

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

FORM 8-K

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

Date of Report (Date of earliest event reported): May 20, 2021

22nd Century Group, Inc.

(Exact Name of Registrant as Specified in Charter)

Nevada
(State or Other Jurisdiction of
Incorporation)

001-36338
(Commission File Number)

98-0468420
(I.R.S. Employer
Identification No.)

500 Seneca Street, Suite 507, Buffalo, New York
(Address of Principal Executive Office)

14204
(Zip Code)

Registrant's telephone number, including area code: **(716) 270-1523**

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

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

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

Title of each class	Trading symbol	Name of each exchange on which registered
Common Stock, \$0.00001 par value	XXII	NYSE American

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

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

Item 5.02(e): Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On May 20, 2021, the stockholders of 22nd Century Group, Inc. (the “Company”) approved the 22nd Century Group, Inc. 2021 Omnibus Incentive Plan (the “Plan”). The Plan allows for the granting of equity awards to eligible individuals over the life of the Plan, including the issuance of up to 5,000,000 shares of the Company’s common stock and any remaining shares under the Company’s 2014 Omnibus Incentive Plan pursuant to awards under the Plan. The Plan was filed as Appendix A to the Company’s definitive proxy statement filed April 5, 2021 and the terms thereof are incorporated herein by reference.

Item 5.07(a) and (b): Submission of Matters to a Vote of Security Holders.

On May 20, 2021, the Company held an annual meeting of its stockholders to vote on the following proposals:

Proposal One: To elect two Class I directors, Richard M. Sanders and Michael Koganov, to serve until the 2024 annual meeting of stockholders and until their successors are duly elected and qualified. In accordance with the voting results listed below, each of the nominees were elected to serve as directors.

Nominee	For	Withheld	Broker Non-Votes
Richard M. Sanders	37,037,859	4,361,864	56,407,828
Michael Koganov	39,948,095	1,451,628	56,407,828

Proposal Two: To approve an advisory resolution on executive compensation for fiscal year 2020. In accordance with the voting results listed below, the Company’s executive compensation for fiscal year 2020 has been approved.

For	Against	Abstain	Broker Non-Votes
18,275,665	9,221,448	13,902,610	56,407,828

Proposal Three: To approve the 22nd Century Group, Inc. 2021 Omnibus Incentive Plan. In accordance with the voting results listed below, the Plan has been approved.

For	Against	Abstain	Broker Non-Votes
38,094,800	2,872,698	432,225	56,407,828

Proposal Four: The audit committee of the Board of Directors selected the accounting firm of Freed Maxick CPAs, P.C. to serve as the Company’s independent registered certified public accounting firm for the year 2021. The audit committee directed that the appointment of the independent accountants be submitted for ratification by the stockholders at the annual meeting. Therefore, in accordance with the voting results listed below, Freed Maxick CPAs, P.C. will serve as the independent registered certified public accountants for the year 2021.

For	Against	Abstain
95,364,332	1,258,814	1,184,405

Item 9.01(d): Financial Statements and Exhibits.

Exhibit 10.1	22nd Century Group, Inc. 2021 Omnibus Incentive Plan (incorporated by reference from Appendix A to the Company’s definitive proxy statement filed April 5, 2021)
Exhibit 10.2	Form of Option Award Agreement under 22nd Century Group, Inc. 2021 Omnibus Incentive Plan (filed herewith)
Exhibit 10.3	Form of Executive RSU Award Agreement under 22nd Century Group, Inc. 2021 Omnibus Incentive Plan (filed herewith)
Exhibit 10.4	Form of Director RSU Award Agreement under 22nd Century Group, Inc. 2021 Omnibus Incentive Plan (filed herewith)
Exhibit 104	Cover Page Interactive Data File - The cover page XBRL tags are embedded within the inline XBRL document.

SIGNATURES

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

22nd Century Group, Inc.

/s/ James A. Mish

James A. Mish
Chief Executive Officer

Date: May 21, 2021

**22ND CENTURY GROUP, INC.
2021 OMNIBUS INCENTIVE PLAN
STOCK OPTION AWARD AGREEMENT**

Dear _____:

You have been granted an option (this "Option") to purchase shares of the common stock of 22nd Century Group, Inc. (the "Company") pursuant to the Company's 2021 Omnibus Incentive Plan (the "Plan") and this Stock Option Award Agreement (this "Option Agreement"). This Option is granted under and governed by the terms and conditions of the Plan and this Option Agreement. Additional provisions regarding this Option and definitions of capitalized terms used and not defined in this Option Agreement can be found in the Plan.

