if Employee elects to continue coverage for Employee and Employee's spouse and eligible dependents, if any, under the Company's group health plans pursuant to Consolidated Omnibus Budget Reconciliation Act of 1985 ("**COBRA**"), the Company shall promptly reimburse Employee on a monthly basis for the difference between the amount Employee pays to effect and continue such coverage and the employee contribution amount that similarly situated employees of the Company pay for the same or similar coverage under such group health plans (the "**COBRA Subsidy**" and together with the Severance Payment, the Vesting Acceleration, and the Post-Termination Exercise Period Extension, the "**Termination Benefits**"). Each payment of the COBRA Subsidy shall be paid to Employee on the Company's first regularly scheduled pay date in the calendar month immediately following the calendar month in which Employee submits to the Company documentation of the applicable premium payment having been paid by Employee, which documentation shall be submitted by Employee to the Company within thirty (30) days following the date on which the applicable premium payment is paid. Employee shall be eligible to receive such reimbursement payments until the earliest of: (1) the date that is twelve (12) months following the Termination Date (the "**COBRA Expiration Date**"); (2) the date Employee is no longer eligible to receive COBRA continuation coverage; and (3) the date on which Employee becomes eligible to receive coverage under a group health plan sponsored by another employer (and any such eligibility shall be promptly reported to the Company by Employee); provided, however, that the election of COBRA continuation coverage and the payment of any premiums due with respect to such COBRA continuation coverage shall remain Employee's sole responsibility, and the Company shall not assume any obligation for payment of any such premiums relating to such COBRA continuation coverage. Notwithstanding the foregoing, if the provision of the benefits described in this Section 7(f)(ii) cannot be provided in the manner described above without penalty, tax or other adverse impact on the Company or any other member of the Company Group, then the Company and Employee shall negotiate in good faith to determine an alternative manner in which the Company may provide substantially equivalent benefits to Employee without such adverse impact on the Company or such other member of the Company Group.

(iii) Subject to Section 7(f)(v) below, the Severance Payment will be divided into substantially equal installments over the twelve (12)-month period following the date of Employee's applicable separation from service (the "**Termination Date**"). On the Company's first regularly scheduled pay date that is on or after the date that is sixty (60) days after the Termination Date (the "**First Payment Date**"), the Company shall pay to Employee, without interest, a number of such installments equal to the number of such installments that would have been paid during the period beginning on the Termination Date and ending on the First Payment Date had the installments been paid on the Company's regularly scheduled pay dates on or following the Termination Date, and each of the remaining installments shall be paid on the Company's regularly scheduled pay

dates during the remainder of applicable payment period; *provided*, *however*, that (1) to the extent, if any, that the aggregate amount of the installments of the Severance Payment that would otherwise be paid pursuant to the preceding provisions of this Section 7(f)(i) after March 15 of the calendar year following the calendar year in which the Termination Date occurs (the "**Applicable March 15**") exceeds the maximum exemption amount under Treasury Regulation Section 1.409A-1(b)(9)(iii)(A), then such excess shall be paid to Employee in a lump sum on the Applicable March 15 (or the first Business Day preceding the Applicable March 15 if the Applicable March 15 is not a Business Day) and the installments of the Severance Payment payable after the Applicable March 15 shall be reduced by such excess (beginning with the installment first payable after the Applicable March 15 and continuing with the next succeeding installment until the aggregate reduction equals such excess), and (2) all remaining installments of the Severance Payment, if any, that would otherwise be paid pursuant to the preceding provisions of this Section 7(f)(i) after December 31 of the calendar year following the calendar year in which the Termination Date occurs shall be paid with the installment of the Severance Payment, if any, due in December of the calendar year following the calendar year in which the Termination Date occurs. "**Business Day**" shall mean any day except a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by law to be closed.

(iv) Notwithstanding anything herein to the contrary, the Severance Payment and COBRA Subsidy (and any portion thereof) shall not be payable if Employee's employment hereunder terminates upon the expiration of the then-existing Initial Term or Renewal Term, as applicable, as a result of a non-renewal of the term of Employee's employment under this Agreement by Employee pursuant to Section 4.

(v) If the Release is not executed and returned to the Company on or before the Release Expiration Date, and the required revocation period has not fully expired without revocation of the Release by Employee, then Employee shall not be entitled to any portion of the Termination Benefits. As used herein, the "**Release Expiration Date**" is that date that is twenty-one (21) days following the date upon which the Company delivers the Release to Employee (which shall occur no later than seven (7) days after the Termination Date) or, in the event that such termination of employment is "in connection with an exit incentive or other employment termination program" (as such phrase is defined in the Age Discrimination in Employment Act of 1967), the date that is forty-five (45) days following such delivery date.

(g) After-Acquired Evidence. Notwithstanding any provision of this Agreement to the contrary, in the event that the Company determines that Employee is eligible to receive the Termination Benefits pursuant to Section 7(f) but, after such determination, the Company subsequently acquires evidence or determines that: (i) Employee has failed to abide by the terms of Sections 9, 10 or 11; or (ii) a Cause condition existed prior to the Termination Date that, had the Company been fully aware of such condition, would have given the Company the right to terminate Employee's employment pursuant to Section 7(a), then upon written notice to Employee of a good faith reasonable belief of Employee's breach or Cause condition the Employee shall forfeit all unpaid Termination Benefits, and the Company shall have the right to cease the payment of any future installments of the Termination Benefits, *provided that* such breach or Cause condition must remain uncured thirty (30) days after the Board first provided Employee written notice of the obligation to cure such breach or Cause condition.

8. **Disclosures**.

(a) Employee hereby represents and warrants that as of the Effective Date, there exist no actual or potential Conflicts of Interest (as defined below).

(b) Promptly (and in any event, within three (3) Business Days) upon becoming aware of any actual or potential Conflict of Interest, Employee shall disclose such actual or potential Conflict of Interest to the Board.

(c) A "**Conflict of Interest**" shall exist when Employee engages in, or plans to engage in, any activities, associations, or interests that conflict with, or create an appearance of a conflict with, Employee's duties, responsibilities, authorities, or obligations for and to any member of the Company Group.

9. **Confidentiality**. In the course of Employee's employment with the Company and the performance of Employee's duties on behalf of the Company Group hereunder, Employee will be provided with, and will have access to, Confidential Information (as defined below). In consideration of Employee's receipt and access to such Confidential Information, and as a condition of Employee's employment, Employee shall comply with this Section 9.

(a) Both during the Employment Period and thereafter, except as expressly permitted by this Agreement or by directive of the Board, Employee shall not disclose any Confidential Information to any person or entity and shall not use any Confidential Information except for the benefit of the Company Group. Employee shall follow all Company Group policies and protocols regarding the security of all documents and other materials containing Confidential Information (regardless of the medium on which Confidential Information is stored). The covenants of this Section 9(a) shall apply to all Confidential Information, whether now known or later to become known to Employee during the period that Employee is employed by or affiliated with the Company or any other member of the Company Group.

(b) Notwithstanding any provision of Section 9(a) to the contrary, Employee may make the following disclosures and uses of Confidential Information:

(i) disclosures to other employees of a member of the Company Group who have a need to know the information in connection with the businesses of the Company Group;

(ii) disclosures to customers and suppliers when, in the reasonable and good faith belief of Employee, such disclosure is in connection with Employee's performance of Employee's duties under this Agreement and is in the best interests of the Company Group;

(iii) disclosures and uses that are approved in writing by the Board; or

(iv) disclosures to a person or entity that has (x) been retained by a member of the Company Group to provide services to one or more members of the Company Group and (y) agreed in writing to abide by the terms of a confidentiality agreement.

(c) Upon the expiration of the Employment Period, and at any other time upon request of the Company, Employee shall promptly surrender and deliver to the Company all documents (including electronically stored information) and all copies thereof and all other materials of any nature containing or pertaining to all Confidential Information and any other Company Group property (including any Company Group-issued computer, mobile device or other equipment) in Employee's possession, custody or control and Employee shall not retain any such documents or other materials or property of the Company Group. Within five (5) days of any such request, Employee shall certify to the Company in writing that all such documents, materials and property have been returned to the Company.

(d) All trade secrets, non-public information, designs, ideas, concepts, improvements, product developments, discoveries and inventions, whether patentable or not, that are conceived, made, developed or acquired by or disclosed to Employee, individually or in conjunction with others, during the period that Employee is employed by the Company or any other member of the Company Group (whether during business hours or otherwise and whether on the Company's premises or otherwise) that relate to any member of the Company Group's businesses or properties, products or services (including all such information relating to corporate opportunities, operations, future plans, methods of doing business, business plans, strategies for developing business and market share, research, financial and sales data, pricing terms, evaluations, opinions, interpretations, acquisition prospects, the identity of customers or acquisition targets or their requirements, the identity of key contacts within customers' organizations or within the organization of acquisition prospects, or marketing and merchandising techniques, prospective names and marks) is defined as "**Confidential Information**." Moreover, all documents, videotapes, written presentations, brochures, drawings, memoranda, notes, records, files, correspondence, manuals, models, specifications, computer programs, e-mail, voice mail, electronic databases, maps, drawings, architectural renditions, models and all other writings or materials of any type including or embodying any of such information, ideas, concepts, improvements, discoveries, inventions and other similar forms of expression are and shall be the sole and exclusive property of the Company or the other applicable member of the Company Group and be subject to the same restrictions on disclosure applicable to all Confidential Information pursuant to this Agreement. For purposes of this Agreement, Confidential Information shall not include any information that (i) is or becomes generally available to the public other than as a result of a disclosure or wrongful act of Employee or any of Employee's agents; (ii) was available to Employee on a non-confidential basis before its disclosure by a member of the Company Group; or (iii) becomes available to Employee on a non-confidential basis from a source other than a member of the Company Group; *provided*, *however*, that such source is not bound by a confidentiality agreement with, or other obligation with respect to confidentiality to, a member of the Company Group.

(e) Notwithstanding the foregoing, nothing in this Agreement shall prohibit or restrict Employee from lawfully: (i) initiating communications directly with, cooperating with, providing information to, causing information to be provided to, or otherwise assisting in an investigation by, any governmental authority regarding a possible violation of any law; (ii) responding to any inquiry or legal process directed to Employee from any such governmental authority (including the U.S. Securities and Exchange Commission); (iii) testifying, participating or otherwise assisting in any action or proceeding by any such governmental authority relating to a possible violation of law; or (iv) making any other disclosures that are protected under the whistleblower provisions of any applicable law. Additionally, pursuant to the federal Defend Trade Secrets Act of 2016, an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (A) is made (1) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney and (2) solely for the purpose of reporting or investigating a suspected violation of law; (B) is made to the individual's attorney in relation to a lawsuit for retaliation against the individual for reporting a suspected violation of law; or (C) is made in a complaint or other document filed in a lawsuit or proceeding, if such filing is made under seal. Nothing in this Agreement requires Employee to obtain prior authorization before engaging in any conduct described in this paragraph, or to notify the Company that Employee has engaged in any such conduct.

10. **Non-Competition; Non-Solicitation**.

(a) The Company shall provide Employee access to Confidential Information for use only during the Employment Period, and Employee acknowledges and agrees that the Company Group will be entrusting Employee, in Employee's unique and special capacity, with

developing the goodwill of the Company Group, and in consideration of the Company providing Employee with access to Confidential Information and as an express incentive for the Company to enter into this Agreement and employ Employee hereunder, Employee has voluntarily agreed to the covenants set forth in this Section 10. Employee agrees and acknowledges that the limitations and restrictions set forth herein, including geographical and temporal restrictions on certain competitive activities, are reasonable in all respects, do not interfere with public interests, will not cause Employee undue hardship, and are material and substantial parts of this Agreement intended and necessary to prevent unfair competition and to protect the Company Group's Confidential Information, goodwill and legitimate business interests.

(b) During the Prohibited Period, Employee shall not, without the prior written approval of the Board, directly or indirectly, for Employee or on behalf of or in conjunction with any other person or entity of any nature:

(i) engage in or participate, directly or indirectly, in the following conduct: (A) owning, managing, operating, or being an officer or director of, any business that competes with any member of the Company Group in the Market Area related to the Business (except for the ownership of up to 3.0% of the shares of common stock or securities or any entity whose common shares or securities are listed on a national securities exchange), or (B) joining, becoming an employee or consultant of, or otherwise being affiliated with, any person or entity engaged in, or planning to engage in, the Business in the Market Area in competition, or anticipated competition, with any member of the Company Group in any capacity (with respect to this clause (B)) in which Employee's duties or responsibilities are the same as or similar to the duties or responsibilities that Employee had on behalf of any member of the Company Group;

(ii) solicit, canvass, approach, encourage, entice or induce any customer or supplier of any member of the Company Group with whom or which Employee had personal contact in the course of performing Employee's duties for any member of the Company Group to cease or lessen such customer's or supplier's business with any member of the Company Group; or

(iii) solicit, canvass, approach, encourage, entice or induce any employee or contractor of any member of the Company Group to terminate or reduce his, her or its employment or engagement with any member of the Company Group. This provision shall not prohibit Employee from employing or making an offer of employment to an employee or contractor of any member of the Company Group if such employment and/or offer resulted from a general solicitation or advertisement for applications in a newspaper, trade publication, on the Internet or other public forum.

(c) Because of the difficulty of measuring economic losses to the Company Group as a result of a breach or threatened breach of the covenants set forth in Section 9 and in this Section 10, and because of the immediate and irreparable damage that would be caused to the members of the Company Group for which they would have no other adequate remedy, the Company and each other member of the Company Group shall be entitled to enforce the foregoing covenants, in the event of a breach or threatened breach, by injunctions and restraining orders from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall not be the Company's or any other member of the Company Group's exclusive remedy for a breach but instead shall be in addition to all other rights and remedies available to the Company and each other member of the Company Group at law and equity.

(i) If Employee violates his/her obligations during the Prohibited Period and the Company (or relevant member of the Company Group) brings legal action for injunctive or other relief under Sections 9 and/or 10, the applicable Restricted Period shall be tolled by such court of competent jurisdiction so that the Company Group shall not be deprived of the benefit of the full Prohibited Period.

(ii) During the Prohibited Period, Executive expressly agrees to notify any prospective employer or affiliate in the restricted Business and Market Area of his/her obligations during the Prohibited Period and authorizes the Company to make contact with, any person or affiliate reasonably believed by the Company Group to be engaged or about to be engaged in an act that would constitute a violation of Employee's obligations under this Agreement. Employee hereby waives, and releases the Company Group from, any claims whatsoever arising in connection with the Company Group's contact or discussions with such person or affiliate.

(d) The covenants in this Section 10, and each provision and portion hereof, are severable and separate, and the unenforceability of any specific covenant (or portion thereof) shall not affect the provisions of any other covenant (or portion thereof). Moreover, in the event any court of competent jurisdiction shall determine that the scope, time or territorial restrictions set forth are unreasonable, then it is the intention of the parties that such restrictions be enforced to the fullest extent which such court deems reasonable, and this Agreement shall thereby be reformed.

