

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

SCHEDULE 13D

Under the Securities Exchange Act of 1934
(Amendment No. _____)*

Creative Realities, Inc.
(Name of Issuer)

Common Stock, par value \$0.01 per share
(Title of Class of Securities)

22530J309
(CUSIP Number)

Richard C. Mills
13100 Magisterial Drive, Suite 100
Louisville, Kentucky 40223
(502) 791-8800
(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

October 15, 2015
(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

1. NAMES OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Richard C. Mills

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(see instructions)

(a) (b)

3. SEC USE ONLY

4. SOURCE OF FUNDS (see instructions)

PF, OO

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

United States of America

7. SOLE VOTING POWER

969,260(1)

NUMBER OF
SHARES

8. SHARED VOTING POWER

BENEFICIALLY
OWNED BY

0

EACH

9. SOLE DISPOSITIVE POWER

REPORTING
PERSON WITH

969,260(1)

10. SHARED DISPOSITIVE POWER

0

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

969,260(1)

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

(see instructions)

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

8.8%(2)

14. TYPE OF REPORTING PERSON (see instructions)

IN

- (1) Includes (i) 286,601 shares owned by the Reporting Person individually, (ii) 320,000 shares purchasable upon the exercise of outstanding vested options owned by the Reporting Person individually, (iii) 333,334 shares purchasable upon the exercise of outstanding performance-restricted options owned by the Reporting Person individually, the vesting of which requires achievement of certain targeted shares prices, and (iv) 29,325 shares owned by RFK Communications, LLC ("RFK"). The Reporting Person serves as the sole manager of RFK and has sole voting and investment power over shares of the issuer held by RFK.
- (2) Based on 10,409,027 shares of Common Stock outstanding as of November 9, 2023, as reported in the Issuer's Form 10-Q filed with the SEC on November 9, 2023, plus 653,334 shares of Common Stock issuable upon exercise of options to purchase shares of Common Stock beneficially owned by the Reporting Person.

Item 1. Security and Issuer.

The name of the issuer is Creative Realities, Inc., a Minnesota corporation (the "Issuer"). The address of the Issuer's principal executive offices is 13100 Magisterial Drive, Suite 100, Louisville, Kentucky 40223. This Schedule 13D relates to the Issuer's Common Stock, \$0.01 par value per share (the "Common Stock").

This Schedule 13D is being filed to disclose prior acquisitions of Common Stock by the Reporting Person, all of which were previously reported on Form 3, 4 and 5 filings made with the SEC under Section 16 of the Securities Exchange Act of 1934, and disclosed in other filings of the Issuer made on Forms 10-Q, Forms 10-K, and proxy statements. All share and price information set forth in this Schedule 13D has been adjusted to reflect the Issuer's 1-for-30 and 1-for-3 reverse stock splits effective on October 17, 2018 and March 27, 2023, respectively.

Item 2. Identity and Background.

- (a), (f) The person filing this statement is Richard C. Mills (the "Reporting Person").
- (b) The principal business address of the Reporting Person is 13100 Magisterial Drive, Suite 100, Louisville, Kentucky 40223.
- (c) The Reporting Person serves as the Chief Executive Officer and Chairman of the Issuer.
- (d) The Reporting Person has not, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).
- (e) The Reporting Person has not, during the last five years, been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Item 3. Source or Amount of Funds or Other Consideration.

The Conexus Merger Shares, as described in Item 5 below, were acquired by the Reporting Person directly, and indirectly through RFK Communications, LLC, as merger consideration in the Conexus Merger, and as a result of the conversion of Series A-1 Convertible Preferred Stock issued to the Reporting Person in the Conexus Merger, as further described in Item 5 below. The Shares acquired by the Reporting Person on August 22, 2022, August 23, 2022 and August 21, 2023, as described in Item 5 below, were purchased using the Reporting Person's personal funds. All other Shares described in Item 5 below have been issued to the Reporting Person in connection with his services to the Issuer as the Issuer's Chief Executive Officer.

Item 4. Purpose of Transaction.