Grant Date: _____, 20__

Type of Option: Incentive Stock Option
 Nonqualified Stock Option

Number of Option Shares: _____

Exercise Price per Share: \$ __. __

Term: This Option shall expire on the tenth anniversary of the Grant Date (the "Expiration Date"), unless terminated earlier pursuant to the terms of this Option Agreement or the Plan. Notwithstanding the foregoing, if this Option is designated as an Incentive Stock Option and is granted to an employee who, at the time of the grant, owns (directly or indirectly, within the meaning of Code Section 424(d)) more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or of any Subsidiary, then the Expiration Date shall mean the fifth anniversary of the Grant Date.

Upon termination or expiration of this Option, all your rights hereunder shall cease.

Vesting: This Option will vest on the _____ anniversary of the Grant Date, provided that you are continuously employed with or in the service of the Company or its Affiliates through such anniversary date.

The vesting of this Option may be accelerated in the Administrator's sole discretion if it determines circumstances so warrant.

Termination of Employment: The following conditions apply in the event that your employment or service with the Company and its Affiliates is terminated prior to the Expiration Date of this Option. In no event, however, will the time periods described herein extend the term of this Option beyond its Expiration Date or beyond the date this Option is otherwise cancelled or terminates pursuant to the provisions of the Plan.

- a . *Termination Other than As a Result of Death, Disability or Cause* If your employment or service terminates (at a time when you could not have been terminated for Cause) other than by reason of your death or Disability and other than for Cause, then the unvested portion of this Option shall automatically terminate immediately and the vested portion of this Option shall automatically terminate 90 days after the date of such termination.
- b . *Termination for Cause.* If your employment or service terminates for Cause, then this Option shall automatically terminate immediately on the date of such termination.
- c . *Termination As a Result of Death or Disability.* If your employment or service terminates by reason of your death or Disability (at a time when you could not have been terminated for Cause), then the unvested portion of this Option shall automatically terminate immediately and the vested portion of this Option shall automatically terminate 12 months after such termination.
- d . *Determination of Cause After Termination.* Notwithstanding the foregoing, if after your employment or service terminates the Company determines that it could have terminated you for Cause had all relevant facts been known at the time of your termination, then the Company may terminate this Option immediately upon such determination, and you will be prohibited from exercising this Option thereafter. In such event, you will be notified of the termination of this Option.

If the date this Option terminates as specified above (other than as a result of a termination for Cause) falls on a day on which the stock market is not open for trading or on a date on which you are prohibited by Company policy (such as an insider trading policy) from exercising the Option, the termination date shall be automatically extended to the first available trading day following the original termination date, but not beyond the Expiration Date.

Manner of Exercise:

You may exercise this Option only if it has not been forfeited or has not otherwise expired, and only to the extent this Option is vested. To exercise this Option, you must comply with such exercise and notice procedures as the Administrator may establish from time to time, including, without limitation, payment of the exercise price and any applicable tax withholding amounts. Unless otherwise determined by the Administrator, the payment of the exercise price and applicable tax withholding amounts may be made at your election (i) in cash or its equivalent (e.g., by check), (ii) in Shares having a Fair Market Value equal to the aggregate exercise price for the Shares being purchased and satisfying such other requirements as may be imposed by the Administrator (provided that such Shares have been held by the Participant for no less than six months or such other period, if any, as established from time to time by the Administrator to avoid adverse accounting treatment under generally accepted accounting principles), (iii) partly in cash and partly in such Shares, or (iv) by having the Company withhold from the Shares otherwise issuable upon exercise a whole number of shares with a Fair Market Value equal to the exercise price and applicable tax withholding amounts and issuing the net number of remaining Shares to you; provided that, if the whole number of Shares does not exactly equal the exercise price and applicable tax withholding amounts, then the Company will withhold the whole number of Shares necessary to cover such amounts and will issue a check to you equal to the Fair Market Value of any fractional Share not needed.

A properly completed notice of stock option exercise (or such other notice as is prescribed) will become effective upon receipt of the notice and any required payment by the Company (or its designee); provided that the Company may suspend exercise of the Option pending its determination of whether your employment will be or could have been terminated for Cause and, if such a determination is made, your notice of stock option exercise (or such other notice as is prescribed) will automatically be rescinded.

If, following your death, your beneficiary or heir, or such other person or persons as may acquire your rights under this Option by will or by the laws of descent and distribution, wishes to exercise this Option, such person must contact the Company and prove to the Company's satisfaction that such person has the right and is entitled to exercise this Option.