(e) The following terms shall have the following meanings:

(i) "**Business**" shall mean the business and operations that are the same or similar to those performed (or as to which are proposed to be performed based on plans developed within the twelve (12) month period immediately prior to the Termination Date) by the Company and any other member of the Company Group for which Employee provides services or about which Employee obtains Confidential Information during the Employment Period.

(ii) "**Market Area**" shall mean: (A) the United States; and (B) and any other geographic area or market where or with respect to which the Company or any other member of the Company Group conducts or has specific plans to conduct the Business on or at any time during the twelve (12) month period prior to the Termination Date.

(iii) "**Prohibited Period**" shall mean the period during which Employee is employed by any member of the Company Group and continuing for a period of twelve (12) months following the date that Employee is no longer employed by any member of the Company Group.

11. **Ownership of Intellectual Property.** Employee agrees that the Company shall own, and Employee shall (and hereby does) assign, all right, title and interest (including patent rights, copyrights, trade secret rights, mask work rights, trademark rights, and all other intellectual and industrial property rights of any sort throughout the world) relating to any and all inventions (whether or not patentable), works of authorship, designs, know-how, ideas and information authored, created, contributed to, made or conceived or reduced to practice, in whole or in part, by Employee during the period in which Employee is or has been employed by or affiliated with the Company or any other member of the Company Group that relates to the Business ("**Company Intellectual Property**"), and Employee shall promptly disclose all Company Intellectual Property to the Company. All of Employee's works of authorship and associated copyrights created during the period in which Employee is employed by or affiliated

with the Company or any other member of the Company Group and related to the Business shall be deemed to be "works made for hire" within the meaning of the Copyright Act. Employee shall perform, during and after the period in which Employee is or has been employed by or affiliated with the Company or any other member of the Company Group, all acts deemed necessary by the Company to assist each member of the Company Group, at the Company's expense, in obtaining and enforcing its rights throughout the world in the Company Intellectual Property. Such acts may include execution of documents and assistance or cooperation (i) in the filing, prosecution, registration, and memorialization of assignment of any applicable patents, copyrights, mask work, or other applications, (ii) in the enforcement of any applicable patents, copyrights, mask work, moral rights, trade secrets, or other proprietary rights, and (iii) in other legal proceedings related to the Company Intellectual Property.

12. **Defense of Claims**. The Company shall obtain and maintain directors' and officers' liability insurance coverage in effect for Employee during the Employment Period and continuing thereafter so long as Employee shall be subject to any possible claim or threatened, pending or completed action, suit or proceeding, whether civil, criminal, arbitrational, administrative or investigative, by reason of the fact that Employee had served in the capacity or capacities referred to herein. During the Employment Period and thereafter, upon request from the Company, Employee shall cooperate with the Company Group in the defense of any claims or actions that may be made by or against any member of the Company Group that relate to Employee's actual or prior areas of responsibility.

13. **Withholdings; Deductions**. The Company may withhold and deduct from any benefits and payments made or to be made pursuant to this Agreement (a) all federal, state, local and other taxes as may be required pursuant to any law or governmental regulation or ruling and (b) any deductions consented to in writing by Employee.

14. **Title and Headings; Construction**. Titles and headings to Sections hereof are for the purpose of reference only and shall in no way limit, define or otherwise affect the provisions hereof. Unless the context requires otherwise, all references to laws, regulations, contracts, documents, agreements and instruments refer to such laws, regulations, contracts, documents, agreements and instruments as they may be amended from time to time, and references to particular provisions of laws or regulations include a reference to the corresponding provisions of any succeeding law or regulation. All references to "dollars" or "$" in this Agreement refer to United States dollars. The words "herein", "hereof", "hereunder" and other compounds of the word "here" shall refer to the entire Agreement, including all Exhibits attached hereto, and not to any particular provision hereof. Unless the context requires otherwise, the word "or" is not exclusive. Wherever the context so requires, the masculine gender includes the feminine or neuter, and the singular number includes the plural and conversely. All references to "including" shall be construed as meaning "including without limitation." Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against any party hereto, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by each of the parties hereto and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the parties hereto.

15. **Applicable Law; Submission to Jurisdiction**. This Agreement shall in all respects be construed according to the laws of the State of Texas without regard to its conflict of laws principles that would result in the application of the laws of another jurisdiction. With respect to any claim or dispute related to or arising under this Agreement, the parties hereby recognize and agree that should any resort to a court be necessary and permitted under this Agreement, then they consent to the exclusive jurisdiction, forum and venue of the state and federal courts (as applicable) located in Austin, Texas.

16. **Entire Agreement and Amendment**. This Agreement contain the entire agreement of the parties with respect to the matters covered herein and supersede all prior and contemporaneous agreements and understandings, oral or written, between the parties hereto concerning the subject matter hereof, including the Original Agreement. This Agreement may be amended only by a written instrument executed by both parties hereto.

17. **Waiver of Breach**. Any waiver of this Agreement must be executed by the party to be bound by such waiver. No waiver by either party hereto of a breach of any provision of this Agreement by the other party, or of compliance with any condition or provision of this Agreement to be performed by such other party, will operate or be construed as a waiver of any subsequent breach by such other party or any similar or dissimilar provision or condition at the same or any subsequent time. The failure of either party hereto to take any action by reason of any breach will not deprive such party of the right to take action at any time.

18. **Assignment**. This Agreement is personal to Employee, and neither this Agreement nor any rights or obligations hereunder shall be assignable or otherwise transferred by Employee. The Company may assign this Agreement without Employee's consent, including to any member of the Company Group and to any successor to or acquirer of (whether by merger, purchase or otherwise) all or substantially all of the equity, assets or businesses of the Company.

19. **Notices**. Notices provided for in this Agreement shall be in writing and shall be deemed to have been duly received (a) when delivered in person, (b) when sent by facsimile transmission (with confirmation of transmission) on a Business Day to the number set forth below, if applicable; *provided*, *however*, that if a notice is sent by facsimile transmission after normal business hours of the recipient or on a non-Business Day, then it shall be deemed to have been received on the next Business Day after it is sent, (c) on the first Business Day after such notice is sent by express overnight courier service, or (d) on the second Business Day following deposit with an internationally-recognized second-day courier service with proof of receipt maintained, in each case, to the following address, as applicable:

If to the Company, addressed to:

Hyliion Holdings Corp
1202 BMC Drive, Suite 100
Cedar Park, TX 78613
Attention: Human Resources

If to Employee, addressed to:

Hyliion Holdings Corp
1202 BMC Drive, Suite 100
Cedar Park, TX 78613
Attention: Patrick Sexton

20. **Counterparts**. This Agreement may be executed in any number of counterparts, including by electronic mail or facsimile, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a copy hereof containing multiple signature pages, each signed by one party, but together signed by both parties hereto.

21. **Deemed Resignations**. Except as otherwise determined by the Board or as otherwise agreed to in writing by Employee and any member of the Company Group prior to the termination of Employee's employment with the Company or any member of the Company

Group, any termination of Employee's employment shall constitute, as applicable, an automatic resignation of Employee: (a) as an officer of the Company and each member of the Company Group; (b) from the Board; and (c) from the board of directors or board of managers (or similar governing body) of any member of the Company Group and from the board of directors or board of managers (or similar governing body) of any corporation, limited liability entity, unlimited liability entity or other entity in which any member of the Company Group holds an equity interest and with respect to which board of directors or board of managers (or similar governing body) Employee serves as such Company Group member's designee or other representative.

22. **Section 409A**.

(a) Notwithstanding any provision of this Agreement to the contrary, all provisions of this Agreement are intended to comply with Section 409A of the Internal Revenue Code of 1986 (the "**Code**"), and the applicable Treasury regulations and administrative guidance issued thereunder (collectively, "**Section 409A**") or an exemption therefrom and shall be construed and administered in accordance with such intent. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service or as a short-term deferral shall be excluded from Section 409A to the maximum extent possible. For purposes of Section 409A, each installment payment provided under this Agreement shall be treated as a separate payment. No payment or benefits to be paid to Employee, if any, under this Agreement or otherwise, when considered together with any other severance payments or separation benefits that are considered deferred compensation under Section 409A will be paid or otherwise provided until the Employee has a "separation from service" within the meaning of Section 409A.

(b) To the extent that any right to reimbursement of expenses or payment of any benefit in-kind under this Agreement constitutes nonqualified deferred compensation (within the meaning of Section 409A), (i) any such expense reimbursement shall be made by the Company no later than the last day of Employee's taxable year following the taxable year in which such expense was incurred by Employee, (ii) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (iii) the amount of expenses eligible for reimbursement or in-kind benefits provided during any taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year; *provided*, that the foregoing clause shall not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Code solely because such expenses are subject to a limit related to the period in which the arrangement is in effect.

(c) Notwithstanding any provision in this Agreement to the contrary, if any payment or benefit provided for herein would be subject to additional taxes and interest under Section 409A if Employee's receipt of such payment or benefit is not delayed until the earlier of (i) the date of Employee's death or (ii) the date that is six (6) months after the Termination Date (such date, the "**Section 409A Payment Date**"), then such payment or benefit shall not be provided to Employee (or Employee's estate, if applicable) until the Section 409A Payment Date. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement are exempt from, or compliant with, Section 409A and in no event shall any member of the Company Group be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by Employee on account of non- compliance with Section 409A.

23. **Certain Excise Taxes**.

(a) Notwithstanding anything to the contrary in this Agreement, if any payment or benefit Employee would receive from the Company or any other party whether in connection with the provisions of this Agreement or otherwise ("**Payment**") would (i) constitute

a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "**Excise Tax**"), then such Payment shall be equal to the Reduced Amount. The "Reduced Amount" shall be either (x) the largest portion of the Payment that would result in no portion of the Payment being subject to the Excise Tax, or (y) the largest portion, up to and including the total, of the Payment, whichever amount ((x) or (y)), after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in Employee's receipt of the greatest economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a Reduced Amount will give rise to the greater after tax benefit, the reduction in the Payments shall occur in the following order: (a) reduction of cash payments; (b) cancellation of accelerated vesting of equity awards other than stock options; (c) cancellation of accelerated vesting of stock options; and (d) reduction of other benefits paid to Employee. Within any such category of payments and benefits (that is, (a), (b), (c) or (d)), a reduction shall occur first with respect to amounts that are not "deferred compensation" within the meaning of Section 409A and then with respect to amounts that are. In the event that acceleration of compensation from Employee's equity awards is to be reduced, such acceleration of vesting shall be canceled, subject to the immediately preceding sentence, in the reverse order of the date of grant.

(b) The independent accounting firm engaged by the Company for general accounting and/or tax advisory purposes as of the day prior to the effective date of the event described in Section 280G(b)(2)(A)(i) of the Code shall perform the foregoing calculations. If the independent accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting such event, the Company shall appoint an independent accounting firm to make the determinations required hereunder. The Company shall bear all expenses with respect to the determinations by such independent accounting firm required to be made hereunder. The independent accounting firm engaged to make the determinations hereunder shall provide its calculations, together with detailed supporting documentation, to the Company and Employee within thirty (30) calendar days after the date on which Employee's right to a Payment is triggered (if requested at that time by the Company or Employee) or such other time as reasonably requested by the Company or Employee. Any good faith determinations of the independent accounting firm made hereunder shall be final, binding and conclusive upon the Company and Employee.

24. **Effect of Termination**. The provisions of Sections 7, 9-13 and 21 and those provisions necessary to interpret and enforce them, shall survive any termination of this Agreement and any termination of the employment relationship between Employee and the Company.

25. **Third-Party Beneficiaries**. Each member of the Company Group that is not a signatory to this Agreement shall be a third-party beneficiary of Employee's obligations under Sections 8, 9, 10, 11 and 21 and shall be entitled to enforce such obligations as if a party hereto.

26. **Severability**. Other than as set forth in Section 10(d), if a court of competent jurisdiction determines that any provision of this Agreement (or portion thereof) is invalid or unenforceable, then the invalidity or unenforceability of that provision (or portion thereof) shall not affect the validity or enforceability of any other provision of this Agreement, and all other provisions shall remain in full force and effect.

27. **Non-Disparagement**. Employee shall not, directly or indirectly, make or cause to be made any disparaging, denigrating, derogatory, misleading, or false statement orally or in writing to any person, including clients or prospective clients, competitors and advisors to the Company Group and members of the investment community or press, about (i) the Company and/or Company Group, or its/their members, managers, officers, employees, agents, or clients,

or (ii) the business strategy or plans, policies, practices, or operations of the Company Group. Notwithstanding the foregoing, nothing in this section is intended to prevent Employee from making truthful statements to his attorney of record and/or any other government or law enforcement agency or official, or as otherwise required by applicable subpoena or court order.

IN WITNESS WHEREOF, Employee and the Company each have caused this Agreement to be executed, and intend this Agreement to become effective as of the Effective Date.

EMPLOYEE

/s/ Patrick Sexton
Name: Patrick Sexton
Title: Chief Technology Officer

HYLIION HOLDINGS CORP.

By: /s/ Thomas Healy
Name: Thomas Healy
Title: Chief Executive Officer

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This Amended and Restated Employment Agreement ("**Agreement**") is made and entered into by and between Hyliion Holdings Corp., a Delaware corporation, (the "**Company**"), and Jose Oxholm ("**Employee**") effective as of the Effective Date (as defined below). Employer and Employee are sometimes referred to herein as a "Party," and collectively as the "Parties".

RECITALS

WHEREAS, the Company and Employee previously entered into an employment agreement effective as of November 16, 2020 and

WHEREAS, on February 24, 2022, the Company and Employee desire to amend and restate the employment agreement in its entirety and to enter into this Agreement on the terms and subject to the conditions set forth herein, effective as of November 16, 2020 (the "**Effective Date**").

NOW, THEREFORE, in consideration of the above recitals incorporated herein and the mutual covenants and premises contained herein as well as other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged, the Parties agree as follows:

1. **Employment**. During the Employment Period (as defined in Section 4), the Company shall employ Employee, and Employee shall serve, as General Counsel and Chief Compliance Officer of the Company and in such other position or positions as may be assigned from time to time by the Chief Executive Officer ("**CEO**") of the Company or as otherwise designated by the board of directors of the Company (the "**Board**").

2. **Duties and Responsibilities of Employee**.

(a) Employee shall, during the Employment Period, devote Employee's best efforts and full business time and attention to the businesses of the Company and its direct and indirect subsidiaries as may exist from time to time (collectively, the Company and its current and future wholly owned direct and indirect subsidiaries are referred to as the "**Company Group**") as may be requested by the CEO from time to time. Employee's duties and responsibilities shall include those normally incidental to the position(s) identified in Section 1, as well as such additional duties as may be assigned to Employee by the CEO from time to time, which duties and responsibilities may include providing services to other members of the Company Group in addition to the Company. Employee may, without violating this Section 2(a), (i) as a passive investment, own publicly-traded securities in such form or manner as will not require any services by Employee in the operation of the entities in which such securities are owned; or (ii) engage in outside activities provided (x) such ownership interests or activities (including but not limited to membership on boards of directors of for-profit organizations) do not interfere with Employee's ability to fulfill Employee's duties and responsibilities under this Agreement and are not inconsistent with Employee's obligations to any member of the Company Group or are otherwise competitive with the business of any member of the Company Group; and (y) Employee gives written notice to the CEO of any significant outside business activity in which Employee plans to become involved, if such activity is pursued for profit. Notwithstanding the foregoing, Employee will not serve as a member on any Board of Directors (or similar body) of any for-profit organization without first obtaining the express written approval of the CEO. Employee has listed, in Exhibit A attached hereto, a complete list of all

such entities and/or organizations that may be implicated by this Section 2, which shall be deemed approved by the CEO.