As of the date hereof, the Reporting Person does not have a plan or proposal that relates to or would result in any of the transactions enumerated in sub items (a) through (j) of the instructions to Item 4 of this Schedule 13D. Notwithstanding the foregoing, the Reporting Person reserves the right to effect any such actions as any of them may deem necessary or appropriate in the future.

Item 5. Interest in Securities of the Issuer.

(a), (b) The Reporting Person currently beneficially owns an aggregate of 969,260 shares of Common Stock, which represents 8.8% of the outstanding shares of Common Stock of the Issuer. Such percentage and the percentages below are calculated based on 10,409,027 shares of Common Stock outstanding as of November 9, 2023 (as reported in the Issuer's Form 10-Q filed with the SEC on November 9, 2023). The following summarizes the Reporting Person's acquisition and disposition of Common Stock, all of which have been previously reported on Form 3, 4 and 5 filings made with the SEC under Section 16 of the Securities Exchange Act of 1934, together with other filings of the Issuer made on Form 10-Q, Form 10-K, and proxy statements.

RFK directly holds 29,325 shares of Common Stock, which represents 0.3% of the outstanding Common Stock. On October 15, 2015, the Reporting Person and RFK received certain securities in connection with the Issuer's acquisition of Conexus World Capital, LLC ("Conexus") via merger (the "Conexus Merger"). In the Conexus Merger, RFK acquired a Secured Convertible Promissory Note for \$150,000, which was convertible into approximately 182,608 Shares, including interest through November 30, 2016. RFK transferred its rights under such note to another noteholder of the Issuer on January 17, 2017 for \$565,000. In the Conexus Merger, RFK also received 29,325 shares of Common Stock (the "RFK Merger Shares") and a Warrant to purchase 2,977 shares of Common Stock at \$25.14 per share. Such warrant expired by its terms on October 15, 2020.

Currently, the Reporting Person directly owns 286,601 shares of Common Stock, 320,000 shares of Common Stock purchasable upon the exercise of outstanding vested options owned by the Reporting Person individually, and 333,334 shares of Common Stock purchasable upon the exercise of outstanding performance-restricted options owned by the Reporting Person individually, the vesting of which requires achievement of certain targeted shares prices. As the sole manager of RFK, the Reporting Person also has beneficial ownership of the 29,325 shares of Common Stock directly held by RFK. Collectively, these shares of Common Stock represent 8.74% of the outstanding Common Stock. In connection with the Conexus Merger, the Reporting Person received (i) an aggregate of 1,367,268 shares of Series A-1 Convertible Preferred Stock of the Issuer from October 15, 2015 through September 27, 2017 (consisting of merger consideration and accrued payment-in-kind dividends) that were converted on September 27, 2017 into 60,251 shares of Common Stock, (ii) 71,634 shares of Common Stock as merger consideration, and (iii) 35,534 shares of Common Stock in connection with an agreement reached on September 1, 2017 by the Issuer and the prior shareholders of Conexus to resolve certain disputes related to the Conexus Merger. The shares of Common Stock described in subparagraphs (i)-(iii) are referred to as the "Mills Merger Shares," and collectively with the RFK Merger Shares as the "Conexus Merger Shares."

On December 14, 2018, the Reporting Person received a restricted stock award of 55,555 shares of Common Stock in consideration of his executive services provided to the Issuer. Restriction on 44,444 shares subject to such restrictions lapsed immediately, and on September 18, 2019, the restrictions on the remaining 11,111 restricted shares of Common Stock lapsed. The Issuer granted to the Reporting Person options to purchase 160,000 shares of Common Stock pursuant to an agreement dated June 1, 2020 between the Issuer and the Reporting Person and remained subject to approval by the Issuer's stockholders of an amendment to its 2014 Stock Incentive Plan (the "Amendment"). The Amendment was approved by stockholders, and such options to acquire 160,000 shares vested in three equal installments on June 1 of 2021, 2022 and 2023.

On June 1, 2020, the Issuer granted the Reporting Person an option to purchase 160,000 shares of Common Stock. The option was scheduled to vest in three equal annual installments subject to the satisfaction of certain performance criteria for each of the fiscal years ending December 31, 2020, 2021, and 2022. The performance criteria set forth in such option was satisfied and such option was fully vested as of March 30, 2023.

On June 15, 2022, Issuer issued to the Reporting Person an option to purchase 333,334 Shares. The option becomes exercisable, if at all, based on the price per share of the Common Stock as follows: 16,667 shares vest at a share target price of \$6.00; 33,333 shares vest at a share target price of \$9.00; 50,000 shares vest at a share target price of \$12.00; 66,667 shares vest at a share target price of \$15.00; 83,333 shares vest at a share target price of \$18.00; and 83,334 shares vest at \$19.20 per share.

On August 22 and 23, 2022, the Reporting Person purchased 8,625 shares of Common Stock at \$1.86 per share and 5,000 shares of Common Stock at \$1.91 per share, respectively, in open market purchases. On August 21, 2023, the Reporting Person purchased 50,000 shares of Common Stock at \$2.00 per share in the Issuer's public offering.

(c) There have been no transactions in the class of securities reported on that were effected within the past 60 days.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

Except with respect to the Reporting Person's receipt of options to purchase shares of Common Stock under the Issuer's 2014 Stock Incentive Plan, as amended, including the Option Agreements and amendments thereto attached as Exhibits 10.1-10.4, which are hereby incorporated by reference, there are no contracts, arrangements, understandings, or relationships (legal or otherwise) between the Reporting Person and any person with respect to any securities of the Issuer, including any class of the Issuer's securities used as a reference security, in connection with any of the following: call options, put options, security-based swaps or any other derivative securities, transfer or voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies, naming the persons with whom such contracts, arrangements, understandings, or relationships have been entered into.

Item 7. Material to Be Filed as Exhibits.

Exhibit Number	Description of Exhibits
10.1	Stock Option Agreement dated June 1, 2020 between the Issuer and Rick Mills.
10.2	Form of Letter Agreement (incorporated by reference to Exhibit 10.1 of the Issuer's report on Form 8-K filed with the SEC on June 3, 2020)
10.3	Amendment to Stock Option Agreement dated June 15, 2022 between the Issuer and Rick Mills (incorporated by reference to Exhibit 10.1 to the registrant's Current Report on Form 8-K filed with the SEC on June 17, 2022)
10.4	Stock Option Agreement dated June 15, 2022 between the Issuer and Rick Mills (incorporated by reference to Exhibit 10.3 to the registrant's Current Report on Form 8-K filed with the SEC on June 17, 2022)

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

/s/ Richard C. Mills

Richard C. Mills

February 15, 2024

**CREATIVE REALITIES, INC.
STOCK OPTION AGREEMENT**

THIS STOCK OPTION AGREEMENT (THIS “**AGREEMENT**”) IS MADE AND ENTERED INTO AS OF JUNE 1, 2020, BY AND BETWEEN RICHARD MILLS (“**OPTIONEE**”), AND CREATIVE REALITIES, INC., A MINNESOTA CORPORATION (THE “**COMPANY**”).

BACKGROUND

A. The Company has adopted the Creative Realities, Inc. 2014 Stock Incentive Plan (the “**Plan**”) pursuant to which shares of Company common stock have been reserved for issuance under the Plan. Optionee is an employee of the Company and will perform substantial work on behalf of the Company. Company desires to provide Optionee an option to purchase certain shares of Company common stock upon the terms and conditions set forth herein, specifically including but not limited to the restrictive covenants contained herein.

B. This Agreement is being issued pursuant to the terms of a letter agreement between the Company and Optionee in replacement for that Option Agreement dated May 20, 2020.

AGREEMENT

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Incorporation of the Plan by Reference. The terms and conditions of the Plan, a copy of which has been earlier delivered to Optionee, are hereby incorporated into this Agreement by this reference. In particular, the provisions of Section 9.13 of the Plan, respecting any sale of the Company, govern the terms and conditions of this Agreement. In the event of any direct conflict or inconsistency between the provisions of this Agreement and those of the Plan, the provisions of the Plan shall govern and control. By its terms, the Plan may be amended subsequent to the date of this Agreement, in which case the Plan as so amended shall continue to govern and control the terms and conditions of this Agreement in the case of any such direct conflict or inconsistency.

2. Grant of Option; Exercise Price. Subject to the terms and conditions herein set forth, the Company hereby irrevocably grants to Optionee, from shares of common stock reserved under the Plan, the right and option (the “**Option**”) to purchase all or any part of an aggregate of 480,000 shares of Company common stock, \$.01 par value per share (the “**Shares**”), at the per-Share exercise price of \$2.53 (the “**Exercise Price**”), which price is intended to be at least 100% of the fair market value of the Company’s common stock on the grant date (i.e., the date of this Agreement).

3. Exercisability and Vesting of Option. The Option shall be exercisable only to the extent that all of the Option, or any portion thereof, has vested. Except as provided in Section 4, the Option shall vest in the manner described below based upon achievement in any Measurement Period by the Company of the following Company revenue targets (“**Revenue Targets**”), and Company EBITDA targets (“**EBITDA Targets**,” and collectively with the Revenue Targets, the “**Targets**”), but only for so long as Optionee continues to serve the Company as a director, officer, employee or consultant.

Percentage of Shares subject to Vesting for each Target	Measurement Period	Targets	
		Revenue Target	EBITDA Target
16.66%	Calendar Year 2020	\$32 million	\$2.2 million
16.66%	Calendar Year 2021	\$35 million	\$3.1 million
16.66%	Calendar Year 2022	\$38 million	\$3.5 million

The calculation of Company revenues for any Measuring Period will be conclusively determined by the Company's independent accounting firm from time to time, as set forth in the audited financial statements of the Company for such Measuring Period (the "**Audited Financial Statements**"). The calculation of Company EBITDA for any Measuring Period will be conclusively determined based upon the applicable Audited Financial Statements for such period, and will be calculated in a consistent manner with historical practices of the Company.

Notwithstanding the foregoing, if a portion of the Option does not vest (the "**Unvested Portion**") due to the Company's failure to achieve any Revenue Target or EBITDA Target for any Measurement Period during the term of this Option, the Unvested Portion shall vest in a subsequent Measuring Period if in a subsequent Measuring Period during the term of this Option the Company achieves the Revenue Target or EBITDA Target for such subsequent Measuring Period, respectively. For example, if the Company fails to meet the Revenue Target for 2020, but exceeds the Revenue Target for 2021, then the Unvested Portion will vest in addition to the Shares that vest per the table above.

Notwithstanding the foregoing, if a "Sale Transaction," as such term is defined in the Plan, occurs, then the entirety of this Option will vest immediately upon the earlier of (i) any termination of service by the Company without "cause" (as such term is defined in Section 4(d) below) or (ii) 180 days after the consummation of the Sale Transaction.

4. Term of Option. To the extent vested, and except as otherwise provided in this Agreement, the Option shall be exercisable until May 31, 2030. Nevertheless, this Option may earlier vest or may earlier terminate as set forth in the applicable paragraphs below:

(a) In the event of a termination of Optionee's service to the Company or its subsidiaries (whether as a director, officer, employee or consultant, as the case may be) due to the death or disability of Optionee, then Optionee's legal representative may thereafter exercise the Option, to the extent then vested, until the earlier of (i) 90 days after the death or disability of Optionee, as applicable, or (2) the expiration of the Option set forth in the first sentence of this Section 4. The unvested portion of the Option will terminate upon Optionee's death or disability.

(b) In the event of a termination of Optionee's service to the Company or its subsidiaries (whether as a director, officer, employee or consultant, as the case may be) due to "cause" (including a voluntary departure by Optionee under circumstances constituting "cause"), then the entire Option, regardless of whether any portion thereof is then vested (including any portion of the Option that may have vested in connection with a Sale Transaction), will thereupon immediately terminate and be null and void without any further action required on the part of the Company.

(c) In the event of a termination of Optionee's service to the Company or its subsidiaries (whether as a director, officer, employee or consultant, as the case may be) under circumstances not involving or constituting "cause," then the unvested portion of the Option will thereupon terminate but that portion of the Option that is vested as of the date of termination of service will continue to be exercisable until the earlier of (i) 90 days after the termination of Optionee, as applicable, or (2) expiration of the Option set forth in the first sentence of this Section 4, subject, however, to the provisions of Section 11.

(d) For purposes of this Agreement, the following events or circumstances will constitute "cause": (i) Optionee willfully destroys any property of the Company; (ii) Optionee commits any act of dishonesty (as determined by the Company's Board of Directors in its reasonable discretion) with respect to the Company or its business; (iii) Optionee uses or divulges, in violation of the written policies applicable to Optionee or in violation of a written agreement to which Optionee is bound, any confidential information of the Company (including confidential information of subsidiaries); (iv) Optionee engages in any conduct that is or could be materially detrimental to the Company, its business or its reputation, including violation of written policies or refusal to abide by the repeated directives of the Company, as determined by the Company's Board of Directors in its reasonable discretion; (v) Optionee is indicted or convicted of a serious misdemeanor or felony; or (vi) Optionee uses alcohol or drugs in a manner such that the Company, its business or its reputation, is or could be jeopardized, as determined by the Company's Board of Directors in its reasonable discretion. In addition, if Optionee has a written employment agreement with the Company or one of its subsidiaries, and such employment agreement contains a definition of "cause" (or similar such term or concept) that is broader than the above, then such additional and broader events or circumstances defining "cause" (or similar such term or concept) are incorporated herein by this reference.

5. Method of Exercising Option. Subject to the terms and conditions of this Agreement and the Plan, the Option may be exercised, in whole or in part, by giving written notice to the Company specifying the number of Shares to be purchased and accompanied by the full purchase price for such shares (which written notice may be in the form of Notice of Exercise attached hereto). The Exercise Price shall be payable: (a) in United States dollars upon exercise of the Option and may be paid by cash, uncertified or certified check or bank draft; (b) by delivery of shares of common stock in payment of all or any part of the option price, which shares shall be valued for this purpose at the Fair Market Value (as such term is defined in the Plan) on the date on which the Option is exercised; or (c) at Optionee's election, by instructing the Company to withhold from the Shares issuable upon exercise of the Option shares of common stock in payment of all or any part of the exercise price (and/or any related withholding tax obligations, if permissible under applicable law), which shares shall be valued for this purpose at the Fair Market Value or in such other manner as may be authorized from time to time by the Company's board of directors or a compensation committee thereof. Any such notice shall be deemed given when received by the Company at the address provided in Section 10 of this Agreement. All Shares that shall be purchased upon the proper exercise of the Option as provided herein shall be fully paid and non-assessable. Notwithstanding the foregoing, this Option may not be exercised in whole or in part until each of the following events has occurred: (a) after the date hereof, the Company's shareholders have approved an amendment to the Plan to increase the number of shares of Company common stock reserved for issuance under the Plan to an amount of shares that is sufficient to cover the issuance of Shares covered by the Option, and (b) the cap on the number of options and stock appreciation rights that may be issued to a Plan participant in each fiscal year of the Company is eliminated.

6. Rights of Option Holder. As holder of the Option, Optionee shall not have any of the rights of a shareholder with respect to the Shares covered by the Option except to the extent that one or more certificates for such Shares shall be delivered to Optionee upon the due exercise of all or any part of the Option.

7. Transferability. The Option shall not be transferable except to the extent permitted by Section 9.3 of the Plan.

8. Optionee Representations. Optionee hereby represents and warrants to the Company that Optionee has reviewed with his or her own tax advisors the federal, state and local tax consequences of the transactions contemplated by this Agreement, including the grant of this Option by the Company. Optionee is relying solely on such advisors and not on any statements or representation of the Company or any of its agents. Optionee understands that Optionee will be solely responsible for any tax liability that may result to Optionee as a result of the transactions contemplated by this Agreement, including the grant by the Company of the Option. Optionee further understands that, as to matters involving an interpretation under the Plan, the Board of Directors of the Company (or an applicable committee thereof) has sole and complete discretionary authority to definitively interpret the Plan, which interpretation shall be final, conclusive and binding upon the Optionee.

9. Securities Law Matters. Optionee acknowledges that the Shares to be received upon any exercise of the Option may not have been registered under the Securities Act of 1933 or the applicable securities laws of any state (collectively, the “**Securities Laws**”). If such Shares shall have not been so registered, Optionee acknowledges and understands that the Company is under no obligation to register, under the Securities Laws, the Shares received by Optionee or to assist Optionee in complying with any exemption from such registration if Optionee should at a later date wish to dispose of the Shares. Optionee acknowledges that, if not then registered under the Securities Laws, any certificates representing the Shares shall bear a legend restricting the transferability thereof in substantially the following form:

The shares represented by this certificate have not been registered or qualified under federal or state securities laws. The shares may not be offered for sale, sold, pledged or otherwise disposed of unless so registered or qualified, unless an exemption exists or unless such disposition is not subject to the federal or state securities laws. In its discretion, the Company may require that the availability of any exemption or the inapplicability of such securities laws be established by an opinion of counsel, the form and substance of which opinion shall be reasonably satisfactory to the Company.

10. Notices. All notices and other communications required under this Agreement will be in writing and will be deemed to have been duly given two days after mailing, via certified mail return-receipt requested, to the applicable party at the following addresses:

If to the Company: Creative Realities, Inc.
Attention: Chief Executive Officer
13100 Magisterial Drive, Suite 100
Louisville, KY 40223

If to Optionee: Richard Mills
[]
[]

11. Restrictive Covenants.

(a) In consideration of the grant of the Option evidenced by this Agreement, Optionee hereby agrees to be bound by the restrictive covenant set forth in this Section 11. In this regard, Optionee recognizes and acknowledges the competitive and proprietary nature of the business conducted by the Company and its subsidiaries. Accordingly, Optionee agrees that, during the Restricted Period, as defined below, Optionee shall not, without the prior written consent of the Company (which the Company may withhold or condition in its sole and absolute discretion), for himself or herself, or on behalf of any other person or entity, directly or indirectly: (i) provide any services (whether as an employee, director, manager, consultant, contractor or otherwise) or financing of any kind to Competitive Business, as defined below; (ii) solicit an employee of the Company or any of its subsidiaries to cease that employee's relationship with the Company or subsidiary; or (iii) use or divulge, or otherwise misappropriate any trade secret of the Company or any of its subsidiaries, violate the terms of a written confidentiality or inventions-assignment agreement or covenant, or violate the terms of written confidentiality policies that were applicable to Optionee during his or her service relationship with the Company (or a subsidiary) or otherwise generally applicable to employees of the Company. Notwithstanding the foregoing, nothing contained in this Agreement shall preclude Optionee from purchasing or owning common stock or equity securities in any company engaging in the Competitive Business if such stock is publicly traded and Optionee's holdings therein do not exceed one percent of the issued and outstanding capital stock of such company.

(b) For purposes of this Agreement: (a) "**Restricted Period**" means the period commencing on the date of this Agreement and ending on the earlier of (i) the one-year anniversary of the applicable separation of service or (ii) expiration of the Option; and (b) "**Competitive Business**" means any business that competes with the business of the Company (including its subsidiaries) by offering the same or substantially similar products or services to the same, or same kinds of, customers or channels as those serviced by the Company, as conducted from time to time during the Restricted Period (as determined by the Company in its reasonable discretion). If any part of this Section should be determined by a court of competent jurisdiction to be unreasonable in duration, geographic area, or scope, then this Section is intended to and shall extend only for such period of time, in such geographic area and with respect to such activity as is determined by such court to be reasonable.

(c) In the event of a violation of the covenants set forth in paragraph (a), the Company shall be entitled to terminate up to 20% of the vested Option then held by Optionee under this Agreement.

12. Dispute Resolution.

(a) The parties will endeavor to resolve any disputes relating to the Agreement through amicable negotiations. Failing an amicable settlement, any controversy, claim or dispute arising under or relating to this Agreement, including the existence, validity, interpretation, performance, termination or breach of this Agreement, will finally be settled by binding arbitration before a single arbitrator (the “**Arbitration Tribunal**”) jointly appointed by the parties. The Arbitration Tribunal shall self-administer the arbitration proceedings using the Commercial Rules of the American Arbitration Association (“**AAA**”); provided, however, the AAA shall not be involved in administration of the arbitration. The arbitrator must be a retired judge of a state or federal court of the United States or a licensed lawyer with at least 15 years of corporate or commercial law experience and have at least an AV rating by Martindale Hubbell. If the parties cannot agree on an arbitrator, either party may request a court of competent jurisdiction to appoint an arbitrator, which appointment will be final.

(b) The arbitration will be held in Louisville, Kentucky. Each party will have discovery rights as provided by the Federal Rules of Civil Procedure within the limits imposed by the arbitrator; provided, however, that all such discovery will be commenced and concluded within 45 days of the selection of the arbitrator. It is the intent of the parties that any arbitration will be concluded as quickly as reasonably practicable. Once commenced, the hearing on the disputed matters will be held four days a week until concluded, with each hearing date to begin at 9:00 a.m. and to conclude at 5:00 p.m. The arbitrator will use all reasonable efforts to issue the final written report containing award or awards within a period of five business days after closure of the proceedings. Failure of the arbitrator to meet the time limits of this Article will not be a basis for challenging the award. The Arbitration Tribunal will not have the authority to award punitive damages to either party. Each party will bear its own expenses, but the parties will share equally the expenses of the Arbitration Tribunal. The Arbitration Tribunal shall award attorneys’ fees and other related costs payable by the losing party to the successful party. This Agreement will be enforceable, and any arbitration award will be final and non-appealable, and judgment thereon may be entered in any court of competent jurisdiction.

13. General Provisions.

(a) The Option is granted pursuant to the Plan and is governed by the terms thereof. The Company shall at all times during the term of the Option reserve and keep available such number of Shares as will be sufficient to satisfy the requirements of this Agreement.

(b) Nothing herein expressed or implied is intended or shall be construed as conferring upon or giving to any person, firm, or corporation, other than the parties hereto, any rights or benefits under or by reason of this Agreement.

(c) Each party agrees to execute such further documents as may be necessary or desirable to effect the purposes of this Agreement.

(d) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same agreement.

(e) This Agreement, in its interpretation and effect, shall be governed by the laws of the Commonwealth of Kentucky applicable to contracts executed and to be performed therein, and without regard to any of such state's conflicts-of-law provisions.

(f) If any portion of this Agreement is held invalid or inoperative, the other portions of this Agreement shall be unaffected thereby and, so far as is reasonable and possible, effect shall be given to the intent manifested by the portion held invalid or inoperative.

* * * * *

IN WITNESS WHEREOF, THE UNDERSIGNED HAVE EXECUTED THIS STOCK OPTION AGREEMENT AS OF THE DATE FIRST WRITTEN ABOVE.

CREATIVE REALITIES, INC.

By: /s/ Will Logan

Name: Will Logan

Title: Chief Financial Officer

OPTIONEE

Richard Mills
Print name

/s/ Richard Mills
Signature

Signature Page – Stock Option Agreement

NOTICE OF EXERCISE
CREATIVE REALITIES, INC.
STOCK OPTION AGREEMENT

(To be signed only upon exercise of stock option)

Pursuant to a Stock Option Agreement dated as of _____ (the "Option Agreement"), the undersigned is the holder of an option (the "Option") to purchase _____ shares of common stock, \$.01 par value per share, of Creative Realities, Inc., a Minnesota corporation (the "Company"). In accordance with the terms of the Option Agreement, the undersigned hereby irrevocably elects to exercise the Option with respect to _____ shares of common stock and to purchase such shares from the Company, and herewith makes payment of \$ _____ therefor:

- by cash, uncertified or certified check or bank draft;
- by delivery of shares of common stock; or
- by instructing the Company to withhold from the shares issuable upon exercise of the Option shares of common stock in payment of \$ _____ of the exercise price (and/or any related withholding tax obligations, if permissible under applicable law).

The undersigned requests that the certificate(s) for such shares be issued in the name of _____, and be delivered to _____, whose address is set forth below the signature of the undersigned.

Dated: _____

(Signature)

(Address)

(Address)

(Social Security or other Tax ID No.)