Your ability to exercise this Option, or the manner of exercise or payment of withholding taxes, may be restricted by the Company if required by applicable law or by the Company's trading policies as in effect from time to time.

Restrictions on Resale

By accepting this Option, you agree not to sell any shares of Stock acquired under this Option at a time when applicable laws, Company policies or an agreement between the Company and its underwriters prohibit a sale.

Transferability:

You may not transfer or assign this Option for any reason, other than by will or the laws of descent and distribution or as otherwise set forth in the Plan. Any attempted transfer or assignment of this Option, other than as set forth in the preceding sentence or the Plan, will be null and void.

Market Stand-Off:

In connection with any underwritten public offering by the Company of its equity securities pursuant to an effective registration statement filed under the Securities Act of 1933, as amended (the "Securities Act"), you agree that you shall not directly or indirectly sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or otherwise dispose of or transfer or agree to engage in any of the foregoing transactions with respect to, any Shares acquired under this Option without the prior written consent of the Company and the Company's underwriters. Such restriction shall be in effect for such period of time following the date of the final prospectus for the offering as may be requested by the Company or such underwriters. In no event, however, shall such period exceed one hundred eighty (180) days.

Recoupment; Rescission of Exercise:

If the Administrator determines that recoupment of incentive compensation paid to you pursuant to this Option is required under any law or any recoupment policy of the Company, then this Option will terminate immediately on the date of such determination to the extent required by such law or recoupment policy, any prior exercise of this Option may be deemed to be rescinded, and the Administrator may recoup any such incentive compensation in accordance with such recoupment policy or as required by law. The Company shall have the right to offset against any other amounts due from the Company to you the amount owed by you hereunder and any exercise price and withholding amount tendered by you with respect to any such incentive compensation.

Notice of Disqualifying Disposition:

If this Option is designated as an Incentive Stock Option and you sell Shares that were acquired through the exercise of this Option within two years from the Grant Date or one year from the date of exercise, you must notify the Administrator of the sale to permit proper treatment of the compensation expense.

Restrictions on Exercise, Issuance and Transfer of Shares:

- a. *General.* No individual may exercise this Option, and no shares of Stock subject to this Option will be issued, unless and until the Company has determined to its satisfaction that such exercise and issuance will comply with all applicable federal and state securities laws, rules and regulations of the Securities and Exchange Commission, rules of any stock exchange on which shares of Stock of the Company may then be traded, or any other applicable laws. In addition, if required by underwriters for the Company, you agree to enter into a lock-up agreement with respect to any shares of Stock acquired or to be acquired under this Option.

- b. *Securities Laws.* You acknowledge that you are acquiring this Option, and the right to purchase the shares of Stock subject to this Option, for investment purposes only and not with a view toward resale or other distribution thereof to the public which would be in violation of the Securities Act. You agree and acknowledge with respect to any shares of Stock that have not been registered under the Securities Act, that: (i) you will not sell or otherwise dispose of such shares of Stock, except as permitted pursuant to a registration statement declared effective under the Securities Act and qualified under any applicable state securities laws, or in a transaction which in the opinion of counsel for the Company is exempt from such required registration, and (ii) that a legend containing a statement to such effect will be placed on the certificates evidencing such shares of Stock. Further, as additional conditions to the issuance of the shares of Stock subject to this Option, you agree (with such agreement being binding upon any of your beneficiaries, heirs, legatees and/or legal representatives) to do the following prior to any issuance of such shares of Stock: (i) to execute and deliver to the Company such investment representations and warranties as are required by the Company; (ii) to enter into a restrictive stock transfer agreement if required by the Board; and (iii) to take or refrain from taking such other actions as counsel for the Company may deem necessary or appropriate for compliance with the Securities Act, and any other applicable federal or state securities laws, regardless of whether the shares of Stock have at that time been registered under the Securities Act, or otherwise qualified under any applicable state securities laws.

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Miscellaneous:

- This Option Agreement may be amended only by written consent signed by both you and the Company, unless the amendment is not to your detriment or the amendment is otherwise permitted without your consent by the Plan.

- The failure of the Company to enforce any provision of this Option Agreement at any time shall in no way constitute a waiver of such provision or of any other provision hereof.

- You will have none of the rights of a shareholder of the Company with respect to this Option until Shares are transferred to you upon exercise of the Option.

- In the event any provision of this Option Agreement is held illegal or invalid for any reason, such illegality or invalidity shall not affect the legality or validity of the remaining provisions of this Option Agreement, and this Option Agreement shall be construed and enforced as if the illegal or invalid provision had not been included in this Option Agreement.