(b) Employee hereby represents and warrants that Employee is not the subject of, or a party to, any non-competition, non-solicitation, restrictive covenant or non-disclosure agreement, or any other agreement, obligation, restriction or understanding that would prohibit Employee from executing this Agreement or fully performing each of Employee's duties and responsibilities hereunder, or would in any manner, directly or indirectly, limit or affect any of the duties and responsibilities assigned to Employee hereunder. Employee expressly acknowledges and agrees that Employee is strictly prohibited from using or disclosing any confidential information belonging to any prior employer or other third party in the course of performing services for any member of the Company Group, and Employee promises that Employee shall not do so. Employee shall not introduce documents or other materials containing confidential information of any prior employer and/or other third party to the premises or property (including computers and computer systems) of any member of the Company Group.

(c) Employee owes each member of the Company Group fiduciary duties (including (i) duties of loyalty and disclosure and (ii) such fiduciary duties that an officer of the Company would have if the Company were a corporation organized under the laws of the State of Delaware), and the obligations described in this Agreement are in addition to, and not in lieu of, the obligations Employee owes each member of the Company Group under statutory and common law.

3. **Compensation**.

(a) Base Salary. During the Employment Period, the Company shall pay to Employee an annualized base salary of $350,000 (the "**Base Salary**") in consideration for Employee's services under this Agreement, payable in substantially equal installments in conformity with the Company's customary payroll practices for similarly situated employees as may exist from time to time, but no less frequently than monthly. Employee's Base Salary will be reviewed annually by the CEO based on the performance of the Employee and the Company. The CEO may, but will not be required to, increase the Base Salary during the Initial and any Renewal Term.

(b) Cash Bonus. Employee shall be eligible for discretionary cash bonuses, from time to time, at the Board's discretion.

(c) Equity Awards.

(i) Subject to the approval of the Compensation Committee of the Board (the "**Compensation Committee**"), Employee will be granted annual time-vested restricted stock unit awards (each, a "**Time-Vested Award**") and a one-time performance-based restricted stock unit award (a "**Performance Award**") as soon as administratively practicable following the effective registration of the securities reserved for issuance under the Company's 2020 Equity Incentive Plan (the "**2020 Plan**") on a Form S-8 registration statement pursuant to the Securities Act of 1933, as amended (the "**Form S-8**"). Notwithstanding anything to the contrary in this Agreement, the Time-Vested Award and the Performance Award will not be deemed granted unless and until (i) the Form S-8 has become effective and (ii) the vesting schedule and all other material terms of such equity awards have been approved by the Compensation Committee. Employee acknowledges and agrees that the actual grant dates for future Time-Vested Awards shall be determined by the Compensation Committee and may be coordinated with the grant dates for Time-Vested Awards granted to other employees.

(ii) The 2022 Time-Vested Award will cover such number of shares of the Company's common stock valued at $600,000 as of the grant date, disregarding any fractional share amounts and shall be awarded on such terms and conditions as the Board or the Compensation Committee shall determine from time to time. Future Time-Vested Awards shall be granted at the discretion of the Compensation Committee and the Board of Directors. Each such Time-Vested Award will vest over a three-year period, with 33.33% of the Time-Vested Award vesting on the one-year anniversary of the first Quarterly Vesting Date following the date of the grant of the Award and 8.33% of the Time-Vested Award vesting on each Quarterly Vesting Date thereafter, subject to Employee remaining in Continuous Service (as defined in the 2020 Plan) through each applicable vesting date. For purposes of this Agreement, "**Quarterly Vesting Dates**" with respect to any calendar year means February 15, May 15, August 15, and November 15, provided, to the extent any of such dates occurs on a weekend day or U.S. federal holiday, the Quarterly Vesting Date will be deemed to occur instead on the immediately following day that is not a weekend day or U.S. federal holiday.

(iii) The Performance Award will cover 150,000 shares of the Company's common stock. The Performance Award will vest based upon the achievement of objective performance criteria, as determined by the Compensation Committee in its sole and absolute discretion prior to the date of grant of the Performance Award, during the period from the Effective Date through December 31, 2025, subject to Employee remaining in Continuous Service through each applicable vesting date.

(iv) In the event of a Change in Control (as defined in the 2020 Plan), unless determined otherwise by the Board or the Compensation Committee, with the consent of Employee, prior to such Change in Control, and provided Employee remains in Continuous Service through immediately prior to such Change in Control, the Performance Award will vest immediately prior to the Change in Control based upon the actual achievement of the applicable performance vesting criteria to which the Performance Award is subject (measured as of immediately prior to the Change in Control), taking into account performance through the latest date preceding the Change in Control as to which performance can, as a practical matter, be determined (but not later than the end of the applicable performance period). For clarity, any portion of the Performance Award that has not vested as of immediately prior to a Change in Control (after taking into account the vesting treatment contemplated in the immediately preceding sentence) will be forfeited without cost to the Company, unless otherwise determined by the Board or the Compensation Committee prior to such Change in Control. In addition, if the Time-Vested Award is not assumed, substituted for or otherwise continued by the successor corporation (or a parent or subsidiary thereof) in the event of a Change in Control, or if this Agreement is not assumed or replaced with a substantially similar (or more beneficial) employment agreement (excluding performance-based equity awards) by the successor corporation (or a parent or subsidiary thereof) in the event of a Change in Control, the Time-Vested Award will fully vest and will be settled immediately prior to the consummation of such Change in Control, subject to Employee remaining in Continuous Service through immediately prior to such Change in Control.

(v) Each of the Time-Vested Award and the Performance Award will be granted under and subject to the terms and conditions of the 2020 Plan and an appropriate form of award agreement approved by the Board or the Compensation Committee for use thereunder. The terms of this Agreement shall be reflected in such award agreement, and in the event of any conflict between the terms of such award

agreement and this Agreement, the terms of such award agreement shall govern and control only if it has been executed by Employee.

4. **Term of Employment**. The initial term of Employee's employment under this Agreement shall be for the period beginning on the Effective Date and ending on December 31, 2024 (the "**Initial Term**"). On December 31, 2024 and on each subsequent annual anniversary thereafter, the term of Employee's employment under this Agreement shall automatically renew and extend for a period of twelve (12) months (each such twelve (12)-month period being a "**Renewal Term**"), unless written notice of non-renewal is delivered by either Party to the other not less than one hundred eighty (180) days prior to the expiration of the then-existing Initial Term or Renewal Term, as applicable. Notwithstanding any other provision of this Agreement, Employee's employment pursuant to this Agreement may be terminated at any time in accordance with Section 7. The period from the Effective Date through the expiration of this Agreement or, if sooner, the termination of Employee's employment pursuant to this Agreement, regardless of the time or reason for such termination, shall be referred to herein as the "**Employment Period**."

5. **Business Expenses**. Subject to Section 22, the Company shall reimburse Employee for Employee's reasonable out-of-pocket business-related expenses actually incurred in the performance of Employee's duties under this Agreement so long as Employee timely submits all documentation for such expenses, as required by Company policy in effect from time to time. Any such reimbursement of expenses shall be made by the Company in accordance with the Company's expense reimbursement policy as in effect from time to time following the receipt of such documentation. In no event shall any reimbursement be made to Employee for any expenses incurred after the date of Employee's termination of employment with the Company.

6. **Benefits**. During the Employment Period, Employee shall be eligible to participate in the same benefit plans and programs in which other similarly situated Company employees are eligible to participate, subject to the terms and conditions of the applicable plans and programs in effect from time to time. The Company shall not, however, by reason of this Section 6, be obligated to institute, maintain, or refrain from changing, amending, or discontinuing, any such plan or policy, so long as such changes are similarly applicable to similarly situated Company employees generally.

7. **Termination of Employment**.

(a) Company's Right to Terminate Employee's Employment for Cause. The Company shall have the right to terminate Employee's employment hereunder at any time for Cause. For purposes of this Agreement, "**Cause**" shall mean:

(i) Employee's material breach of this Agreement (including, but not limited to his/her willful failure or refusal to follow any lawful directive of the Board) or any other written agreement between Employee and one or more members of the Company Group;

(ii) Employee is convicted of, or pleads guilty or *nolo contendere* to, any felony, or any misdemeanor involving moral turpitude, in either case other than related to a motor vehicle violation;

(iii) Employee's intentional act of fraud or misrepresentation against the Company or a member of the Company Group, which causes material loss, damage or injury to the property or reputation of the Company or a Company Group member; or

(iv) Employee's breach of any written policy or code of conduct established by a member of the Company Group and applicable to Employee, which causes or can reasonably be expected to cause material loss, damage or injury to the property or reputation of the Company or a Company Group member.

Notwithstanding the foregoing, it shall be a condition precedent to the Company's right to terminate Employee's employment for Cause under Section 7(a)(i), (iii), (iv), or (v) that the Company: (x) first have given Employee written notice stating with specificity the reason for the termination ("**Breach**"), and (y) if such Breach is susceptible of cure or remedy, a period of fifteen (15) days from and after the giving of such notice shall have elapsed without Employee's having effectively cured or remedied such Breach, unless such Breach cannot be cured or remedied within fifteen (15) days, in which case the period for remedy or cure shall be extended for a reasonable time (not to exceed an additional thirty (30) days) provided that the Employee has made and continues to make a diligent effort to effect such remedy or cure within the initial fifteen (15) day period and any such extension.

(b) Company's Right to Terminate for Convenience. The Company shall have the right to terminate Employee's employment for convenience at any time and for any reason, or no reason at all, upon written notice to Employee.

(c) Employee's Right to Terminate for Good Reason. Employee shall have the right to terminate Employee's employment with the Company at any time for Good Reason. For purposes of this Agreement, "**Good Reason**" shall mean: a resignation by Employee as a result of:

(i) a material diminution in Employee's Base Salary, other than a general reduction in Base Salary that affects all similarly situated executives of the Company in substantially the same proportions;

(ii) an adverse change in title, authorities or responsibilities that materially diminishes Employee's position;

(iii) a material change in the Employee's reporting relationship such that Employee no longer reports directly to the CEO, President or COO of the Company; or

(iv) a breach by any member of the Company Group of any of its obligations under this Agreement or any other written agreement between such member of the Company Group and Employee, which causes or can reasonably be expected to cause material loss, damage or injury to the property or reputation of Employee.

A resignation for Good Reason will not be deemed to have occurred unless Employee gives the Company written notice of the condition within sixty (60) days after the condition comes into existence, the Company fails to remedy the condition within thirty (30) days after receiving Employee's written notice, and the date of Employee's termination of employment must occur within ninety (90) days after the initial occurrence of the condition(s) specified in such notice.

(d) Death. Upon the death of Employee, Employee's employment with the Company and/or all members of the Company Group shall automatically (and without any further action by any person or entity) terminate with no further obligation under this Agreement of either Party, except as expressly provided within this paragraph. Upon the Employee's separation from service (within the meaning of Section 409A (as defined below)) due to death all unvested Company equity compensation awards (other than any Company equity compensation

awards that are subject to performance-based or other similar vesting criteria) granted under any equity compensation plan of the Company that are held by Employee as of the date immediately prior to the applicable Termination Date (defined below) shall immediately vest in full and such awards, to the extent applicable, shall immediately become exercisable and be eligible for settlement in accordance with the terms and conditions provided in the applicable award agreements governing such awards.

(e) Employee's Right to Terminate for Convenience. Employee shall have the right to terminate Employee's employment with the Company for convenience at any time and for any other reason, or no reason at all, upon thirty (30) days' advance written notice to the Company; *provided*, *however*, that if Employee has provided notice to the Company of Employee's termination of employment, the Company may determine, in its sole discretion, that such termination shall be effective on any date prior to the effective date of termination provided in such notice (and, if such earlier date is so required, then it shall not change the basis for Employee's termination of employment nor be construed or interpreted as a termination of employment pursuant to Section 7(b)).

(f) Effect of Termination.

(i) Subject to Section 7(f)(iv), if Employee's employment hereunder is terminated by the Company via expiration and/or non-renewal of the Agreement pursuant to Section 4, without Cause pursuant to Section 7(b), or is terminated by Employee for Good Reason pursuant to Section 7(c), then so long as (and only if) Employee: (1) executes on or before the Release Expiration Date (as defined below), and does not revoke within any time provided by the Company to do so, a release of all claims in a form acceptable to the Company (the "**Release**") (in the form attached hereto as Exhibit B, as updated if necessary, pursuant to applicable law), which Release shall release each member of the Company Group and their respective affiliates, and the foregoing entities' respective shareholders, members, partners, officers, managers, directors, fiduciaries, employees, representatives, agents and benefit plans (and fiduciaries of such plans) from any and all claims, including any and all causes of action arising out of Employee's employment with the Company and any other member of the Company Group or the termination of such employment, but excluding all claims to Termination Benefits (as defined below) Employee may have under this Section 7; and (2) abides by the terms of each of Sections 9, 10 and 11, then (a) the Company shall make a severance payment to Employee in an amount equal to the sum of twelve (12) months' worth of Employee's then current Base Salary ("**Severance Payment**"), (b) cause each of Employee's then-outstanding and unvested stock options, restricted stock awards, restricted stock unit awards and any other Company equity compensation awards (other than any Company equity compensation awards that are subject to performance-based or other similar vesting criteria) that was granted to Employee more than one year prior to the date of Employee's termination of employment to vest in full and, to the extent applicable, become fully exercisable ("**Vesting Acceleration**"), and (c) cause each of Employee's then-outstanding and unexercised stock options (to the extent vested as of Employee's Termination Date) to remain exercisable until the earlier of (i) the date that is three (3) years following Employee's Termination Date, (ii) the expiration date of the stock option, and (iii) in the event of a "Change in Control" (as defined in the 2020 Plan), or any similar transaction, in which the successor corporation (or a parent or subsidiary thereof) does not assume or substitute for the stock option, immediately prior to the effective time of such transaction ("**Post-Termination Exercise Period Extension**").