- As a condition to the grant of this Option, you agree (with such agreement being binding upon your legal representatives, guardians, legatees or beneficiaries) that this Option Agreement shall be interpreted by the Administrator and that any interpretation by the Administrator of the terms of this Option Agreement or the Plan, and any determination made by the Administrator pursuant to this Option Agreement or the Plan, shall be final, binding and conclusive.

- This Option Agreement may be executed in counterparts.

BY SIGNING BELOW AND AGREEING TO THIS STOCK OPTION AWARD AGREEMENT, YOU AGREE TO ALL OF THE TERMS AND CONDITIONS DESCRIBED HEREIN AND IN THE PLAN. YOU ALSO ACKNOWLEDGE HAVING READ THIS AGREEMENT AND THE PLAN.

22ND CENTURY GROUP, INC.

By: _____
[Name of Authorized Officer] [Name of Recipient]

Date: _____

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**22nd CENTURY GROUP, INC.
2021 OMNIBUS INCENTIVE PLAN
(Executive)**

RESTRICTED STOCK UNIT AWARD AGREEMENT

This Agreement (this "Agreement") is made as of _____, _____ (the "Effective Date" and the "Date of Grant"), between 22nd Century Group, Inc., a Nevada corporation (the "Company"), and _____ (the "Executive").

WHEREAS, the Company has adopted the 22nd Century Group, Inc. 2021 Omnibus Incentive Plan (the "Plan"), providing for awards to certain officers, employees, directors, consultants and advisors of the Company and its Affiliates; and

WHEREAS, the Committee has determined that it would be in the best interest of the Company and its shareholders to provide the Executive with an incentive to remain in the service of the Company and to increase shareholder value by providing the Executive with the opportunity to own Stock of the Company.

NOW THEREFORE, in consideration of the promises and mutual agreements set forth in this Agreement, the Executive and the Company hereby agree as follows:

1. Grant of Award.

(a) Award. The Company, as of the Effective Date, hereby grants to the Executive an award (the "Award") of _____ restricted stock units (the "RSUs") subject to the restrictions, terms and conditions set forth below and in the Plan.

(b) Omnibus Incentive Plan. This Award is granted pursuant to the Plan, a copy of which the Executive acknowledges having received. The terms and conditions of the Plan are incorporated into this Agreement by reference. If there is a conflict between the provisions of this Agreement and the provisions of the Plan, the provisions of the Plan will govern. Capitalized terms not otherwise defined in this Agreement have the meanings set forth in the Plan.

2. Vesting of Award.

Subject to Section 4, one-third (1/3) of the RSUs shall vest on each of the first, second, and third anniversaries of the Date of Grant. In the event the RSUs do not divide evenly into three without a fractional remainder, the number of RSUs vesting on the first and second anniversaries shall be rounded down to the nearest whole number, and all remaining unvested RSUs will vest on the third anniversary.

3. Settlement.

As soon as reasonably practicable (but no more than thirty (30) days) after each vesting date or event (in the case of Section 4), the Company will issue to the Executive a number of Shares equal to the number of RSUs that vested on such date or event. Notwithstanding the foregoing, if the RSUs are deferred compensation subject to Section 409A of the Code, and if the Executive is a "specified employee" as of the date of his or her "separation from service" (as those terms are defined in Section 409A of the Code), then the issuance of any Shares that would otherwise be made upon the date of the Executive's separation from service or within the first six (6) months thereafter will not be made on the originally scheduled date and will instead be issued on the date that is six (6) months and one day after the date of the Executive's separation from service, but only if such delay in the issuance of the Shares is necessary to avoid the imposition of additional taxation on the Executive in respect of the Shares under Section 409A of the Code.

4. Change in Control or Termination of Employment.

In the event of (i) a Change in Control of the Company (as defined below), (ii) termination of Executive's employment with the Company as a result of death or Disability (as defined in the Executive's Employment Agreement or, if the Executive does not have an Employment Agreement defining Disability, as defined in the Plan), (iii) termination by Executive of his or her employment with the corporation for Good Reason (as defined in the Executive's Employment Agreement or, if the Executive does not have an Employment Agreement defining Good Reason, as defined in the Plan), or (iv) termination of Executive's employment with the Company without Cause (as defined in the Executive's Employment Agreement or, if the Executive does not have an Employment Agreement defining Cause, as defined in the Plan), then all then-unvested RSUs shall become 100% vested as of the date of such event (or, in the case of a Change in Control, as of immediately prior to the date of such event). In the event of the termination of Executive's employment for any reason not described in clauses (ii)-(iv) of the preceding sentence, all then-unvested RSUs will be forfeited as of the date of such termination without consideration therefor.

For purposes of this Agreement, a "Change in Control" shall be deemed to exist if any of the following occurs:

(a) a person, as defined in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (other than the Executive or a group including the Executive), either (1) acquires twenty percent (20%) or more of the combined voting power of the outstanding securities of the Company or any entity which directly or indirectly controls the Company, which securities have the right to vote in elections of directors of the Company or any entity which directly or indirectly controls the Company, and such acquisition shall not have been approved within sixty (60) days following such acquisition by a majority of the Continuing Directors (as defined below) then in office, or (2) acquires fifty percent (50%) or more of the combined voting power of the outstanding securities of the Company or any entity which directly or indirectly controls the Company, which securities have the right to vote in elections of directors of the Company or any entity which directly or indirectly controls the Company; or

(b) Continuing Directors shall for any reason cease to constitute a majority of the Board; or

(c) the Company or any entity which directly or indirectly controls the Company disposes, by sale of stock, assets or otherwise, of all or substantially all or a material portion of the business of the Company or the business of any entity which directly or indirectly controls the Company to a party or parties other than a subsidiary or other affiliate of the Company or any entity which directly or indirectly controls the Company pursuant to a partial or complete liquidation of the Company or any entity which directly or indirectly controls the Company; or

(d) the Board or any entity which directly or indirectly controls the Company approves the consolidation or merger of the Company or any entity which directly or indirectly controls the Company with or into any other person or entity (other than a wholly-owned subsidiary of the Company or any other entity which is directly or indirectly controlled by the Company or its parent corporation), or any other person's consolidation or merger with or into the Company or any entity, which directly or indirectly controls the Company, which results in all or part of the outstanding shares of common stock of the Company or any entity which directly or indirectly controls the Company being changed in any way or converted into or exchanged for stock or other securities or cash or any other property.

For purposes of the definition of Change in Control, the term "Continuing Director" shall mean a member of the Board or any entity which directly or indirectly controls the Company who either was a member of the Board on the date hereof or who subsequently became a director of the Company or any entity which directly or indirectly controls the Company and whose election, or nomination for election, was approved by a vote of at least two-thirds (2/3) of the Continuing Directors then in office.

5. Rights as a Shareholder: Dividend Equivalents

The Executive shall not have any rights of a shareholder with respect to the Shares underlying the RSUs (including, without limitation, any voting rights or any right to dividends) until the Shares have been issued hereunder. If, however, after the Date of Grant and prior to the settlement date, a record date with respect to a cash dividend on the Shares occurs, then on the date that such dividend is paid to Company shareholders the Executive shall be credited with "dividend equivalents" in an amount equal to the dividends that would have been paid to the Executive if the Executive owned a number of Shares equal to the number of outstanding RSUs hereunder as of such record date. The dividend equivalents will be deemed to be reinvested in additional restricted stock units (determined by multiplying the cash dividends paid by the Fair Market Value of a Share on the dividend payment date) and will be subject to the same terms and conditions, and shall vest and be settled or be forfeited (if applicable) at the same time as the RSUs to which they are attributable.

6. Restrictions on Transfer.

The Executive may not transfer any interest in the RSUs other than under the Executive's will or as required by the laws of descent and distribution. The RSUs also may not be pledged, attached, or otherwise encumbered. Any purported assignment, alienation, sale, transfer, pledge, attachment or encumbrance of the RSUs in violation of the terms of this Agreement shall be null and void and unenforceable against the Company or its successors. In addition, notwithstanding anything to the contrary herein, the Executive agrees and acknowledges that (a) with respect to any Shares issued hereunder that have not been registered under the Securities Act of 1933, as amended (the "Act"), he or she will not sell or otherwise dispose of such Shares except pursuant to an effective registration statement under the Act and any applicable state securities laws, or in a transaction which, in the opinion of counsel for the Company, is exempt from such registration, and a legend will be placed on the certificates for the Shares to such effect, and (b) the Executive agrees not to sell any Shares acquired under this Award other than as set forth in the Plan and at a time when applicable laws, Company policies or an agreement between the Company and its underwriters do not prohibit a sale.

7. Agreements of the Executive.

The Executive acknowledges that: (a) this Agreement is not a contract of employment and the terms of the Executive's employment are not affected in any way by this Agreement except as specifically provided in this Agreement; and (b) the Award made by this Agreement does not confer any legal rights upon the Executive for continuation of employment or interfere with or limit the right of the Company to terminate the Executive's employment at any time.