(ii) If Employee's employment hereunder is terminated in circumstances in which Employee is eligible to receive a Severance Payment under

Section 7(f)(i) and Employee satisfies each of the conditions to receive a Severance Payment under Section 7(f)(i), then, if Employee elects to continue coverage for Employee and Employee's spouse and eligible dependents, if any, under the Company's group health plans pursuant to Consolidated Omnibus Budget Reconciliation Act of 1985 ("**COBRA**"), the Company shall promptly reimburse Employee on a monthly basis for the difference between the amount Employee pays to effect and continue such coverage and the employee contribution amount that similarly situated employees of the Company pay for the same or similar coverage under such group health plans (the "**COBRA Subsidy**" and together with the Severance Payment, the Vesting Acceleration, and the Post-Termination Exercise Period Extension, the "**Termination Benefits**"). Each payment of the COBRA Subsidy shall be paid to Employee on the Company's first regularly scheduled pay date in the calendar month immediately following the calendar month in which Employee submits to the Company documentation of the applicable premium payment having been paid by Employee, which documentation shall be submitted by Employee to the Company within thirty (30) days following the date on which the applicable premium payment is paid. Employee shall be eligible to receive such reimbursement payments until the earliest of: (1) the date that is twelve (12) months following the Termination Date (the "**COBRA Expiration Date**"); (2) the date Employee is no longer eligible to receive COBRA continuation coverage; and (3) the date on which Employee becomes eligible to receive coverage under a group health plan sponsored by another employer (and any such eligibility shall be promptly reported to the Company by Employee); provided, however, that the election of COBRA continuation coverage and the payment of any premiums due with respect to such COBRA continuation coverage shall remain Employee's sole responsibility, and the Company shall not assume any obligation for payment of any such premiums relating to such COBRA continuation coverage. Notwithstanding the foregoing, if the provision of the benefits described in this Section 7(f)(ii) cannot be provided in the manner described above without penalty, tax or other adverse impact on the Company or any other member of the Company Group, then the Company and Employee shall negotiate in good faith to determine an alternative manner in which the Company may provide substantially equivalent benefits to Employee without such adverse impact on the Company or such other member of the Company Group.

(iii) Subject to Section 7(f)(v) below, the Severance Payment will be divided into substantially equal installments over the twelve (12)-month period following the date of Employee's applicable separation from service (the "**Termination Date**"). On the Company's first regularly scheduled pay date that is on or after sixty (60) days following the Termination Date (the "**First Payment Date**"), the Company shall pay to Employee, without interest, a number of such installments equal to the number of such installments that would have been paid during the period beginning on the Termination Date and ending on the First Payment Date had the installments been paid on the Company's regularly scheduled pay dates immediately following the Termination Date. Each remaining installments shall be paid on the Company's regularly scheduled pay dates during the remainder of applicable payment period; *provided*, *however*, that (1) to the extent, if any, that the aggregate amount of the installments of the Severance Payment that would otherwise be paid pursuant to the preceding provisions of this Section 7(f)(i) after March 15 of the calendar year following the calendar year in which the Termination Date occurs (the "**Applicable March 15**") exceeds the maximum exemption amount under Treasury Regulation Section 1.409A-1(b)(9)(iii)(A), then such excess shall be paid to Employee in a lump sum on the Applicable March 15 (or the first Business Day preceding the Applicable March 15 if the Applicable March 15 is not a Business Day) and the installments of the Severance Payment payable after the Applicable March 15 shall be reduced by such excess (beginning with the installment first payable after the

Applicable March 15 and continuing with the next succeeding installment until the aggregate reduction equals such excess), and (2) all remaining installments of the Severance Payment, if any, that would otherwise be paid pursuant to the preceding provisions of this Section 7(f)(i) after December 31 of the calendar year following the calendar year in which the Termination Date occurs shall be paid with the installment of the Severance Payment, if any, due in December of the calendar year following the calendar year in which the Termination Date occurs. "**Business Day**" shall mean any day except a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by law to be closed.

(iv) Notwithstanding anything herein to the contrary, the Severance Payment and COBRA Subsidy (and any portion thereof) shall not be payable if Employee's employment hereunder terminates upon the expiration of the then-existing Initial Term or Renewal Term, as applicable, as a result of a non-renewal of the term of Employee's employment under this Agreement pursuant to Section 4.

(v) If the Release is not executed and returned to the Company on or before the Release Expiration Date, and the required revocation period has not fully expired without revocation of the Release by Employee, then Employee shall not be entitled to any portion of the Termination Benefits. As used herein, the "**Release Expiration Date**" is that date that is twenty-one (21) days following the date upon which the Company delivers the Release to Employee (which shall occur no later than seven (7) days after the Termination Date) or, in the event that such termination of employment is "in connection with an exit incentive or other employment termination program" (as such phrase is defined in the Age Discrimination in Employment Act of 1967), the date that is forty-five (45) days following such delivery date.

(g) After-Acquired Evidence. Notwithstanding any provision of this Agreement to the contrary, in the event that the Company determines that Employee is eligible to receive the Termination Benefits pursuant to Section 7(f) but, after such determination, the Company subsequently acquires evidence or determines that: (i) Employee has failed to abide (or continue to abide) by the terms of Sections 9, 10 or 11; or (ii) a Cause condition existed prior to the Termination Date that, had the Company been fully aware of such condition, would have given the Company the right to terminate Employee's employment pursuant to Section 7(a), then upon written notice to Employee of a good faith reasonable belief of Employee's breach or Cause condition the Employee shall forfeit all unpaid Termination Benefits, and the Company shall have the right to cease the payment of any future installments of the Termination Benefits and Employee's release shall remain in full force and effect, *provided that* such breach or Cause condition must remain uncured thirty (30) days after the Board first provided Employee written notice of the obligation to cure such breach or Cause condition.

8. **Disclosures**.

(a) Employee hereby represents and warrants that as of the Effective Date, there exist no actual or potential Conflicts of Interest (as defined below).

(b) Promptly (and in any event, within three (3) Business Days) upon becoming aware of any actual or potential Conflict of Interest, Employee shall disclose such actual or potential Conflict of Interest to the Board.

(c) A "**Conflict of Interest**" shall exist when Employee engages in, or plans to engage in, any activities, associations, or interests that conflict with, or create an appearance of

a conflict with, Employee's duties, responsibilities, authorities, or obligations for and to any member of the Company Group.

9. **Confidentiality**. In the course of Employee's employment with the Company and the performance of Employee's duties on behalf of the Company Group hereunder, Employee will be provided with, and will have access to, Confidential Information (as defined below). In consideration of Employee's receipt and access to such Confidential Information, and as a condition of Employee's employment, Employee shall comply with this Section 9.

(a) Both during the Employment Period and thereafter, except as expressly permitted by this Agreement or by directive of the Board, Employee shall not disclose any Confidential Information to any person or entity and shall not use any Confidential Information except for the benefit of the Company Group. Employee shall follow all Company Group policies and protocols regarding the security of all documents and other materials containing Confidential Information (regardless of the medium on which Confidential Information is stored). The covenants of this Section 9(a) shall apply to all Confidential Information, whether now known or later to become known to Employee during the period that Employee is employed by or affiliated with the Company or any other member of the Company Group.

(b) Notwithstanding any provision of Section 9(a) to the contrary, Employee may make the following disclosures and uses of Confidential Information:

(i) disclosures to other employees of a member of the Company Group who have a need to know the information in connection with the businesses of the Company Group;

(ii) disclosures to customers and suppliers when, in the reasonable and good faith belief of Employee, such disclosure is in connection with Employee's performance of Employee's duties under this Agreement and is in the best interests of the Company Group;

(iii) disclosures and uses that are approved in writing by the Board; or

(iv) disclosures to a person or entity that has (x) been retained by a member of the Company Group to provide services to one or more members of the Company Group and (y) agreed in writing to abide by the terms of a confidentiality agreement.

(c) Upon the expiration of the Employment Period, and at any other time upon request of the Company, Employee shall promptly surrender and deliver to the Company all documents (including electronically stored information) and all copies thereof and all other materials of any nature containing or pertaining to all Confidential Information and any other Company Group property (including any Company Group-issued computer, mobile device or other equipment) in Employee's possession, custody or control and Employee shall not retain any such documents or other materials or property of the Company Group. Within five (5) days of any such request, Employee shall certify to the Company in writing that all such documents, materials and property have been returned to the Company.

(d) All trade secrets, non-public information, designs, ideas, concepts, improvements, product developments, discoveries and inventions, whether patentable or not, that are conceived, made, developed or acquired by or disclosed to Employee, individually or in conjunction with others, during the period that Employee is employed by the Company or any other member of the Company Group (whether during business hours or otherwise and whether

on the Company's premises or otherwise) that relate to any member of the Company Group's businesses or properties, products or services (including all such information relating to corporate opportunities, operations, future plans, methods of doing business, business plans, strategies for developing business and market share, research, financial and sales data, pricing terms, evaluations, opinions, interpretations, acquisition prospects, the identity of customers or acquisition targets or their requirements, the identity of key contacts within customers' organizations or within the organization of acquisition prospects, or marketing and merchandising techniques, prospective names and marks) is defined as "**Confidential Information**." Moreover, all documents, videotapes, written presentations, brochures, drawings, memoranda, notes, records, files, correspondence, manuals, models, specifications, computer programs, e-mail, voice mail, electronic databases, maps, drawings, architectural renditions, models and all other writings or materials of any type including or embodying any of such information, ideas, concepts, improvements, discoveries, inventions and other similar forms of expression are and shall be the sole and exclusive property of the Company or the other applicable member of the Company Group and be subject to the same restrictions on disclosure applicable to all Confidential Information pursuant to this Agreement. For purposes of this Agreement, Confidential Information shall not include any information that (i) is or becomes generally available to the public other than as a result of a disclosure or wrongful act of Employee or any of Employee's agents; (ii) was available to Employee on a non-confidential basis before its disclosure by a member of the Company Group; or (iii) becomes available to Employee on a non-confidential basis from a source other than a member of the Company Group; *provided*, *however*, that such source is not bound by a confidentiality agreement with, or other obligation with respect to confidentiality to, a member of the Company Group.

(e) Notwithstanding the foregoing, nothing in this Agreement shall prohibit or restrict Employee from lawfully: (i) initiating communications directly with, cooperating with, providing information to, causing information to be provided to, or otherwise assisting in an investigation by, any governmental authority regarding a possible violation of any law; (ii) responding to any inquiry or legal process directed to Employee from any such governmental authority (including the U.S. Securities and Exchange Commission); (iii) testifying, participating or otherwise assisting in any action or proceeding by any such governmental authority relating to a possible violation of law; or (iv) making any other disclosures that are protected under the whistleblower provisions of any applicable law. Additionally, pursuant to the federal Defend Trade Secrets Act of 2016, an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (A) is made (1) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney and (2) solely for the purpose of reporting or investigating a suspected violation of law; (B) is made to the individual's attorney in relation to a lawsuit for retaliation against the individual for reporting a suspected violation of law; or (C) is made in a complaint or other document filed in a lawsuit or proceeding, if such filing is made under seal. Nothing in this Agreement requires Employee to obtain prior authorization before engaging in any conduct described in this paragraph, or to notify the Company that Employee has engaged in any such conduct.

10. **Non-Competition; Non-Solicitation**.

(a) The Company shall provide Employee Confidential Information for use only during the Employment Period, and Employee acknowledges and agrees that the Company Group will entrust Employee, in Employee's unique and special capacity, with developing the goodwill of the Company Group. In consideration of the Company providing Employee with access to Confidential Information and as an express incentive for the Company to enter into this Agreement and employ Employee hereunder, Employee has voluntarily agreed to the covenants set forth in this Section 10. Employee agrees and acknowledges that the limitations and

restrictions set forth herein, including geographical and temporal restrictions on certain competitive activities, are reasonable in all respects, do not interfere with public interests, will not cause Employee undue hardship, and are material and substantial parts of this Agreement intended and necessary to prevent unfair competition and to protect the Company Group's Confidential Information, goodwill and legitimate business interests.

(b) During the Prohibited Period, Employee shall not, without the prior written approval of the Board, directly or indirectly, for Employee or on behalf of or in conjunction with any other person or entity of any nature:

(i) engage in or participate, directly or indirectly, in the following conduct: (A) owning, managing, operating, or being an officer or director of, any business that competes with any member of the Company Group in the Market Area related to the Business (except for the ownership of up to 3.0% of the shares of common stock or securities or any entity whose common shares or securities are listed on a national securities exchange), or (B) joining, becoming an employee or consultant of, or otherwise being affiliated with, any person or entity engaged in, or planning to engage in, the Business in the Market Area in competition, or anticipated competition, with any member of the Company Group in any capacity (with respect to this clause (B)) in which Employee's duties or responsibilities are the same as or similar to the duties or responsibilities that Employee had on behalf of any member of the Company Group;

(ii) solicit, canvass, approach, encourage, entice or induce any customer or supplier of any member of the Company Group with whom or which Employee had personal contact in the course of performing Employee's duties for any member of the Company Group to cease or lessen such customer's or supplier's business with any member of the Company Group; or

(iii) solicit, canvass, approach, encourage, entice or induce any employee or contractor of any member of the Company Group to terminate or reduce his, her or its employment or engagement with any member of the Company Group. This provision shall not prohibit Employee from employing or making an offer of employment to an employee or contractor of any member of the Company Group if such employment and/or offer resulted from a general solicitation or advertisement for applications in a newspaper, trade publication, on the Internet or other public forum that is not intended to target any employee or contractor of any member of the Company Group.

(c) Because of the difficulty of measuring economic losses to the Company Group as a result of a breach or threatened breach of the covenants set forth in Section 9 and in this Section 10, and because of the immediate and irreparable damage that would be caused to the members of the Company Group for which they would have no other adequate remedy, the Company and each other member of the Company Group shall be entitled to enforce the foregoing covenants, in the event of a breach or threatened breach, by injunctions and restraining orders from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall not be the Company's or any other member of the Company Group's exclusive remedy for a breach but instead shall be in addition to all other rights and remedies available to the Company and each other member of the Company Group at law and equity.

(i) If Employee violates his/her obligations during the Prohibited Period and the Company (or relevant member of the Company Group) brings legal action for injunctive or other relief under Sections 9 and/or 10, the applicable Restricted Period

shall be tolled by such court of competent jurisdiction so that the Company Group shall not be deprived of the benefit of the full Prohibited Period.

(ii) During the Prohibited Period, Executive expressly agrees to notify any prospective employer or affiliate in the restricted Business and Market Area of his/her obligations during the Prohibited Period and authorizes the Company to make contact with, any person or affiliate reasonably believed by the Company Group to be engaged or about to be engaged in an act that would constitute a violation of Employee's obligations under this Agreement. Employee hereby waives, and releases the Company Group from, any claims whatsoever arising in connection with the Company Group's contact or discussions with such person or affiliate.

(d) The covenants in this Section 10, and each provision and portion hereof, are severable and separate, and the unenforceability of any specific covenant (or portion thereof) shall not affect the provisions of any other covenant (or portion thereof). Moreover, in the event any court of competent jurisdiction shall determine that the scope, time or territorial restrictions set forth are unreasonable, then it is the intention of the parties that such restrictions be enforced to the fullest extent which such court deems reasonable, and this Agreement shall thereby be reformed.

(e) The following terms shall have the following meanings:

(i) "**Business**" shall mean the business and operations that are the same or similar to those performed (or as to which are proposed to be performed based on plans developed within the twelve (12) month period immediately prior to the Termination Date) by the Company and any other member of the Company Group for which Employee provides services or about which Employee obtains Confidential Information during the Employment Period.

(ii) "**Market Area**" shall mean: (A) the United States (and related territories); and (B) and any other geographic area or market where or with respect to which the Company or any other member of the Company Group conducts or has specific plans to conduct the Business on or at any time during the twelve (12) month period prior to the Termination Date.