8. Legal Compliance Restrictions.

The Company is not obligated to issue or deliver any certificates or make any book entry evidencing Shares subject to the RSUs unless and until the Company is advised by its counsel that the issuance and delivery of the certificates or book entry are in compliance with all applicable laws, regulations of governmental authorities and the requirements of any securities exchange upon which the Shares are traded.

9. Taxes.

As a condition of receiving this award of RSUs, the Executive agrees to pay to the Company upon demand such amount as may be requested by the Company for the purpose of satisfying its liability to withhold federal, state, or local income or other taxes due by reason of the grant, vesting or settlement of, or by reason of any other event relating to, the RSUs. However, the Executive may elect to have the Company satisfy such withholding obligations by withholding a number of Shares otherwise issuable hereunder having a Fair Market Value on the date the tax obligation arises equal to the amount to be withheld; provided, however, that the amount to be withheld may not exceed the total maximum statutory tax rates associated with the transaction to the extent needed for the Company to avoid adverse accounting treatment. If the Executive does not make the payment or election described in the foregoing, then the Company or an affiliate may withhold such taxes from other amounts owed to the Executive or may choose to satisfy the withholding obligations by withholding Shares otherwise issuable hereunder in accordance with the preceding sentence.

10. Notices.

Except as otherwise provided in this Agreement, all offers, notices and other communications given pursuant to this Agreement will be deemed to have been properly given if in writing and (a) hand delivered, (b) mailed, addressed to the appropriate party at the address of the party as shown at the beginning of this Agreement, postage prepaid, by certified or registered mail or by Federal Express or similar overnight courier service, or (c) sent by e-mail, facsimile or similar electronic transmission, with confirmation sent by way of one of the methods provided above. Either party may from time to time designate by written notice given in accordance with the provisions of this Section any other address or party to which such notice or communication or copies thereof must be sent.

11. Binding Effect.

This Agreement is binding upon, and inures to the benefit of, the respective successors, assigns, heirs, executors, administrators and guardians of the parties hereto.

12. Opportunity to Review.

The Executive acknowledges and understands that this Agreement has been prepared on behalf of the Company by its legal counsel. The Executive further acknowledges and understands that it is advisable for him or her to, and he or she has had reasonable opportunity to, consult with legal counsel or other independent advisors, other than the Company's legal counsel, with respect to the terms and conditions of this Agreement

13. Severability.

Whenever possible, each provision of this Agreement will be interpreted in such a manner as to be enforceable under applicable law. However, if any provision of this Agreement is deemed unenforceable under applicable law by a court having jurisdiction, the provision will be unenforceable only to the extent necessary to make it enforceable without invalidating the remainder thereof or any of the remaining provisions of this Agreement.

14. New York Law.

This Agreement will be construed and interpreted in accordance with the laws of the State of New York without regard to principles of conflicts of law.

15. Multiple Counterparts.

This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Any party may execute this Agreement by facsimile signature and the other party is entitled to rely on such facsimile signature as evidence that this Agreement has been duly executed by that party. Any party executing this Agreement by facsimile signature must immediately forward to the other party an original signature page by overnight mail.

IN WITNESS WHEREOF, the Company and the Executive have caused this Agreement to be executed and delivered, all as of the day and year first above written.

22nd CENTURY GROUP, INC.

By: _____

Name:

Title:

**22nd CENTURY GROUP, INC.
2021 OMNIBUS INCENTIVE PLAN
(Director)**

RESTRICTED STOCK UNIT AWARD AGREEMENT

This Agreement (this "Agreement") is made as of _____, ____ (the "Effective Date" and the "Date of Grant"), between 22nd Century Group, Inc., a Nevada corporation (the "Company"), and _____ (the "Director").

WHEREAS, the Company has adopted the 22nd Century Group, Inc. 2021 Omnibus Incentive Plan (the "Plan"), providing for awards to certain officers, employees, directors, consultants and advisors of the Company and its Affiliates; and

WHEREAS, the Administrator of the Plan has determined that it would be in the best interest of the Company and its shareholders to provide the Director with an incentive to remain in the service of the Company and to increase shareholder value by providing the Director with the opportunity to own Stock of the Company.

NOW THEREFORE, in consideration of the promises and mutual agreements set forth in this Agreement, the Director and the Company hereby agree as follows:

1. Grant of Award.

(a) Award. The Company, as of the Effective Date, hereby grants to the Director an award (the "Award") of _____ restricted stock units (the "RSUs") subject to the restrictions, terms and conditions set forth below and in the Plan.

(b) Omnibus Incentive Plan. This Award is granted pursuant to the Plan, a copy of which the Director acknowledges having received. The terms and conditions of the Plan are incorporated into this Agreement by reference. If there is a conflict between the provisions of this Agreement and the provisions of the Plan, the provisions of the Plan will govern. Capitalized terms not otherwise defined in this Agreement have the meanings set forth in the Plan.

2. Vesting of Award.

Subject to Section 4, all of the RSUs shall vest on the first anniversary of the Date of Grant.

3. Settlement.

As soon as reasonably practicable (but no more than thirty (30) days) after the vesting date or event (in the case of Section 4), the Company will issue to the Director a number of Shares equal to the number of RSUs that vested on such date or event.

4. Change in Control or Termination of Service.

In the event of (i) a Change in Control of the Company (as defined below) or (ii) termination of Director's service with the Company as a result of death or Disability (as defined below), then all then-unvested RSUs shall become 100% vested as of the date of such event (or, in the case of a Change in Control, as of immediately prior to the date of such event). In the event of the termination of Director's service with the Company for any reason other than death or Disability, all then-unvested RSUs will be forfeited as of the date of such termination without consideration therefor.

For purposes of this Agreement, a "Change in Control" shall be deemed to exist if any of the following occurs:

(a) a person, as defined in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (other than the Director or a group including the Director), either (1) acquires twenty percent (20%) or more of the combined voting power of the outstanding securities of the Company or any entity which directly or indirectly controls the Company, which securities have the right to vote in elections of directors of the Company or any entity which directly or indirectly controls the Company, and such acquisition shall not have been approved within sixty (60) days following such acquisition by a majority of the Continuing Directors (as defined below) then in office, or (2) acquires fifty percent (50%) or more of the combined voting power of the outstanding securities of the Company or any entity which directly or indirectly controls the Company, which securities have the right to vote in elections of directors of the Company or any entity which directly or indirectly controls the Company; or

(b) Continuing Directors shall for any reason cease to constitute a majority of the Board; or

(c) the Company or any entity which directly or indirectly controls the Company disposes, by sale of stock, assets or otherwise, of all or substantially all or a material portion of the business of the Company or the business of any entity which directly or indirectly controls the Company to a party or parties other than a subsidiary or other affiliate of the Company or any entity which directly or indirectly controls the Company pursuant to a partial or complete liquidation of the Company or any entity which directly or indirectly controls the Company; or

(d) the Board or any entity which directly or indirectly controls the Company approves the consolidation or merger of the Company or any entity which directly or indirectly controls the Company with or into any other person or entity (other than a wholly-owned subsidiary of the Company or any other entity which is directly or indirectly controlled by the Company or its parent corporation), or any other person's consolidation or merger with or into the Company or any entity, which directly or indirectly controls the Company, which results in all or part of the outstanding shares of common stock of the Company or any entity which directly or indirectly controls the Company being changed in any way or converted into or exchanged for stock or other securities or cash or any other property.

For purposes of the definition of Change in Control, the term "Continuing Director" shall mean a member of the Board or any entity which directly or indirectly controls the Company who either was a member of the Board on the date hereof or who subsequently became a director of the Company or any entity which directly or indirectly controls the Company and whose election, or nomination for election, was approved by a vote of at least two-thirds (2/3) of the Continuing Directors then in office.

For purposes of this Agreement, "Disability" shall mean the Director's failure, due to a mental or physical condition, to perform the essential functions of the

Director's position for more than 120 days in any 360 day period.

5. Rights as a Shareholder: Dividend Equivalents

The Director shall not have any rights of a shareholder with respect to the Shares underlying the RSUs (including, without limitation, any voting rights or any right to dividends) until the Shares have been issued hereunder. If, however, after the Date of Grant and prior to the settlement date, a record date with respect to a cash dividend on the Shares occurs, then on the date that such dividend is paid to Company shareholders the Director shall be credited with "dividend equivalents" in an amount equal to the dividends that would have been paid to the Director if the Director owned a number of Shares equal to the number of outstanding RSUs hereunder as of such record date. The dividend equivalents will be deemed to be reinvested in additional restricted stock units (determined by multiplying the cash dividends paid by the Fair Market Value of a Share on the dividend payment date) and will be subject to the same terms and conditions, and shall vest and be settled or be forfeited (if applicable) at the same time as the RSUs to which they are attributable.