(iii) "**Prohibited Period**" shall mean the period during which Employee is employed by any member of the Company Group and continuing for a period of twenty-four (24) months following the date that Employee is no longer employed by any member of the Company Group.

11. **Ownership of Intellectual Property.** Employee agrees that the Company shall own, and Employee shall (and hereby does) assign, all right, title and interest (including patent rights, copyrights, trade secret rights, mask work rights, trademark rights, and all other intellectual and industrial property rights of any sort throughout the world) relating to any and all inventions (whether or not patentable), works of authorship, designs, know-how, ideas and information authored, created, contributed to, made or conceived or reduced to practice, in whole or in part, by Employee during the period in which Employee is or has been employed by or affiliated with the Company or any other member of the Company Group that relates to the Business ("**Company Intellectual Property**"), and Employee shall promptly disclose all Company Intellectual Property to the Company. All of Employee's works of authorship and associated copyrights created during the period in which Employee is employed by or affiliated with the Company or any other member of the Company Group and related to the Business shall be deemed to be "works made for hire" within the meaning of the Copyright Act. Employee

shall perform, during and after the period in which Employee is or has been employed by or affiliated with the Company or any other member of the Company Group, all acts deemed necessary by the Company to assist each member of the Company Group, at the Company's expense, in obtaining and enforcing its rights throughout the world in the Company Intellectual Property. Such acts may include execution of documents and assistance or cooperation (i) in the filing, prosecution, registration, and memorialization of assignment of any applicable patents, copyrights, mask work, or other applications, (ii) in the enforcement of any applicable patents, copyrights, mask work, moral rights, trade secrets, or other proprietary rights, and (iii) in other legal proceedings related to the Company Intellectual Property.

12. **Defense of Claims**. The Company shall obtain and maintain directors' and officers' liability insurance coverage in effect for Employee during the Employment Period and continuing thereafter so long as Employee shall be subject to any possible claim or threatened, pending or completed action, suit or proceeding, whether civil, criminal, arbitrational, administrative or investigative, by reason of the fact that Employee had served in the capacity or capacities referred to herein. During the Employment Period and thereafter, upon request from the Company, Employee shall cooperate with the Company Group in the defense of any claims or actions that may be made by or against any member of the Company Group that relate to Employee's actual or prior areas of responsibility.

13. **Withholdings; Deductions**. The Company may withhold and deduct from any benefits and payments made or to be made pursuant to this Agreement (a) all federal, state, local and other taxes as may be required pursuant to any law or governmental regulation or ruling and (b) any deductions consented to in writing by Employee.

14. **Title and Headings; Construction**. Titles and headings to Sections hereof are for the purpose of reference only and shall in no way limit, define or otherwise affect the provisions hereof. Unless the context requires otherwise, all references to laws, regulations, contracts, documents, agreements and instruments refer to such laws, regulations, contracts, documents, agreements and instruments as they may be amended from time to time, and references to particular provisions of laws or regulations include a reference to the corresponding provisions of any succeeding law or regulation. All references to "dollars" or "$" in this Agreement refer to United States dollars. The words "herein", "hereof", "hereunder" and other compounds of the word "here" shall refer to the entire Agreement, including all Exhibits attached hereto, and not to any particular provision hereof. Unless the context requires otherwise, the word "or" is not exclusive. Wherever the context so requires, the masculine gender includes the feminine or neuter, and the singular number includes the plural and conversely. All references to "including" shall be construed as meaning "including without limitation." Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against any party hereto, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by each of the Parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the Parties hereto.

15. **Applicable Law; Submission to Jurisdiction**. This Agreement shall in all respects be construed according to the laws of the State of Texas without regard to its conflict of laws principles that would result in the application of the laws of another jurisdiction. With respect to any claim or dispute related to or arising under this Agreement, the Parties hereby recognize and agree that should any resort to a court be necessary and permitted under this Agreement, then they consent to the exclusive jurisdiction, forum and venue of the state and federal courts (as applicable) located in Austin, Texas.

16. **Entire Agreement and Amendment**. This Agreement contain the entire agreement of the parties with respect to the matters covered herein and supersede all prior and contemporaneous agreements and understandings, oral or written, between the Parties hereto concerning the subject matter hereof. This Agreement may be amended only by a written instrument executed by both Parties

17. **Waiver of Breach**. Any waiver of this Agreement must be executed by the Party to be bound by such waiver. No waiver by either Party hereto of a breach of any provision of this Agreement by the other Party, or of compliance with any condition or provision of this Agreement to be performed by such other Party, will operate or be construed as a waiver of any subsequent breach by such other Party or any similar or dissimilar provision or condition at the same or any subsequent time. The failure of either Party to take any action by reason of any breach will not deprive such Party of the right to take action at any time.

18. **Assignment**. This Agreement is personal to Employee, and neither this Agreement nor any rights or obligations hereunder shall be assignable or otherwise transferred by Employee. The Company may assign this Agreement without Employee's consent, including to any member of the Company Group and to any successor to or acquirer of (whether by merger, purchase or otherwise) all or substantially all of the equity, assets or businesses of the Company.

19. **Notices**. Notices provided for in this Agreement shall be in writing and shall be deemed to have been duly received (a) when delivered in person, (b) when sent by facsimile transmission (with confirmation of transmission) on a Business Day to the number set forth below, if applicable; *provided*, *however*, that if a notice is sent by facsimile transmission after normal business hours of the recipient or on a non-Business Day, then it shall be deemed to have been received on the next Business Day after it is sent, (c) on the first Business Day after such notice is sent by express overnight courier service, or (d) on the second Business Day following deposit with an internationally-recognized second-day courier service with proof of receipt maintained, in each case, to the following address, as applicable:

If to the Company, addressed to:

Hyliion Holdings Corp
1202 BMC Drive, Suite 100
Cedar Park, TX 78613
Attention: Human Resources

If to Employee, addressed to:

Jose Oxholm
231 Kenwood Court
Grosse Pointe Farms, MI 48236

20. **Counterparts**. This Agreement may be executed in any number of counterparts, including by electronic mail or facsimile, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a copy hereof containing multiple signature pages, each signed by one party, but together signed by both parties hereto.

21. **Deemed Resignations**. Except as otherwise determined by the Board or as otherwise agreed to in writing by Employee and any member of the Company Group prior to the termination of Employee's employment with the Company or any member of the Company

Group, any termination of Employee's employment shall constitute, as applicable, an automatic resignation of Employee: (a) as an officer of the Company and each member of the Company Group; (b) from the Board; and (c) from the board of directors or board of managers (or similar governing body) of any member of the Company Group and from the board of directors or board of managers (or similar governing body) of any corporation, limited liability entity, unlimited liability entity or other entity in which any member of the Company Group holds an equity interest and with respect to which board of directors or board of managers (or similar governing body) Employee serves as such Company Group member's designee or other representative.

22. **Section 409A.**

(a) Notwithstanding any provision of this Agreement to the contrary, all provisions of this Agreement are intended to comply with Section 409A of the Internal Revenue Code of 1986 (the "**Code**"), and the applicable Treasury regulations and administrative guidance issued thereunder (collectively, "**Section 409A**") or an exemption therefrom and shall be construed and administered in accordance with such intent. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service or as a short-term deferral shall be excluded from Section 409A to the maximum extent possible. For purposes of Section 409A, each installment payment provided under this Agreement shall be treated as a separate payment. No payment or benefits to be paid to Employee, if any, under this Agreement or otherwise, when considered together with any other severance payments or separation benefits that are considered deferred compensation under Section 409A will be paid or otherwise provided until the Employee has a "separation from service" within the meaning of Section 409A.

(b) To the extent that any right to reimbursement of expenses or payment of any benefit in-kind under this Agreement constitutes nonqualified deferred compensation (within the meaning of Section 409A), (i) any such expense reimbursement shall be made by the Company no later than the last day of Employee's taxable year following the taxable year in which such expense was incurred by Employee, (ii) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (iii) the amount of expenses eligible for reimbursement or in-kind benefits provided during any taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year; *provided*, that the foregoing clause shall not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Code solely because such expenses are subject to a limit related to the period in which the arrangement is in effect.

(c) Notwithstanding any provision in this Agreement to the contrary, if any payment or benefit provided for herein would be subject to additional taxes and interest under Section 409A if Employee's receipt of such payment or benefit is not delayed until the earlier of the date of Employee's death or the date that is six (6) months after the Termination Date (such date, the "**Section 409A Payment Date**"), then such payment or benefit shall not be provided to Employee (or Employee's estate, if applicable) until the Section 409A Payment Date. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement are exempt from, or compliant with, Section 409A and in no event shall any member of the Company Group be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by Employee on account of non-compliance with Section 409A.

23. **Certain Excise Taxes**.

(a) Notwithstanding anything to the contrary in this Agreement, if any payment or benefit Employee would receive from the Company or any other party whether in connection with the provisions of this Agreement or otherwise ("**Payment**") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "**Excise Tax**"), then such Payment shall be equal to the Reduced Amount. The "Reduced Amount" shall be either (x) the largest portion of the Payment that would result in no portion of the Payment being subject to the Excise Tax, or (y) the largest portion, up to and including the total, of the Payment, whichever amount ((x) or (y)), after taking into account all applicable federal, state and local

employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in Employee's receipt of the greatest economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a Reduced Amount will give rise to the greater after tax benefit, the reduction in the Payments shall occur in the following order: (a) reduction of cash payments; (b) cancellation of accelerated vesting of equity awards other than stock options; (c) cancellation of accelerated vesting of stock options; and (d) reduction of other benefits paid to Employee. Within any such category of payments and benefits (that is, (a), (b), (c) or (d)), a reduction shall occur first with respect to amounts that are not "deferred compensation" within the meaning of Section 409A and then with respect to amounts that are. In the event that acceleration of compensation from Employee's equity awards is to be reduced, such acceleration of vesting shall be canceled, subject to the immediately preceding sentence, in the reverse order of the date of grant.

(b) The independent accounting firm engaged by the Company for general accounting and/or tax advisory purposes as of the day prior to the effective date of the event described in Section 280G(b)(2)(A)(i) of the Code shall perform the foregoing calculations. If the independent accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting such event, the Company shall appoint an independent accounting firm to make the determinations required hereunder. The Company shall bear all expenses with respect to the determinations by such independent accounting firm required to be made hereunder. The independent accounting firm engaged to make the determinations hereunder shall provide its calculations, together with detailed supporting documentation, to the Company and Employee within thirty (30) calendar days after the date on which Employee's right to a Payment is triggered (if requested at that time by the Company or Employee) or such other time as reasonably requested by the Company or Employee. Any good faith determinations of the independent accounting firm made hereunder shall be final, binding and conclusive upon the Company and Employee.

24. **Effect of Termination**. The provisions of Sections 7, 9-13 and 21 and those provisions necessary to interpret and enforce them, shall survive any termination of this Agreement and any termination of the employment relationship between Employee and the Company and/or member of the Company Group.

25. **Third-Party Beneficiaries**. Each member of the Company Group that is not a signatory to this Agreement shall be a third-party beneficiary of Employee's obligations under Sections 8, 9, 10, 11 and 21 and shall be entitled to enforce such obligations as if a party hereto.

26. **Severability**. Other than as set forth in Section 10(d), if a court of competent jurisdiction determines that any provision of this Agreement (or portion thereof) is invalid or unenforceable, then the invalidity or unenforceability of that provision (or portion thereof) shall not affect the validity or enforceability of any other provision of this Agreement, and all other provisions shall remain in full force and effect.

27. **Non-Disparagement**. Employee shall not, directly or indirectly, make or cause to be made any disparaging, denigrating, derogatory, negative, misleading, or false statement orally or in writing to any person, including clients or prospective clients, competitors and advisors to the Company Group and members of the investment community or press, about (i) the Company and/or Company Group, or its/their members, managers, officers, employees, agents, or clients, or (ii) the business strategy or plans, policies, practices, or operations of the Company Group. Notwithstanding the foregoing, nothing in this section is intended to prevent Employee from making truthful statements to his attorney of record and/or any other government or law enforcement agency or official, or as otherwise required by applicable subpoena or court order.

IN WITNESS WHEREOF, Employee and the Company each have caused this Agreement to be executed, and intend this Agreement to become effective, as of the Effective Date.

EMPLOYEE

/s/ Jose Oxholm
Name: Jose Oxholm
Title: General Counsel & Chief Compliance Officer

HYLIION HOLDINGS CORP.

By: /s/ Thomas Healy
Name: Thomas Healy
Title: Chief Executive Officer

EMPLOYMENT AGREEMENT

This Employment Agreement ("**Agreement**") is made and entered into by and between Hyliion Holdings Corp., a Delaware corporation, (the "**Company**"), and Cheri Lantz ("**Employee**") effective as of the Effective Date (as defined below). Employer and Employee are sometimes referred to herein as a "Party," and collectively as the "Parties".

RECITALS

WHEREAS, the Company and Employee desire to enter into this Agreement on the terms and subject to the conditions set forth herein, effective as of February 28, 2022 (the "**Effective Date**").

NOW, THEREFORE, in consideration of the above recitals incorporated herein and the mutual covenants and premises contained herein as well as other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged, the Parties agree as follows:

1. **Employment**. During the Employment Period (as defined in Section 4) the Company shall employ Employee, and Employee shall serve, as Chief Strategy Officer of the Company and in such other position or positions as may be assigned from time to time by the Chief Executive Officer ("**CEO**") of the Company or as otherwise designated by the board of directors of the Company (the "**Board**").

2. **Duties and Responsibilities of Employee**.

(a) Employee shall, during the Employment Period, devote Employee's best efforts and full business time and attention to the businesses of the Company and its direct and indirect subsidiaries as may exist from time to time (collectively, the Company and its current and future wholly owned direct and indirect subsidiaries are referred to as the "**Company Group**") as may be requested by the CEO from time to time. Employee's duties and responsibilities shall include those normally incidental to the position(s) identified in Section 1, as well as such additional duties as may be assigned to Employee by the CEO from time to time, which duties and responsibilities may include providing services to other members of the Company Group in addition to the Company. Employee may, without violating this Section 2(a), (i) as a passive investment, own publicly-traded securities in such form or manner as will not require any services by Employee in the operation of the entities in which such securities are owned; or (ii) engage in outside activities provided (x) such ownership interests or activities (including but not limited to membership on boards of directors of for-profit organizations) do not interfere with Employee's ability to fulfill Employee's duties and responsibilities under this Agreement and are not inconsistent with Employee's obligations to any member of the Company Group or are otherwise competitive with the business of any member of the Company Group; and (y) Employee gives written notice to the CEO of any significant outside business activity in which Employee plans to become involved, if such activity is pursued for profit. Notwithstanding the foregoing, Employee will not serve as a member on any Board of Directors (or similar body) of any for-profit organization without first obtaining the express written approval of the CEO. Employee has listed, in Exhibit A attached hereto, a complete list of all such entities and/or organizations that may be implicated by this Section 2, which shall be deemed approved by the CEO.

(b) Employee hereby represents and warrants that Employee is not the subject of, or a party to, any non-competition, non-solicitation, restrictive covenant or non-disclosure agreement, or any other agreement, obligation, restriction or understanding that would prohibit

Employee from executing this Agreement or fully performing each of Employee's duties and responsibilities hereunder, or would in any manner, directly or indirectly, limit or affect any of the duties and responsibilities assigned to Employee hereunder. Employee expressly acknowledges and agrees that Employee is strictly prohibited from using or disclosing any confidential information belonging to any prior employer or other third party in the course of performing services for any member of the Company Group, and Employee promises that Employee shall not do so. Employee shall not introduce documents or other materials containing confidential information of any prior employer and/or other third party to the premises or property (including computers and computer systems) of any member of the Company Group.

(c) Employee owes each member of the Company Group fiduciary duties (including (i) duties of loyalty and disclosure and (ii) such fiduciary duties that an officer of the Company would have if the Company were a corporation organized under the laws of the State of Delaware), and the obligations described in this Agreement are in addition to, and not in lieu of, the obligations Employee owes each member of the Company Group under statutory and common law.

3. **Compensation**.

(a) Base Salary. During the Employment Period, the Company shall pay to Employee an annualized base salary of $385,000 (the "**Base Salary**") in consideration for Employee's services under this Agreement, payable in substantially equal installments in conformity with the Company's customary payroll practices for similarly situated employees as may exist from time to time, but no less frequently than monthly. Employee's Base Salary will be reviewed annually by the CEO based on the performance of the Employee and the Company. The CEO may, but will not be required to, increase the Base Salary during the Initial and any Renewal Term.

(b) Target Bonus; Sign-On Bonus

(i) In addition to the Base Salary, during the Employment Period, Employee will be entitled to participate in an annual incentive compensation plan of the Company. Employee's target annual bonus will be equal to 70% of Employee's Base Salary as in effect for such year (the **"Target Bonus"**) based upon achievement of performance goals established by the Compensation Committee of the Board pursuant to such plan. The Target Bonus will be paid at the time and in the manner specified under the annual incentive compensation plan of the Company.

(ii) The Company will pay Employee a one-time cash bonus (the "**Sign-On Bonus**") in the amount of $100,000 to be paid on the first payroll following Employee's start date. If, within one (1) year of hire date, Employee is terminated for Cause (as defined hereinbelow) or Employee chooses to leave the employment of the Company, Employee (or Employee's representative) agrees to repay the full amount of the Sign-On Bonus received by Employee after taxes and withholdings (the "**Repayment Amount**") on the date of Employee's termination or departure. Employee grees that, should Employee be required to repay the Sign-On Bonus, the Company may make deductions from Employee's compensation up to the full Repayment Amount, consistent with applicable law. If such deductions do not fully repay the Repayment Amount, Employee agrees to remit the balance to the Company.

(c) Equity Awards.

(i) Subject to the approval of the Compensation Committee of the Board (the "**Compensation Committee**"), Employee will be granted annual time-vested

restricted stock unit awards (each, a "**Time-Vested Award**") and a one-time performance-based restricted stock unit award (a "**Performance Award**") as soon as administratively practicable following the effective registration of the securities reserved for issuance under the Company's 2020 Equity Incentive Plan (the "**2020 Plan**") on a Form S-8 registration statement pursuant to the Securities Act of 1933, as amended (the "**Form S-8**"). Notwithstanding anything to the contrary in this Agreement, the Time-Vested Award and the Performance Award will not be deemed granted unless and until (i) the Form S-8 has become effective and (ii) the vesting schedule and all other material terms of such equity awards have been approved by the Compensation Committee. Employee acknowledges and agrees that the actual grant dates for future Time-Vested Awards shall be determined by the Compensation Committee and may be coordinated with the grant dates for Time-Vested Awards granted to other employees.

(ii) The 2022 Time-Vested Award will cover such number of shares of the Company's common stock valued at $550,000 as of the grant date, disregarding any fractional share amounts and shall be awarded on such terms and conditions as the Board or the Compensation Committee shall determine from time to time. Future Time-Vested Awards shall be granted at the discretion of the Compensation Committee and the Board of Directors. Each Time-Vested Award will vest over a three-year period, with 33.33% of the Time-Vested Award vesting on the one-year anniversary of the first Quarterly Vesting Date following the Effective Date of this Agreement and 8.33% of the Time-Vested Award vesting on each Quarterly Vesting Date thereafter, subject to Employee remaining in Continuous Service (as defined in the 2020 Plan) through each applicable vesting date. For purposes of this Agreement, "**Quarterly Vesting Dates**" with respect to any calendar year means February 15, May 15, August 15, and November 15, provided, to the extent any of such dates occurs on a weekend day or U.S. federal holiday, the Quarterly Vesting Date will be deemed to occur instead on the immediately following day that is not a weekend day or U.S. federal holiday.

(iii) The Performance Award will cover 131,250 shares of the Company's common stock. The Performance Award will vest based upon the achievement of objective performance criteria, as determined by the Compensation Committee in its sole and absolute discretion prior to the date of grant of the Performance Award, during the period from the Effective Date through December 31, 2025, subject to Employee remaining in Continuous Service through each applicable vesting date.

(iv) In the event of a Change in Control (as defined in the 2020 Plan), unless determined otherwise by the Board or the Compensation Committee, with the consent of Employee, prior to such Change in Control, and provided Employee remains in Continuous Service through immediately prior to such Change in Control, the Performance Award will vest immediately prior to the Change in Control based upon the actual achievement of the applicable performance vesting criteria to which the Performance Award is subject (measured as of immediately prior to the Change in Control), taking into account performance through the latest date preceding the Change in Control as to which performance can, as a practical matter, be determined (but not later than the end of the applicable performance period). For clarity, any portion of the Performance Award that has not vested as of immediately prior to a Change in Control (after taking into account the vesting treatment contemplated in the immediately preceding sentence) will be forfeited without cost to the Company, unless otherwise determined by the Board or the Compensation Committee prior to such Change in Control. In addition, if the Time-Vested Award is not assumed, substituted for or otherwise continued by the successor corporation (or a parent or subsidiary thereof) in the event of a Change in Control, or if this Agreement is not assumed or replaced with a substantially similar (or more beneficial) employment agreement (excluding

performance-based equity awards) by the successor corporation (or a parent or subsidiary thereof) in the event of a Change in Control, the Time-Vested Award will fully vest and will be settled immediately prior to the consummation of such Change in Control, subject to Employee remaining in Continuous Service through immediately prior to such Change in Control.

(v) Each of the Time-Vested Award and the Performance Award will be granted under and subject to the terms and conditions of the 2020 Plan and an appropriate form of award agreement approved by the Board or the Compensation Committee for use thereunder. The terms of this Agreement shall be reflected in such award agreement, and in the event of any conflict between the terms of such award agreement and this Agreement, the terms of such award agreement shall govern and control only if it has been executed by Employee.

4. **Term of Employment**. The initial term of Employee's employment under this Agreement shall be for the period beginning on the Effective Date and ending on February 28, 2025 (the "**Initial Term**"). On February 28, 2025 and on each subsequent annual anniversary thereafter, the term of Employee's employment under this Agreement shall automatically renew and extend for a period of twelve (12) months (each such twelve (12)-month period being a "**Renewal Term**"), unless written notice of non-renewal is delivered by either Party to the other not less than one hundred eighty (180) days prior to the expiration of the then-existing Initial Term or Renewal Term, as applicable. Notwithstanding any other provision of this Agreement, Employee's employment pursuant to this Agreement may be terminated at any time in accordance with Section 7. The period from the Effective Date through the expiration of this Agreement or, if sooner, the termination of Employee's employment pursuant to this Agreement, regardless of the time or reason for such termination, shall be referred to herein as the "**Employment Period**."

5. **Business Expenses**. Subject to Section 22, the Company shall reimburse Employee for Employee's reasonable out-of-pocket business-related expenses actually incurred in the performance of Employee's duties under this Agreement so long as Employee timely submits all documentation for such expenses, as required by Company policy in effect from time to time. Any such reimbursement of expenses shall be made by the Company in accordance with the Company's expense reimbursement policy as in effect from time to time following the receipt of such documentation. In no event shall any reimbursement be made to Employee for any expenses incurred after the date of Employee's termination of employment with the Company.

6. **Benefits**. During the Employment Period, Employee shall be eligible to participate in the same benefit plans and programs in which other similarly situated Company employees are eligible to participate, subject to the terms and conditions of the applicable plans and programs in effect from time to time. The Company shall not, however, by reason of this Section 6, be obligated to institute, maintain, or refrain from changing, amending, or discontinuing, any such plan or policy, so long as such changes are similarly applicable to similarly situated Company employees generally.

7. **Termination of Employment**.

(a) Company's Right to Terminate Employee's Employment for Cause. The Company shall have the right to terminate Employee's employment hereunder at any time for Cause. For purposes of this Agreement, "**Cause**" shall mean:

(i) Employee's material breach of this Agreement (including, but not limited to his/her willful failure or refusal to follow any lawful directive of the Board) or

any other written agreement between Employee and one or more members of the Company Group;

(ii) Employee is convicted of, or pleads guilty or *nolo contendere* to, any felony, or any misdemeanor involving moral turpitude, in either case other than related to a motor vehicle violation;

(iii) Employee's intentional act of fraud or misrepresentation against the Company or a member of the Company Group, which causes material loss, damage or injury to the property or reputation of the Company or a Company Group member; or

(iv) Employee's breach of any written policy or code of conduct established by a member of the Company Group and applicable to Employee, which causes or can reasonably be expected to cause material loss, damage or injury to the property or reputation of the Company or a Company Group member.

Notwithstanding the foregoing, it shall be a condition precedent to the Company's right to terminate Employee's employment for Cause under Section 7(a)(i), (iii), (iv), or (v) that the Company: (x) first have given Employee written notice stating with specificity the reason for the termination ("**Breach**"), and (y) if such Breach is susceptible of cure or remedy, a period of fifteen (15) days from and after the giving of such notice shall have elapsed without Employee's having effectively cured or remedied such Breach, unless such Breach cannot be cured or remedied within fifteen (15) days, in which case the period for remedy or cure shall be extended for a reasonable time (not to exceed an additional thirty (30) days) provided that the Employee has made and continues to make a diligent effort to effect such remedy or cure within the initial fifteen (15) day period and any such extension.

(b) Company's Right to Terminate for Convenience. The Company shall have the right to terminate Employee's employment for convenience at any time and for any reason, or no reason at all, upon written notice to Employee.

(c) Employee's Right to Terminate for Good Reason. Employee shall have the right to terminate Employee's employment with the Company at any time for Good Reason. For purposes of this Agreement, "**Good Reason**" shall mean: a resignation by Employee as a result of:

(i) a material diminution in Employee's Base Salary, other than a general reduction in Base Salary that affects all similarly situated executives of the Company in substantially the same proportions;

(ii) an adverse change in title, authorities or responsibilities that materially diminishes Employee's position;

(iii) a material change in the Employee's reporting relationship such that Employee no longer reports directly to the CEO, President or COO of the Company; or

(iv) a breach by any member of the Company Group of any of its obligations under this Agreement or any other written agreement between such member of the Company Group and Employee, which causes or can reasonably be expected to cause material loss, damage or injury to the property or reputation of Employee.

A resignation for Good Reason will not be deemed to have occurred unless Employee gives the Company written notice of the condition within sixty (60) days after the condition comes into

existence, the Company fails to remedy the condition within thirty (30) days after receiving Employee's written notice, and the date of Employee's termination of employment must occur within ninety (90) days after the initial occurrence of the condition(s) specified in such notice.

(d) Death. Upon the death of Employee, Employee's employment with the Company and/or all members of the Company Group shall automatically (and without any further action by any person or entity) terminate with no further obligation under this Agreement of either Party, except as expressly provided within this paragraph. Upon the Employee's separation from service (within the meaning of Section 409A (as defined below)) due to death all unvested Company equity compensation awards (other than any Company equity compensation awards that are subject to performance-based or other similar vesting criteria) granted under any equity compensation plan of the Company that are held by Employee as of the date immediately prior to the applicable Termination Date (defined below) shall immediately vest in full and such awards, to the extent applicable, shall immediately become exercisable and be eligible for settlement in accordance with the terms and conditions provided in the applicable award agreements governing such awards.

(e) Employee's Right to Terminate for Convenience. Employee shall have the right to terminate Employee's employment with the Company for convenience at any time and for any other reason, or no reason at all, upon thirty (30) days' advance written notice to the Company; *provided*, *however*, that if Employee has provided notice to the Company of Employee's termination of employment, the Company may determine, in its sole discretion, that such termination shall be effective on any date prior to the effective date of termination provided in such notice (and, if such earlier date is so required, then it shall not change the basis for Employee's termination of employment nor be construed or interpreted as a termination of employment pursuant to Section 7(b)).

(f) Effect of Termination.

(i) Subject to Section 7(f)(iv), if Employee's employment hereunder is terminated by the Company via expiration and/or non-renewal of the Agreement pursuant to Section 4, without Cause pursuant to Section 7(b), or is terminated by Employee for Good Reason pursuant to Section 7(c), then so long as (and only if) Employee: (1) executes on or before the Release Expiration Date (as defined below), and does not revoke within any time provided by the Company to do so, a release of all claims in a form acceptable to the Company (the "**Release**") (in the form attached hereto as Exhibit B, as updated if necessary, pursuant to applicable law), which Release shall release each member of the Company Group and their respective affiliates, and the foregoing entities' respective shareholders, members, partners, officers, managers, directors, fiduciaries, employees, representatives, agents and benefit plans (and fiduciaries of such plans) from any and all claims, including any and all causes of action arising out of Employee's employment with the Company and any other member of the Company Group or the termination of such employment, but excluding all claims to Termination Benefits (as defined below) Employee may have under this Section 7; and (2) abides by the terms of each of Sections 9, 10 and 11, then (a) the Company shall make a severance payment to Employee in an amount equal to the sum of twelve (12) months' worth of Employee's then current Base Salary ("**Severance Payment**"), (b) cause each of Employee's then-outstanding and unvested stock options, restricted stock awards, restricted stock unit awards and any other Company equity compensation awards (other than any Company equity compensation awards that are subject to performance-based or other similar vesting criteria) that was granted to Employee more than one year prior to the date of Employee's termination of employment to vest in full and, to the extent applicable, become fully exercisable ("**Vesting Acceleration**"), and (c) cause each of Employee's then-outstanding and unexercised stock options (to the extent vested as of

Employee's Termination Date) to remain exercisable until the earlier of (i) the date that is three (3) years following Employee's Termination Date, (ii) the expiration date of the stock option, and (iii) in the event of a "Change in Control" (as defined in the 2020 Plan), or any similar transaction, in which the successor corporation (or a parent or subsidiary thereof) does not assume or substitute for the stock option, immediately prior to the effective time of such transaction ("**Post-Termination Exercise Period Extension**").

(ii) If Employee's employment hereunder is terminated in circumstances in which Employee is eligible to receive a Severance Payment under Section 7(f)(i) and Employee satisfies each of the conditions to receive a Severance Payment under Section 7(f)(i), then, if Employee elects to continue coverage for Employee and Employee's spouse and eligible dependents, if any, under the Company's group health plans pursuant to Consolidated Omnibus Budget Reconciliation Act of 1985 ("**COBRA**"), the Company shall promptly reimburse Employee on a monthly basis for the difference between the amount Employee pays to effect and continue such coverage and the employee contribution amount that similarly situated employees of the Company pay for the same or similar coverage under such group health plans (the "**COBRA Subsidy**" and together with the Severance Payment, the Vesting Acceleration, and the Post-Termination Exercise Period Extension, the "**Termination Benefits**"). Each payment of the COBRA Subsidy shall be paid to Employee on the Company's first regularly scheduled pay date in the calendar month immediately following the calendar month in which Employee submits to the Company documentation of the applicable premium payment having been paid by Employee, which documentation shall be submitted by Employee to the Company within thirty (30) days following the date on which the applicable premium payment is paid. Employee shall be eligible to receive such reimbursement payments until the earliest of: (1) the date that is twelve (12) months following the Termination Date (the "**COBRA Expiration Date**"); (2) the date Employee is no longer eligible to receive COBRA continuation coverage; and (3) the date on which Employee becomes eligible to receive coverage under a group health plan sponsored by another employer (and any such eligibility shall be promptly reported to the Company by Employee); provided, however, that the election of COBRA continuation coverage and the payment of any premiums due with respect to such COBRA continuation coverage shall remain Employee's sole responsibility, and the Company shall not assume any obligation for payment of any such premiums relating to such COBRA continuation coverage. Notwithstanding the foregoing, if the provision of the benefits described in this Section 7(f)(ii) cannot be provided in the manner described above without penalty, tax or other adverse impact on the Company or any other member of the Company Group, then the Company and Employee shall negotiate in good faith to determine an alternative manner in which the Company may provide substantially equivalent benefits to Employee without such adverse impact on the Company or such other member of the Company Group.

(iii) Subject to Section 7(f)(v) below, the Severance Payment will be divided into substantially equal installments over the twelve (12)-month period following the date of Employee's applicable separation from service (the "**Termination Date**"). On the Company's first regularly scheduled pay date that is on or after sixty (60) days following the Termination Date (the "**First Payment Date**"), the Company shall pay to Employee, without interest, a number of such installments equal to the number of such installments that would have been paid during the period beginning on the Termination Date and ending on the First Payment Date had the installments been paid on the Company's regularly scheduled pay dates immediately following the Termination Date. Each remaining installments shall be paid on the Company's regularly scheduled pay dates during the remainder of applicable payment period; *provided*, *however*, that (1) to the extent, if any, that the aggregate amount of the installments of the Severance Payment

that would otherwise be paid pursuant to the preceding provisions of this Section 7(f)(i) after March 15 of the calendar year following the calendar year in which the Termination Date occurs (the "**Applicable March 15**") exceeds the maximum exemption amount under Treasury Regulation Section 1.409A-1(b)(9)(iii)(A), then such excess shall be paid to Employee in a lump sum on the Applicable March 15 (or the first Business Day preceding the Applicable March 15 if the Applicable March 15 is not a Business Day) and the installments of the Severance Payment payable after the Applicable March 15 shall be reduced by such excess (beginning with the installment first payable after the Applicable March 15 and continuing with the next succeeding installment until the aggregate reduction equals such excess), and (2) all remaining installments of the Severance Payment, if any, that would otherwise be paid pursuant to the preceding provisions of this Section 7(f)(i) after December 31 of the calendar year following the calendar year in which the Termination Date occurs shall be paid with the installment of the Severance Payment, if any, due in December of the calendar year following the calendar year in which the Termination Date occurs. "**Business Day**" shall mean any day except a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by law to be closed.

(iv) Notwithstanding anything herein to the contrary, the Severance Payment and COBRA Subsidy (and any portion thereof) shall not be payable if Employee's employment hereunder terminates upon the expiration of the then-existing Initial Term or Renewal Term, as applicable, as a result of a non-renewal of the term of Employee's employment under this Agreement pursuant to Section 4.

(v) If the Release is not executed and returned to the Company on or before the Release Expiration Date, and the required revocation period has not fully expired without revocation of the Release by Employee, then Employee shall not be entitled to any portion of the Termination Benefits. As used herein, the "**Release Expiration Date**" is that date that is twenty-one (21) days following the date upon which the Company delivers the Release to Employee (which shall occur no later than seven (7) days after the Termination Date) or, in the event that such termination of employment is "in connection with an exit incentive or other employment termination program" (as such phrase is defined in the Age Discrimination in Employment Act of 1967), the date that is forty-five (45) days following such delivery date.

(g) After-Acquired Evidence. Notwithstanding any provision of this Agreement to the contrary, in the event that the Company determines that Employee is eligible to receive the Termination Benefits pursuant to Section 7(f) but, after such determination, the Company subsequently acquires evidence or determines that: (i) Employee has failed to abide (or continue to abide) by the terms of Sections 9, 10, or 11; or (ii) a Cause condition existed prior to the Termination Date that, had the Company been fully aware of such condition, would have given the Company the right to terminate Employee's employment pursuant to Section 7(a), then upon written notice to Employee of a good faith reasonable belief of Employee's breach or Cause condition the Employee shall forfeit all unpaid Termination Benefits, and the Company shall have the right to cease the payment of any future installments of the Termination Benefits and Employee's release shall remain in full force and effect, *provided that* such breach or Cause condition must remain uncured thirty (30) days after the Board first provided Employee written notice of the obligation to cure such breach or Cause condition.

8. **Disclosures**.

(a) Employee hereby represents and warrants that as of the Effective Date, there exist no actual or potential Conflicts of Interest (as defined below).

(b) Promptly (and in any event, within three (3) Business Days) upon becoming aware of any actual or potential Conflict of Interest, Employee shall disclose such actual or potential Conflict of Interest to the Board.

(c) A "**Conflict of Interest**" shall exist when Employee engages in, or plans to engage in, any activities, associations, or interests that conflict with, or create an appearance of a conflict with, Employee's duties, responsibilities, authorities, or obligations for and to any member of the Company Group.

9. **Confidentiality**. In the course of Employee's employment with the Company and the performance of Employee's duties on behalf of the Company Group hereunder, Employee will be provided with, and will have access to, Confidential Information (as defined below). In consideration of Employee's receipt and access to such Confidential Information, and as a condition of Employee's employment, Employee shall comply with this Section 9.

(a) Both during the Employment Period and thereafter, except as expressly permitted by this Agreement or by directive of the Board, Employee shall not disclose any Confidential Information to any person or entity and shall not use any Confidential Information except for the benefit of the Company Group. Employee shall follow all Company Group policies and protocols regarding the security of all documents and other materials containing Confidential Information (regardless of the medium on which Confidential Information is stored). The covenants of this Section 9(a) shall apply to all Confidential Information, whether now known or later to become known to Employee during the period that Employee is employed by or affiliated with the Company or any other member of the Company Group.

(b) Notwithstanding any provision of Section 9(a) to the contrary, Employee may make the following disclosures and uses of Confidential Information:

(i) disclosures to other employees of a member of the Company Group who have a need to know the information in connection with the businesses of the Company Group;

(ii) disclosures to customers and suppliers when, in the reasonable and good faith belief of Employee, such disclosure is in connection with Employee's performance of Employee's duties under this Agreement and is in the best interests of the Company Group;

(iii) disclosures and uses that are approved in writing by the Board; or

(iv) disclosures to a person or entity that has (x) been retained by a member of the Company Group to provide services to one or more members of the Company Group and (y) agreed in writing to abide by the terms of a confidentiality agreement.

(c) Upon the expiration of the Employment Period, and at any other time upon request of the Company, Employee shall promptly surrender and deliver to the Company all documents (including electronically stored information) and all copies thereof and all other materials of any nature containing or pertaining to all Confidential Information and any other Company Group property (including any Company Group-issued computer, mobile device or other equipment) in Employee's possession, custody or control and Employee shall not retain any such documents or other materials or property of the Company Group. Within five (5) days of any such request, Employee shall certify to the Company in writing that all such documents, materials and property have been returned to the Company.

(d) All trade secrets, non-public information, designs, ideas, concepts, improvements, product developments, discoveries and inventions, whether patentable or not, that are conceived, made, developed or acquired by or disclosed to Employee, individually or in conjunction with others, during the period that Employee is employed by the Company or any other member of the Company Group (whether during business hours or otherwise and whether on the Company's premises or otherwise) that relate to any member of the Company Group's businesses or properties, products or services (including all such information relating to corporate opportunities, operations, future plans, methods of doing business, business plans, strategies for developing business and market share, research, financial and sales data, pricing terms, evaluations, opinions, interpretations, acquisition prospects, the identity of customers or acquisition targets or their requirements, the identity of key contacts within customers' organizations or within the organization of acquisition prospects, or marketing and merchandising techniques, prospective names and marks) is defined as "**Confidential Information**." Moreover, all documents, videotapes, written presentations, brochures, drawings, memoranda, notes, records, files, correspondence, manuals, models, specifications, computer programs, e-mail, voice mail, electronic databases, maps, drawings, architectural renditions, models and all other writings or materials of any type including or embodying any of such information, ideas, concepts, improvements, discoveries, inventions and other similar forms of expression are and shall be the sole and exclusive property of the Company or the other applicable member of the Company Group and be subject to the same restrictions on disclosure applicable to all Confidential Information pursuant to this Agreement. For purposes of this Agreement, Confidential Information shall not include any information that (i) is or becomes generally available to the public other than as a result of a disclosure or wrongful act of Employee or any of Employee's agents; (ii) was available to Employee on a non-confidential basis before its disclosure by a member of the Company Group; or (iii) becomes available to Employee on a non-confidential basis from a source other than a member of the Company Group; *provided*, *however*, that such source is not bound by a confidentiality agreement with, or other obligation with respect to confidentiality to, a member of the Company Group.

(e) Notwithstanding the foregoing, nothing in this Agreement shall prohibit or restrict Employee from lawfully: (i) initiating communications directly with, cooperating with, providing information to, causing information to be provided to, or otherwise assisting in an investigation by, any governmental authority regarding a possible violation of any law; (ii) responding to any inquiry or legal process directed to Employee from any such governmental authority (including the U.S. Securities and Exchange Commission); (iii) testifying, participating or otherwise assisting in any action or proceeding by any such governmental authority relating to a possible violation of law; or (iv) making any other disclosures that are protected under the whistleblower provisions of any applicable law. Additionally, pursuant to the federal Defend Trade Secrets Act of 2016, an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (A) is made (1) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney and (2) solely for the purpose of reporting or investigating a suspected violation of law; (B) is made to the individual's attorney in relation to a lawsuit for retaliation against the individual for reporting a suspected violation of law; or (C) is made in a complaint or other document filed in a lawsuit or proceeding, if such filing is made under seal. Nothing in this Agreement requires Employee to obtain prior authorization before engaging in any conduct described in this paragraph, or to notify the Company that Employee has engaged in any such conduct.

10. **Non-Competition; Non-Solicitation**.

(a) The Company shall provide Employee Confidential Information for use only during the Employment Period, and Employee acknowledges and agrees that the Company Group will entrust Employee, in Employee's unique and special capacity, with developing the

goodwill of the Company Group. In consideration of the Company providing Employee with access to Confidential Information and as an express incentive for the Company to enter into this Agreement and employ Employee hereunder, Employee has voluntarily agreed to the covenants set forth in this Section 10. Employee agrees and acknowledges that the limitations and restrictions set forth herein, including geographical and temporal restrictions on certain competitive activities, are reasonable in all respects, do not interfere with public interests, will not cause Employee undue hardship, and are material and substantial parts of this Agreement intended and necessary to prevent unfair competition and to protect the Company Group's Confidential Information, goodwill and legitimate business interests.

(b) During the Prohibited Period, Employee shall not, without the prior written approval of the Board, directly or indirectly, for Employee or on behalf of or in conjunction with any other person or entity of any nature:

(i) engage in or participate, directly or indirectly, in the following conduct: (A) owning, managing, operating, or being an officer or director of, any business that competes with any member of the Company Group in the Market Area related to the Business (except for the ownership of up to 3.0% of the shares of common stock or securities or any entity whose common shares or securities are listed on a national securities exchange), or (B) joining, becoming an employee or consultant of, or otherwise being affiliated with, any person or entity engaged in, or planning to engage in, the Business in the Market Area in competition, or anticipated competition, with any member of the Company Group in any capacity (with respect to this clause (B)) in which Employee's duties or responsibilities are the same as or similar to the duties or responsibilities that Employee had on behalf of any member of the Company Group;

(ii) solicit, canvass, approach, encourage, entice or induce any customer or supplier of any member of the Company Group with whom or which Employee had personal contact in the course of performing Employee's duties for any member of the Company Group to cease or lessen such customer's or supplier's business with any member of the Company Group; or

(iii) solicit, canvass, approach, encourage, entice or induce any employee or contractor of any member of the Company Group to terminate or reduce his, her or its employment or engagement with any member of the Company Group. This provision shall not prohibit Employee from employing or making an offer of employment to an employee or contractor of any member of the Company Group if such employment and/or offer resulted from a general solicitation or advertisement for applications in a newspaper, trade publication, on the Internet or other public forum that is not intended to target any employee or contractor of any member of the Company Group.

(c) Because of the difficulty of measuring economic losses to the Company Group as a result of a breach or threatened breach of the covenants set forth in Section 9 and in this Section 10, and because of the immediate and irreparable damage that would be caused to the members of the Company Group for which they would have no other adequate remedy, the Company and each other member of the Company Group shall be entitled to enforce the foregoing covenants, in the event of a breach or threatened breach, by injunctions and restraining orders from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall not be the Company's or any other member of the Company Group's exclusive remedy for a breach but instead shall be in addition to all other rights and remedies available to the Company and each other member of the Company Group at law and equity.

(i) If Employee violates his/her obligations during the Prohibited Period and the Company (or relevant member of the Company Group) brings legal action for injunctive or other relief under Sections 9 and/or 10, the applicable Restricted Period shall be tolled by such court of competent jurisdiction so that the Company Group shall not be deprived of the benefit of the full Prohibited Period.

(ii) During the Prohibited Period, Executive expressly agrees to notify any prospective employer or affiliate in the restricted Business and Market Area of his/her obligations during the Prohibited Period and authorizes the Company to make contact with, any person or affiliate reasonably believed by the Company Group to be engaged or about to be engaged in an act that would constitute a violation of Employee's obligations under this Agreement. Employee hereby waives, and releases the Company Group from, any claims whatsoever arising in connection with the Company Group's contact or discussions with such person or affiliate.

(d) The covenants in this Section 10 and each provision and portion hereof, are severable and separate, and the unenforceability of any specific covenant (or portion thereof) shall not affect the provisions of any other covenant (or portion thereof). Moreover, in the event any court of competent jurisdiction shall determine that the scope, time or territorial restrictions set forth are unreasonable, then it is the intention of the parties that such restrictions be enforced to the fullest extent which such court deems reasonable, and this Agreement shall thereby be reformed.

(e) The following terms shall have the following meanings:

(i) "**Business**" shall mean the business and operations that are the same or similar to those performed (or as to which are proposed to be performed based on plans developed within the twelve (12) month period immediately prior to the Termination Date) by the Company and any other member of the Company Group for which Employee provides services or about which Employee obtains Confidential Information during the Employment Period.

(ii) "**Market Area**" shall mean: (A) the United States (and related territories); and (B) and any other geographic area or market where or with respect to which the Company or any other member of the Company Group conducts or has specific plans to conduct the Business on or at any time during the twelve (12) month period prior to the Termination Date.

(iii) "**Prohibited Period**" shall mean the period during which Employee is employed by any member of the Company Group and continuing for a period of twenty-four (24) months following the date that Employee is no longer employed by any member of the Company Group.

11. **Ownership of Intellectual Property.** Employee agrees that the Company shall own, and Employee shall (and hereby does) assign, all right, title and interest (including patent rights, copyrights, trade secret rights, mask work rights, trademark rights, and all other intellectual and industrial property rights of any sort throughout the world) relating to any and all inventions (whether or not patentable), works of authorship, designs, know-how, ideas and information authored, created, contributed to, made or conceived or reduced to practice, in whole or in part, by Employee during the period in which Employee is or has been employed by or affiliated with the Company or any other member of the Company Group that relates to the Business ("**Company Intellectual Property**"), and Employee shall promptly disclose all Company Intellectual Property to the Company. All of Employee's works of authorship and associated copyrights created during the period in which Employee is employed by or affiliated

with the Company or any other member of the Company Group and related to the Business shall be deemed to be "works made for hire" within the meaning of the Copyright Act. Employee shall perform, during and after the period in which Employee is or has been employed by or affiliated with the Company or any other member of the Company Group, all acts deemed necessary by the Company to assist each member of the Company Group, at the Company's expense, in obtaining and enforcing its rights throughout the world in the Company Intellectual Property. Such acts may include execution of documents and assistance or cooperation (i) in the filing, prosecution, registration, and memorialization of assignment of any applicable patents, copyrights, mask work, or other applications, (ii) in the enforcement of any applicable patents, copyrights, mask work, moral rights, trade secrets, or other proprietary rights, and (iii) in other legal proceedings related to the Company Intellectual Property.

12. **Defense of Claims**. The Company shall obtain and maintain directors' and officers' liability insurance coverage in effect for Employee during the Employment Period and continuing thereafter so long as Employee shall be subject to any possible claim or threatened, pending or completed action, suit or proceeding, whether civil, criminal, arbitrational, administrative or investigative, by reason of the fact that Employee had served in the capacity or capacities referred to herein. During the Employment Period and thereafter, upon request from the Company, Employee shall cooperate with the Company Group in the defense of any claims or actions that may be made by or against any member of the Company Group that relate to Employee's actual or prior areas of responsibility.

13. **Withholdings; Deductions**. The Company may withhold and deduct from any benefits and payments made or to be made pursuant to this Agreement (a) all federal, state, local and other taxes as may be required pursuant to any law or governmental regulation or ruling and (b) any deductions consented to in writing by Employee.

14. **Title and Headings; Construction**. Titles and headings to Sections hereof are for the purpose of reference only and shall in no way limit, define or otherwise affect the provisions hereof. Unless the context requires otherwise, all references to laws, regulations, contracts, documents, agreements and instruments refer to such laws, regulations, contracts, documents, agreements and instruments as they may be amended from time to time, and references to particular provisions of laws or regulations include a reference to the corresponding provisions of any succeeding law or regulation. All references to "dollars" or "$" in this Agreement refer to United States dollars. The words "herein", "hereof", "hereunder" and other compounds of the word "here" shall refer to the entire Agreement, including all Exhibits attached hereto, and not to any particular provision hereof. Unless the context requires otherwise, the word "or" is not exclusive. Wherever the context so requires, the masculine gender includes the feminine or neuter, and the singular number includes the plural and conversely. All references to "including" shall be construed as meaning "including without limitation." Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against any party hereto, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by each of the Parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the Parties hereto.

15. **Applicable Law; Submission to Jurisdiction**. This Agreement shall in all respects be construed according to the laws of the State of Texas without regard to its conflict of laws principles that would result in the application of the laws of another jurisdiction. With respect to any claim or dispute related to or arising under this Agreement, the Parties hereby recognize and agree that should any resort to a court be necessary and permitted under this Agreement, then they consent to the exclusive jurisdiction, forum and venue of the state and federal courts (as applicable) located in Austin, Texas.

16. **Entire Agreement and Amendment**. This Agreement contain the entire agreement of the parties with respect to the matters covered herein and supersede all prior and contemporaneous agreements and understandings, oral or written, between the Parties hereto concerning the subject matter hereof. This Agreement may be amended only by a written instrument executed by both Parties

17. **Waiver of Breach**. Any waiver of this Agreement must be executed by the Party to be bound by such waiver. No waiver by either Party hereto of a breach of any provision of this Agreement by the other Party, or of compliance with any condition or provision of this Agreement to be performed by such other Party, will operate or be construed as a waiver of any subsequent breach by such other Party or any similar or dissimilar provision or condition at the same or any subsequent time. The failure of either Party to take any action by reason of any breach will not deprive such Party of the right to take action at any time.

18. **Assignment**. This Agreement is personal to Employee, and neither this Agreement nor any rights or obligations hereunder shall be assignable or otherwise transferred by Employee. The Company may assign this Agreement without Employee's consent, including to any member of the Company Group and to any successor to or acquirer of (whether by merger, purchase or otherwise) all or substantially all of the equity, assets or businesses of the Company.

19. **Notices**. Notices provided for in this Agreement shall be in writing and shall be deemed to have been duly received (a) when delivered in person, (b) when sent by facsimile transmission (with confirmation of transmission) on a Business Day to the number set forth below, if applicable; *provided*, *however*, that if a notice is sent by facsimile transmission after normal business hours of the recipient or on a non-Business Day, then it shall be deemed to have been received on the next Business Day after it is sent, (c) on the first Business Day after such notice is sent by express overnight courier service, or (d) on the second Business Day following deposit with an internationally-recognized second-day courier service with proof of receipt maintained, in each case, to the following address, as applicable:

If to the Company, addressed to:

Hyliion Holdings Corp
1202 BMC Drive, Suite 100
Cedar Park, TX 78613
Attention: Human Resources

If to Employee, addressed to:

Cheri Lantz
[_____]

20. **Counterparts**. This Agreement may be executed in any number of counterparts, including by electronic mail or facsimile, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of a copy hereof containing multiple signature pages, each signed by one party, but together signed by both parties hereto.

21. **Deemed Resignations**. Except as otherwise determined by the Board or as otherwise agreed to in writing by Employee and any member of the Company Group prior to the termination of Employee's employment with the Company or any member of the Company Group, any termination of Employee's employment shall constitute, as applicable, an automatic resignation of Employee: (a) as an officer of the Company and each member of the Company

Group; (b) from the Board; and (c) from the board of directors or board of managers (or similar governing body) of any member of the Company Group and from the board of directors or board of managers (or similar governing body) of any corporation, limited liability entity, unlimited liability entity or other entity in which any member of the Company Group holds an equity interest and with respect to which board of directors or board of managers (or similar governing body) Employee serves as such Company Group member's designee or other representative.

22. **Section 409A.**

(a) Notwithstanding any provision of this Agreement to the contrary, all provisions of this Agreement are intended to comply with Section 409A of the Internal Revenue Code of 1986 (the "**Code**"), and the applicable Treasury regulations and administrative guidance issued thereunder (collectively, "**Section 409A**") or an exemption therefrom and shall be construed and administered in accordance with such intent. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service or as a short-term deferral shall be excluded from Section 409A to the maximum extent possible. For purposes of Section 409A, each installment payment provided under this Agreement shall be treated as a separate payment. No payment or benefits to be paid to Employee, if any, under this Agreement or otherwise, when considered together with any other severance payments or separation benefits that are considered deferred compensation under Section 409A will be paid or otherwise provided until the Employee has a "separation from service" within the meaning of Section 409A.

(b) To the extent that any right to reimbursement of expenses or payment of any benefit in-kind under this Agreement constitutes nonqualified deferred compensation (within the meaning of Section 409A), (i) any such expense reimbursement shall be made by the Company no later than the last day of Employee's taxable year following the taxable year in which such expense was incurred by Employee, (ii) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (iii) the amount of expenses eligible for reimbursement or in-kind benefits provided during any taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year; *provided*, that the foregoing clause shall not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Code solely because such expenses are subject to a limit related to the period in which the arrangement is in effect.

(c) Notwithstanding any provision in this Agreement to the contrary, if any payment or benefit provided for herein would be subject to additional taxes and interest under Section 409A if Employee's receipt of such payment or benefit is not delayed until the earlier of the date of Employee's death or the date that is six (6) months after the Termination Date (such date, the "**Section 409A Payment Date**"), then such payment or benefit shall not be provided to Employee (or Employee's estate, if applicable) until the Section 409A Payment Date. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement are exempt from, or compliant with, Section 409A and in no event shall any member of the Company Group be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by Employee on account of non-compliance with Section 409A.

23. **Certain Excise Taxes**.

(a) Notwithstanding anything to the contrary in this Agreement, if any payment or benefit Employee would receive from the Company or any other party whether in connection with the provisions of this Agreement or otherwise ("**Payment**") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "**Excise Tax**"), then such Payment shall be equal to the Reduced Amount. The "Reduced Amount" shall be either (x) the largest portion of the Payment that would result in no portion of the Payment being subject to the Excise Tax, or (y) the largest portion, up to and including the total, of the Payment, whichever amount ((x) or (y)), after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable

marginal rate), results in Employee's receipt of the greatest economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a Reduced Amount will give rise to the greater after tax benefit, the reduction in the Payments shall occur in the following order: (a) reduction of cash payments; (b) cancellation of accelerated vesting of equity awards other than stock options; (c) cancellation of accelerated vesting of stock options; and (d) reduction of other benefits paid to Employee. Within any such category of payments and benefits (that is, (a), (b), (c) or (d)), a reduction shall occur first with respect to amounts that are not "deferred compensation" within the meaning of Section 409A and then with respect to amounts that are. In the event that acceleration of compensation from Employee's equity awards is to be reduced, such acceleration of vesting shall be canceled, subject to the immediately preceding sentence, in the reverse order of the date of grant.

(b) The independent accounting firm engaged by the Company for general accounting and/or tax advisory purposes as of the day prior to the effective date of the event described in Section 280G(b)(2)(A)(i) of the Code shall perform the foregoing calculations. If the independent accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting such event, the Company shall appoint an independent accounting firm to make the determinations required hereunder. The Company shall bear all expenses with respect to the determinations by such independent accounting firm required to be made hereunder. The independent accounting firm engaged to make the determinations hereunder shall provide its calculations, together with detailed supporting documentation, to the Company and Employee within thirty (30) calendar days after the date on which Employee's right to a Payment is triggered (if requested at that time by the Company or Employee) or such other time as reasonably requested by the Company or Employee. Any good faith determinations of the independent accounting firm made hereunder shall be final, binding and conclusive upon the Company and Employee.

24. **Effect of Termination**. The provisions of Sections 7, 9-13 and 21 and those provisions necessary to interpret and enforce them, shall survive any termination of this Agreement and any termination of the employment relationship between Employee and the Company and/or member of the Company Group.

25. **Third-Party Beneficiaries**. Each member of the Company Group that is not a signatory to this Agreement shall be a third-party beneficiary of Employee's obligations under Sections 8, 9, 10, 11 and 21 and shall be entitled to enforce such obligations as if a party hereto.

26. **Severability**. Other than as set forth in Section 10(d), if a court of competent jurisdiction determines that any provision of this Agreement (or portion thereof) is invalid or unenforceable, then the invalidity or unenforceability of that provision (or portion thereof) shall not affect the validity or enforceability of any other provision of this Agreement, and all other provisions shall remain in full force and effect.

27. **Non-Disparagement**. Employee shall not, directly or indirectly, make or cause to be made any disparaging, denigrating, derogatory, negative, misleading, or false statement orally or in writing to any person, including clients or prospective clients, competitors and advisors to the Company Group and members of the investment community or press, about (i) the Company and/or Company Group, or its/their members, managers, officers, employees, agents, or clients, or (ii) the business strategy or plans, policies, practices, or operations of the Company Group. Notwithstanding the foregoing, nothing in this section is intended to prevent Employee from making truthful statements to his attorney of record and/or any other government or law enforcement agency or official, or as otherwise required by applicable subpoena or court order.

IN WITNESS WHEREOF, Employee and the Company each have caused this Agreement to be executed, and intend this Agreement to become effective, as of the Effective Date.

CHERI LANTZ

/s/ Cheri Lantz

Name: Cheri Lantz
Title : Chief Strategy Officer

HYLIION HOLDINGS CORP.

By: /s/ Thomas Healy
Name: Thomas Healy
Title: Chief Executive Officer

Exhibit 21.1

Subsidiaries of the Registrant	State of Incorporation
Hyliion Inc.	Delaware

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our reports dated February 24, 2022 with respect to the consolidated financial statements and internal control over financial reporting included in the Annual Report of Hyliion Holdings Corp. on Form 10-K for the year ended December 31, 2021. We consent to the incorporation by reference of said reports in the Registration Statements of Hyliion Holdings Corp. on Form S-8 (File No. 333-251328) and Form S-3 (File No. 333-249649).

/s/ GRANT THORNTON LLP

Dallas, Texas
February 24, 2022

Exhibit 31.1

CERTIFICATIONS

I, Thomas Healy, certify that:

(1) I have reviewed this Annual Report on Form 10-K of Hyliion Holdings Corp.;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 24, 2022

by: /s/ Thomas Healy

Thomas Healy
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATIONS

I, Sherri Baker, certify that:

(1) I have reviewed this Annual Report on Form 10-K of Hyliion Holdings Corp.;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 24, 2022

by: /s/ Sherri Baker

Sherri Baker
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

Certification Pursuant to 18 U.S.C. Section 1350

In connection with the Annual Report of Hyliion Holdings Corp. (the "Company") on Form 10-K for the year ended December 31, 2021, as filed with the Securities and Exchange Commission on or about the date hereof (the "Report"), I, Thomas Healy, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Thomas Healy

Thomas Healy, Chief Executive Officer (Principal Executive Officer)
February 24, 2022

The foregoing certification is being furnished solely to accompany the report pursuant to 18 U.S.C. Section 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Exhibit 32.2

Certification Pursuant to 18 U.S.C. Section 1350

In connection with the Annual Report of Hyliion Holdings Corp. (the "Company") on Form 10-K for the year ended December 31, 2021, as filed with the Securities and Exchange Commission on or about the date hereof (the "Report"), I, Sherri Baker, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Sherri Baker

Sherri Baker, Chief Financial Officer (Principal Financial Officer)
February 24, 2022

The foregoing certification is being furnished solely to accompany the report pursuant to 18 U.S.C. Section 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.