6. Restrictions on Transfer.

The Director may not transfer any interest in the RSUs other than under the Director's will or as required by the laws of descent and distribution. The RSUs also may not be pledged, attached, or otherwise encumbered. Any purported assignment, alienation, sale, transfer, pledge, attachment or encumbrance of the RSUs in violation of the terms of this Agreement shall be null and void and unenforceable against the Company or its successors. In addition, notwithstanding anything to the contrary herein, the Director agrees and acknowledges that (a) with respect to any Shares issued hereunder that have not been registered under the Securities Act of 1933, as amended (the "Act"), he or she will not sell or otherwise dispose of such Shares except pursuant to an effective registration statement under the Act and any applicable state securities laws, or in a transaction which, in the opinion of counsel for the Company, is exempt from such registration, and a legend will be placed on the certificates for the Shares to such effect, and (b) the Director agrees not to sell any Shares acquired under this Award other than as set forth in the Plan and at a time when applicable laws, Company policies or an agreement between the Company and its underwriters do not prohibit a sale.

7. Agreements of the Director.

The Director acknowledges that: (a) this Agreement is not a contract of employment or service and the terms of the Director's service are not affected in any way by this Agreement except as specifically provided in this Agreement; and (b) the Award made by this Agreement does not confer any legal rights upon the Director for continuation of service or interfere with or limit any right to terminate the Director's service.

8. Legal Compliance Restrictions.

The Company is not obligated to issue or deliver any certificates or make any book entry evidencing Shares subject to the RSUs unless and until the Company is advised by its counsel that the issuance and delivery of the certificates or book entry are in compliance with all applicable laws, regulations of governmental authorities and the requirements of any securities exchange upon which the Shares are traded.

9. Taxes.

As a condition of receiving this award of RSUs, the Director agrees to pay to the Company upon demand such amount as may be requested by the Company for the purpose of satisfying its liability to withhold federal, state, or local income or other taxes, if any, due by reason of the grant, vesting or settlement of, or by reason of any other event relating to, the RSUs. However, the Director may elect to have the Company satisfy any such withholding obligations by withholding a number of Shares otherwise issuable hereunder having a Fair Market Value on the date the tax obligation arises equal to the amount to be withheld; provided, however, that the amount to be withheld may not exceed the total maximum statutory tax rates associated with the transaction to the extent needed for the Company to avoid adverse accounting treatment. If the Director does not make the payment or election described in the foregoing, then the Company or an affiliate may withhold such taxes from other amounts owed to the Director or may choose to satisfy the withholding obligations by withholding Shares otherwise issuable hereunder in accordance with the preceding sentence.

10. Notices.

Except as otherwise provided in this Agreement, all offers, notices and other communications given pursuant to this Agreement will be deemed to have been properly given if in writing and (a) hand delivered, (b) mailed, addressed to the appropriate party at the address of the party as shown at the beginning of this Agreement, postage prepaid, by certified or registered mail or by Federal Express or similar overnight courier service, or (c) sent by e-mail, facsimile or similar electronic transmission, with confirmation sent by way of one of the methods provided above. Either party may from time to time designate by written notice given in accordance with the provisions of this Section any other address or party to which such notice or communication or copies thereof must be sent.

11. Binding Effect.

This Agreement is binding upon, and inures to the benefit of, the respective successors, assigns, heirs, executors, administrators and guardians of the parties hereto.

12. Opportunity to Review.

The Director acknowledges and understands that this Agreement has been prepared on behalf of the Company by its legal counsel. The Director further acknowledges and understands that it is advisable for him or her to, and he or she has had reasonable opportunity to, consult with legal counsel or other independent advisors, other than the Company's legal counsel, with respect to the terms and conditions of this Agreement

13. Severability.

Whenever possible, each provision of this Agreement will be interpreted in such a manner as to be enforceable under applicable law. However, if any provision of this Agreement is deemed unenforceable under applicable law by a court having jurisdiction, the provision will be unenforceable only to the extent necessary to make it enforceable without invalidating the remainder thereof or any of the remaining provisions of this Agreement.

14. New York Law.

This Agreement will be construed and interpreted in accordance with the laws of the State of New York without regard to principles of conflicts of law.

15. Multiple Counterparts.

This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Any party may execute this Agreement by facsimile signature and the other party is entitled to rely on such facsimile signature as evidence that this Agreement has been duly executed by that party. Any party executing this Agreement by facsimile signature must immediately forward to the other party an original signature page by overnight mail.

IN WITNESS WHEREOF, the Company and the Director have caused this Agreement to be executed and delivered, all as of the day and year first above written.

22nd CENTURY GROUP, INC.

By: _____

Name:

Title:
