

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

FORM S-8
REGISTRATION STATEMENT
UNDER THE SECURITIES ACT OF 1933

CHEMBIO DIAGNOSTICS, INC.

(Exact name of registrant as specified in its charter)

Nevada
*(State or other jurisdiction of
Incorporation or organization)*

88-0425691
(I.R.S. Employer Identification No.)

555 Wireless Blvd.
Hauppauge, New York
(Address of principal executive offices)

11788
(Zip code)

Employment Agreement dated as of December 30, 2021 with Lawrence J. Steenvoorden
(Full title of the plan)

Richard L. Eberly
Chief Executive Officer and President
Chembio Diagnostics, Inc.
555 Wireless Blvd., Hauppauge, New York 11788
(631) 924-1135
(Name, address, including zip code, and telephone number, including area code, of agent for service)

With a copy to:
Mark L. Johnson
Bella Zaslavsky
K&L Gates LLP
One Lincoln Street, Boston, Massachusetts 02111
(617) 261-3260

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a 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	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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 revise financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

CALCULATION OF REGISTRATION FEE

Title of Securities to be Registered	Amount to be registered(1)	Proposed maximum offering price per share(2)	Proposed maximum aggregate offering price(2)	Amount of registration fee
Common stock, \$0.01 par value per share	460,714	\$1.11	\$511,392.54	\$47.41

(1) Consists of shares authorized for issuance under the registrant’s Employment Agreement dated as of December 30, 2021 with Lawrence J. Steenvoorden. In accordance with Rule 416 under the Securities Act of 1933, this registration statement shall be deemed to cover any additional securities that may from time to time be offered or issued to prevent dilution resulting from stock splits, stock dividends or similar transactions.

(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rules 457(c) and (h) under the Securities Act of 1933 and based upon the average of the high and low prices of the registrant’s common stock as reported on the Nasdaq Capital Market on January 7, 2022.

This Registration Statement on Form S-8 is being filed by Chembio Diagnostics, Inc. (the “Company”) for the purpose of registering 460,714 shares of the Company’s common stock, \$0.01 par value per share (“Common Stock”), authorized for issuance under the Employment Agreement dated as of December 30, 2021 between the Company and Lawrence J. Steenvoorden. Such Employment Agreement is referred to below as the “Plan.”

PART I
INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

Item 1. Plan Information.

The information required by Item 1 is included in documents sent or given by the Company to the participant in the Plan pursuant to Rule 428(b)(1) of the Securities Act of 1933 (the “Securities Act”).

Item 2. Registrant Information and Employee Plan Annual Information.

The written statement required by Item 2 is included in documents sent or given by the Company to participant in the Plan pursuant to Rule 428(b)(1) of the Securities Act.

PART II
INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents filed by the Company with the Securities and Exchange Commission are incorporated by reference in this registration statement:

- (a) the Company’s latest annual report on [Form 10-K](#) filed pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (the “Exchange Act”) that contains audited financial statements for the Company’s latest fiscal year for which such statements have been filed;
- (b) all other reports filed pursuant to Section 13(a) or 15(d) of the Exchange Act since the end of the fiscal year covered by the annual report referred to in (a) above; and
- (c) the description of the Common Stock set forth in [Exhibit 4.2](#) to the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2020, filed with the SEC on March 11, 2021, together with any amendment or report filed with the SEC for the purpose of updating such description.

All reports and other documents subsequently filed by the Company pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act prior to the filing of a post-effective amendment that indicates that all securities offered have been sold, or that deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference in this registration statement and to be part of this registration statement from the respective dates of the filing of such reports and other documents.

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts and Counsel

Ballard Spahr LLP has opined as to the legality of the shares of Common Stock being offered by this registration statement.

Item 6. Indemnification of Directors and Officers.

The Company's bylaws provide that it will indemnify any of its directors, officers, other employees or agents against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such director, officer, other employee or agent in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, relating to service for or at the request of the Company. The Company will not indemnify a director, officer, other employee or agent if in relation to matters such director, officer, other employee or agent is adjudged in the action, suit or proceeding to not have acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the Company in the performance of the individual's duties.

The Company's bylaws also provide that it will advance expenses (including attorneys' fees) incurred by an officer or director defending an action, suit or proceeding, upon receipt of an undertaking by or on behalf of such officer or director to repay such amount if that officer or director is determined to not be entitled to indemnification. Such expenses incurred by other employees and agents may be paid in advance by the Company upon certain terms and conditions deemed appropriate by the board of directors of the Company.

The Company's articles of incorporation provide that no director will be personally liable to the Company or its stockholders for monetary damages for breach of fiduciary duty as a director, except that the director's liability will not be eliminated or limited: (A) for acts or omissions involving intentional misconduct, fraud or a knowing violation of the law; or (B) for the payment of any distribution in violation of Nevada law.

Nevada law permits a Nevada corporation, such as the Company, to indemnify its directors and officers in certain circumstances. Specifically, Section 78.7502 of the Nevada Revised Statutes provides as follows:

- “(1) A corporation may indemnify pursuant to this subsection any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, except an action by or in the right of the corporation, by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with the action, suit or proceeding if the person: (a) is not liable pursuant to Nevada Revised Statutes 78.138; or (b) acted in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, does not, of itself, create a presumption that the person is liable pursuant to Nevada Revised Statutes 78.138 or did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the corporation, or that, with respect to any criminal action or proceeding, he or she had reasonable cause to believe that the conduct was unlawful.
- “(2) A corporation may indemnify pursuant to this subsection any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, including amounts paid in settlement and attorneys' fees actually and reasonably incurred by the person in connection with the defense or settlement of the action or suit if the person: (a) is not liable pursuant to Nevada Revised Statutes 78.138; or (b) acted in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the corporation. Indemnification pursuant to this section may not be made for any claim, issue or matter as to which such a person has been adjudged by a court of competent jurisdiction, after exhaustion of any appeals taken therefrom, to be liable to the corporation or for amounts paid in settlement to the corporation, unless and only to the extent that the court in which the action or suit was brought or other court of competent jurisdiction determines upon application that in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses as the court deems proper.
- “(3) Any discretionary indemnification pursuant to this section, unless ordered by a court or advanced pursuant to subsection 2 of Nevada Revised Statutes 78.751, may be made by the corporation only as authorized in each specific case upon a determination that the indemnification of a director, officer, employee or agent of a corporation is proper under the circumstances. The determination must be made by: (a) The stockholders; (b) The board of directors, by majority vote of a quorum consisting of directors who were not parties to the action, suit or proceeding; or (c) Independent legal counsel, in a written opinion, if: (1) A majority vote of a quorum consisting of directors who were not parties to the action, suit or proceeding so orders; or (2) A quorum consisting of directors who were not parties to the action, suit or proceeding cannot be obtained.”
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Item 7. Exemption from Registration Claimed.

Not applicable.

Item 8. Exhibits.

Exhibit Number	Description
3.1	Articles of Incorporation, as amended, of Chembio Diagnostics, Inc. (incorporated by reference to Exhibit 3.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on July 29, 2010)
3.2	Amended and Restated Bylaws of Chembio Diagnostics, Inc. (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed with the SEC on September 17, 2018)
5.1	Opinion of Ballard Spahr LLP
23.1	Consent of Ernst & Young LLP
23.2	Consent of BDO USA, LLP
23.3	Consent of Ballard Spahr LLP (included in Exhibit 5.1)
24.1	Power of Attorney (included on the signature page)
99.1	Employment Agreement, dated as of December 30, 2021 and effective as of January 5, 2022, between Chembio Diagnostics, Inc. and Lawrence J. Steenvoorden (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on January 6, 2022)
99.2	Form of Non-Qualified Stock Option Agreement for Inducement Grant
99.3	Form of Restricted Stock Unit Agreement for Inducement Grant

Item 9. Undertakings

1. The Company hereby undertakes:

(a) to file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) to include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement; and

(iii) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs (a)(i) and (a)(ii) do not apply if the registration statement is on Form S-8 and the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Securities and Exchange Commission by the Company pursuant to Section 13 or 15(d) of the Exchange Act that are incorporated by reference in the registration statement;

(b) that, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof; and

(c) to remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

2. The undersigned Company hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Company's annual report pursuant to Section 13(a) or 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

3. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Company pursuant to the foregoing provisions, or otherwise, the Company has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Company of expenses incurred or paid by a director, officer or controlling person of the Company in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Company will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURE

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Hauppauge, State of New York, as of January 14, 2022.

CHEMBIO DIAGNOSTICS, INC.

/s/ Richard L. Eberly

Richard L. Eberly
Chief Executive Officer and President

POWER OF ATTORNEY AND SIGNATURES

KNOW ALL PERSONS BY THESE PRESENTS that each person whose signature appears below constitutes and appoints Richard L. Eberly and Lawrence J. Steenvoorden, and each or either of them, as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her, and in his or her name in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or either of them, or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed below by the following persons on behalf of the registrant in the capacities and on the dates indicated.

<u>SIGNATURE</u>	<u>TITLE</u>	<u>DATE</u>
<u>/s/ Richard L. Eberly</u> Richard L. Eberly	Chief Executive Officer, President and Director <i>(Principal Executive Officer)</i>	January 14, 2022
<u>/s/ Lawrence J. Steenvoorden</u> Lawrence J. Steenvoorden	Executive Vice President and Chief Financial Officer <i>(Principal Financial and Accounting Officer)</i>	January 14, 2022
<u>/s/ David W.K. Acheson</u> David W.K. Acheson	Director	January 14, 2022
<u>/s/ David W. Bepalko</u> David W. Bepalko	Director	January 14, 2022
<u>/s/ Katherine L. Davis</u> Katherine L. Davis	Director	January 14, 2022
<u>/s/ John G. Potthoff</u> John G. Potthoff	Director	January 14, 2022

Ballard Spahr LLP

One Summerlin
1980 Festival Plaza Drive, Suite 900
Las Vegas, NV 89135-2958
TEL 702.471.7000
FAX 702.471.7070
www.ballardspahr.com

January 14, 2022

Chembio Diagnostics, Inc.
555 Wireless Blvd.
Hauppauge, New York 11788

**Re: Chembio Diagnostics, Inc.
Registration Statement on Form S-8**

Ladies and Gentlemen:

We have acted as counsel to Chembio Diagnostics, Inc., a Nevada corporation (the "Company"), in connection with the Company's Registration Statement on Form S-8, as filed with the United States Securities and Exchange Commission (the "Commission") on January 14, 2022, and as further amended or supplemented from time to time to the date hereof (the "Registration Statement") under the Securities Act of 1933, as amended (the "Securities Act"). The Registration Statement covers the registration of 460,714 shares (the "Shares") of the Company's common stock, par value \$0.01 per share (the "Common Stock"), authorized for issuance under the Company's Employment Agreement dated as of December 30, 2021, with Lawrence J. Steenvoorden (the "Agreement").

We have examined, and relied upon the accuracy of factual matters contained in, as applicable, executed original or counterparts of the following documents: (a) the Articles of Incorporation of the Company (formerly Trading Solutions.Com, Inc.) filed with the Nevada Secretary of State on May 14, 1999, as amended (the "Articles"); (b) the Amended and Restated Bylaws of the Company; (c) the resolutions adopted by the Company's board of directors authorizing the registration of the Shares pursuant to the Agreement, amongst other items (the "Directors' Resolutions"); (d) the Registration Statement; and (e) the Agreement. We have also examined such corporate records and other agreements, documents and instruments, and such certificates or comparable documents of public officials and officers and representatives of the Company and have made such inquiries of such officers and representatives and have considered such matters of law as we have deemed appropriate as the basis for the opinion hereinafter set forth.

The opinion expressed below is based on the assumption that: (a) the Registration Statement and any amendments or supplements thereto (including any post-effective amendments) have been filed by the Company with the Commission and will be effective at the time that any of the Shares are issued, and that persons acquiring the Shares will receive a prospectus containing all of the information required by Part I of the Registration Statement before acquiring such Shares; (b) the Shares will continue to be duly and validly authorized on the dates that the Shares are issued, and, upon the issuance of any of the Shares, the total number of shares of Common Stock of the Company issued and outstanding, after giving effect to such issuance of such Shares, will not exceed the total number of shares of Common Stock that the Company is then authorized to issue under the Articles, as may be further amended; and (c) the Shares will issued and sold in compliance with the Securities Act and the securities or "Blue Sky" laws of various states.

Based upon the foregoing and subject to the assumptions, exceptions, limitations and qualifications set forth herein, we are of the opinion that the Shares have been duly authorized and, when, as and if, issued and paid for as described in the Registration Statement, in accordance with the Directors' Resolutions and the terms of the Agreement, such Shares will be validly issued, fully paid and nonassessable.

This opinion is limited to the present laws of the State of Nevada. We express no opinion as to the laws of any other jurisdiction, of the United States of America, or to any state "Blue Sky" laws and regulations, and no opinion regarding the statutes, administrative decisions, rules and regulations or requirements of any county, municipality or subdivision or other local authority of any jurisdiction.

We do not undertake to advise you or anyone else of any changes in the opinions expressed herein resulting from changes in law, changes in fact or any other matters that hereafter might occur or be brought to our attention.

We hereby consent to the filing of this opinion letter as an exhibit to the Registration Statement and to the reference to us under the heading "Legal Matters" in the prospectus forming part of the Registration Statement and the Prospectus Supplement. In giving such consent, we do not admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations promulgated thereunder.

Very truly yours,



CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the Registration Statement (Form S-8) pertaining to the Employment Agreement dated as of December 30, 2021 between Chembio Diagnostics, Inc. and Lawrence J. Steenvoorden of our report dated March 11, 2021, with respect to the consolidated financial statements of Chembio Diagnostics, Inc. included in its Annual Report (Form 10-K) for the year ended December 31, 2020, filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP

Jericho, New York
January 14, 2022

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Chembio Diagnostics, Inc.
Hauppauge, New York

We hereby consent to the incorporation by reference in the Prospectus constituting a part of this Registration Statement on Form S-8 of our report dated March 13, 2020, relating to the consolidated financial statements of Chembio Diagnostic, Inc. (the “Company”), appearing in the Company’s Annual Report on Form 10-K for the year ended December 31, 2020.

/s/ BDO USA, LLP

Melville, New York
January 14, 2022

NOTICE OF GRANT OF NON-QUALIFIED STOCK OPTION AWARD

CHEMBIO DIAGNOSTICS, INC.

FOR GOOD AND VALUABLE CONSIDERATION, Chembio Diagnostics, Inc. (the “**Company**”) hereby grants to the Grantee designated in this Notice of Grant of Non-qualified Stock Option Award (this “**Notice**”) an option (the “**Option**”) to purchase the number of shares of the Common Stock of the Company set forth in this Notice (the “**Shares**”), subject to the terms and conditions outlined below in this Notice and the additional provisions set forth in the attached Terms and Conditions of Stock Option Award (the “**Terms**”). The Option is being granted to the Grantee as an “employment inducement award” under Nasdaq Listing Rule 5635(c) (4), outside of the Company’s 2019 Omnibus Incentive Plan (the “**Plan**”). Notwithstanding that the Option is being granted outside of the Plan, the Option will be governed in a manner consistent with the terms and conditions of the Plan. When used in this Notice or the Terms, terms defined in the Plan shall have the meanings given to them in the Plan, as modified herein.

Grantee: Lawrence J. Steenvoorden	Type of Award: Non-qualified Stock Option
Exercise Price: \$1.12 per Share	Grant Date: January 5, 2022
Total Number of Shares Granted: 300,000	Expiration Date: January 5, 2029

Vesting Schedule:

The Option shall vest and become exercisable, in accordance with the following schedule, in the event the Grantee does not have a Separation from Service prior to the applicable vesting date: The Shares shall vest and become exercisable in four equal installments as of the first, second, third and fourth anniversaries of the Grant Date, except that vesting will accelerate in full upon (a) the termination of the Grantee’s employment by the Company without Cause (as defined in the Employment Agreement), the termination of the Grantee’s employment by the Grantee for Good Reason (as defined in the Employment Agreement) or the expiration of the Term (as defined in the Employment Agreement) upon notice of nonrenewal delivered by the Company, in each of the foregoing cases within twelve months following a Change in Control (as defined in the Employment Agreement) or (b) the death or Permanent Disability (as defined in the Employment Agreement). For purposes of this paragraph, the “Employment Agreement” shall mean the Employment Agreement, dated as of December 30, 2021 and effective as of January 5, 2022, between the Company and the Grantee. Except for the foregoing, any unvested Shares shall be canceled and forfeited upon a Separation from Service, regardless of the reason (*i.e.*, whether initiated by the Company or the Grantee, and with or without cause).

Exercise After Separation from Service:

Any non-vested portion of the Option expires immediately upon Separation from Service, and any vested portion of the Option remains exercisable for ninety days following the Separation from Service.

IN NO EVENT MAY THE OPTION BE EXERCISED AFTER THE EXPIRATION DATE AS PROVIDED ABOVE.

[Signature page follows]

By signing below, the Grantee agrees that this Non-qualified Stock Option Award is granted under and governed by the terms and conditions of the Employment Agreement, the Plan, this Notice and the Terms.

LAWRENCE J. STEENVOORDEN

CHEMBIO DIAGNOSTICS, INC.

By: _____
Richard L. Eberly
Chief Executive Officer and President

Date: _____

Date: _____

TERMS AND CONDITIONS OF STOCK OPTION AWARD

1. Grant of Option. The Non-qualified Stock Option Award (the “**Option**”) granted by Chembio Diagnostics, Inc. (the “**Company**”) to the person specified as the Grantee (the “**Grantee**”) in the Notice of Grant of Non-qualified Stock Option Award (the “**Notice**”) to which these Terms and Conditions of Stock Option Award (these “**Terms**”) are attached, is subject to the terms and conditions of the Plan, the Notice and these Terms. The terms and conditions of the Plan are incorporated by reference in their entirety into these Terms (the Plan is available upon request). Together, the Notice and these Terms constitute the “**Agreement.**” When used in the Agreement, terms defined in the Plan shall have the meanings given to them in the Plan, as modified herein (if applicable). For purposes of the Agreement, any reference to the Company shall include a reference to any Subsidiary.

The Committee has approved an award of the Option to the Grantee with respect to a number of shares of the Company’s Common Stock as set forth in the Notice, conditioned upon the Grantee’s acceptance of the provisions set forth in the Agreement within thirty days after the Agreement is presented to the Grantee for review.

The Option shall be treated as a Non-qualified Stock Option under the Code.

The Company intends that the Option not be considered to provide for the deferral of compensation under Section 409A and that the Agreement shall be so administered and construed. Further, the Company may modify the Plan and the Option to the extent necessary to fulfill this intent.

2. Exercise of Option.

- (a) The Option shall be exercisable, in whole or in part, during its term in accordance with the Vesting Schedule set out in the Notice and with the applicable provisions of the Plan and the Agreement. No Shares shall be issued pursuant to the exercise of the Option unless the issuance and exercise comply with applicable laws. Assuming such compliance, for income tax purposes the Shares shall be considered transferred to the Grantee on the date on which the Option is exercised with respect to such Shares. Until such time as the Option has been duly exercised and Shares have been delivered, the Grantee shall have no rights as a shareholder of the Company and without limitation of the foregoing shall not be entitled to exercise any voting rights with respect to such Shares and shall not be entitled to receive dividends or other distributions with respect thereto. The Board, in its discretion and pursuant to its administrative authority under Section 3.1 of the Plan, or the Committee, in its discretion and pursuant to such authority delegated by the Board, may (i) accelerate vesting of the Option or (ii) extend the applicable exercise period of the Option.

- (b) The Grantee may exercise the Option by delivering an exercise notice in a form approved by the Company (the “**Exercise Notice**”) that shall state the election to exercise the Option, the number of Shares with respect to which the Option is being exercised, and such other representations and agreements as may be required by the Company. The Exercise Notice shall be accompanied by payment of the aggregate amount of the Exercise Price (as set forth in the Notice) as to all Shares exercised. The Option shall be deemed to be exercised upon receipt by the Company of such fully executed Exercise Notice accompanied by the aggregate Exercise Price.

3. Method of Payment. If the Grantee elects to exercise the Option by submitting an Exercise Notice under Section 2(b) of these Terms, the aggregate Exercise Price (as well as any applicable withholding or other taxes) shall be paid by cash or certified check, *provided* that the Board or the Committee may consent, in its discretion, to payment in any, or a combination, of the following forms:

- (a) cash or certified check;

- (b) a “net exercise” under which the Company reduces the number of shares of Common Stock issued upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate Exercise Price and any applicable withholding, or such other consideration received by the Company under a cashless exercise program approved by the Company in connection with the Plan;
 - (c) surrender of other shares of Common Stock owned by the Grantee that have a Fair Market Value on the date of surrender equal to the aggregate Exercise Price of the exercised Shares and any applicable withholding; or
 - (d) any other consideration the Board or the Committee deems appropriate and in compliance with applicable law.
4. Restrictions on Exercise. The Option may not be exercised if the issuance of the Shares upon exercise or the method of payment of consideration for those Shares would constitute a violation of any applicable law, regulation or Company policy.
5. Non-Transferability of Option. The Option may not be sold, transferred assigned, pledged or otherwise encumbered or disposed of in any manner, otherwise than by will or by the laws of descent or distribution. The Option may be exercised during the lifetime of the Grantee only by the Grantee. The terms of the Plan and the Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of the Grantee.
6. Term of Option. The Option may be exercised only within the term set out in the Notice and may be exercised during such term only in accordance with the Plan and the terms of the Agreement.
7. Withholding.
- (a) Regardless of any action the Company takes with respect to any or all income tax, payroll tax or other tax-related withholding (“**Tax-Related Items**”), the Grantee acknowledges that the ultimate liability for all Tax-Related Items owed by the Grantee is and remains the Grantee’s responsibility and that the Company (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Option, including the grant, vesting or exercise of the Option or the subsequent sale of Shares acquired upon exercise; and (ii) does not commit to structure the terms of the grant or any aspect of the Option to reduce or eliminate the Grantee’s liability for Tax-Related Items.
 - (b) Prior to exercise of the Option, the Grantee shall pay or make adequate arrangements satisfactory to the Company to satisfy all withholding obligations of the Company. In this regard, the Grantee authorizes the Company to withhold all applicable Tax-Related Items legally payable by the Grantee from the Grantee’s wages or other cash compensation paid to the Grantee by the Company or from proceeds of the sale of the Shares. Alternatively, or in addition, to the extent permissible under applicable law, the Company may (i) sell or arrange for the sale of Shares that the Grantee acquires to meet the withholding obligation for Tax-Related Items and/or (ii) withhold Shares otherwise issuable upon exercise of the Option, *provided* that the Company only withholds the number of Shares necessary to satisfy the withholding amount (not to exceed maximum statutory rates). Finally, the Grantee shall pay to the Company any amount of Tax-Related Items that the Company may be required to withhold as a result of the Grantee’s participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue and deliver Shares upon exercise of the Option if the Grantee fails to comply with the Grantee’s obligations in connection with the Tax-Related Items as described in this Section 7.

8. Grantee Representations. The Grantee hereby represents to the Company that the Grantee has read decision to participate in the Plan is completely voluntary. Further, the Grantee acknowledges that the Grantee is relying solely on his or her own advisors with respect to the tax consequences of the Option. The Grantee releases and holds the Company, and its officers, directors, employees, stockholders and agents, harmless from any loss or claim related to or in any way connected with the tax consequences of the Option, including the treatment of the Option under Section 409A.
9. Regulatory Limitations on Exercises. Notwithstanding the other provisions of the Agreement, the Board and the Committee severally shall have the discretion to impose such conditions, restrictions and limitations (including suspending the exercise of the Option and the tolling of any applicable exercise period during such suspension) on the issuance of Common Stock with respect to the Option unless and until the Board or the Committee, as the case may be, determines that such issuance complies with (a) any applicable registration requirements under the Securities Act or the Board or the Committee has determined that an exemption therefrom is available, (b) any applicable listing requirement of any stock exchange on which the Common Stock is listed, (c) any applicable Company policy or administrative rules, and (d) any other applicable provision of state, federal or foreign law, including foreign securities laws where applicable.
10. Miscellaneous.
- (a) Any notice that either party hereto may be required or permitted to give to the other shall be in writing and may be delivered personally, by intraoffice mail, by fax, by electronic mail or other electronic means, or via a postal service, postage prepaid, to such electronic mail or postal address and directed to such person as the Company may notify the Grantee from time to time; and to the Grantee at the Grantee's electronic mail or postal address as shown on the records of the Company from time to time, or at such other electronic mail or postal address as the Grantee, by notice to the Company, may designate in writing from time to time.
- (b) The waiver by any party hereto of a breach of any provision of the Agreement shall not operate or be construed as a waiver of any other or subsequent breach.
- (c) These Terms, the Notice and the Plan constitute the entire agreement between the parties with respect to the subject matter hereof.
- (d) These Terms shall inure to the benefit of and be binding upon the parties hereto and to the extent not prohibited herein, their respective heirs, successors, assigns and representatives. Nothing in these Terms, express or implied, is intended to confer on any person other than the parties hereto and as provided above, their respective heirs, successors, assigns and representatives any rights, remedies, obligations or liabilities.
- (e) The Agreement shall be governed by and construed in accordance with the laws of the State of New York without giving effect to the principles of conflicts of law, *provided* that the provisions set forth therein and herein that are required to be governed by the Delaware General Corporation Law shall be governed by such law. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by the Option or the Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of New York and agreed that any related litigation shall be conducted solely in the courts of Suffolk County, New York or the U.S. federal courts for the District of Eastern New York, where the Plan is made and to be performed.

- (f) The headings contained herein are for the sole purpose of convenience of reference and shall not in any way limit or affect the meaning or interpretation of any of the terms or provisions of these Terms.
- (g) The provisions of the Plan are incorporated in these Terms in their entirety. In the event of any conflict between the provisions of the Notice, these Terms and the Plan, the provisions of the Plan shall control. Further, in the event of any conflict between the provisions of the Agreement and any employment agreement between the parties, the provisions of such employment agreement shall control. The Agreement may be amended at any time by the Board or, to the extent consistent with the Plan, by the Committee, *provided* that no amendment may, without the consent of the Grantee, materially impair the Grantee's rights with respect to the Option.
- (h) Nothing in the Agreement shall confer upon the Grantee any right to continue in the employ or Service of the Company or affect the right of the Company to terminate the Grantee's employment or other Service at any time.
- (i) The Grantee agrees, upon demand of the Company, the Board or the Committee, to do all acts and execute, deliver and perform all additional documents, instruments and agreements that may be reasonably required by the Company, the Board or the Committee, as the case may be, to implement the provisions and purposes of the Agreement and the Plan.

NOTICE OF GRANT OF RESTRICTED STOCK UNIT AWARD

CHEMBIO DIAGNOSTICS, INC.

FOR GOOD AND VALUABLE CONSIDERATION, Chembio Diagnostics, Inc. (the “**Company**”) hereby grants to the Grantee designated in this Notice of Grant of Restricted Stock Unit Award (this “**Notice**”), a restricted stock unit award (the “**RSU**”) with respect to the number of restricted stock units (the “**Units**”) of the Company set forth in this Notice, subject to the terms and conditions outlined below in this Notice and the additional provisions set forth in the attached Terms and Conditions of Restricted Stock Unit Award (the “**Terms**”). The RSU is being granted to the Grantee as an “employment inducement award” under Nasdaq Listing Rule 5635(c)(4), outside of the Company’s 2019 Omnibus Incentive Plan (the “**Plan**”). Notwithstanding that the RSU is being granted outside of the Plan, the RSU will be governed in a manner consistent with the terms and conditions of the Plan. When used in this Notice or the Terms, terms defined in the Plan shall have the meanings given to them in the Plan, as modified herein.

Grantee: Lawrence J. Steenvoorden	Type of Award: Restricted Stock Unit
Total Number of Units: 160,714	Grant Date: January 5, 2022
<p>Purchase Price:</p> <p>Subject to the tax withholding provisions of the Plan and the Terms, the Grantee is not required to pay any purchase price in connection with the RSU, including upon the issuance or delivery of Common Stock after the vesting of Units. The Grantee’s service to the Company is deemed to be the consideration for the Units.</p>	
<p>Vesting Schedule:</p> <p>The Units shall vest in accordance with the following schedule, in the event the Grantee does not have a Separation from Service prior to the applicable vesting date: The Units shall vest and become exercisable in three equal installments as of the first, second and third anniversaries of the Grant Date, except that vesting will accelerate in full upon (a) the termination of the Grantee’s employment by the Company without Cause (as defined in the Employment Agreement), the termination of the Grantee’s employment by the Grantee for Good Reason (as defined in the Employment Agreement) or the expiration of the Term (as defined in the Employment Agreement) upon notice of nonrenewal delivered by the Company, in each of the foregoing cases within twelve months following a Change in Control (as defined in the Employment Agreement) or (b) the death or Permanent Disability (as defined in the Employment Agreement). For purposes of the Units, “vest” shall mean that the Units are no longer subject to forfeiture as set forth above and that the Grantee has become entitled to payment (in accordance with the Terms) of a number of shares of Common Stock equal to the number of Units that have vested. For purposes of this paragraph, the “Employment Agreement” shall mean the Employment Agreement, dated as of December 30, 2021 and effective as of January 5, 2022, between the Company and the Grantee. Except for the foregoing, any unvested Units shall be canceled and forfeited upon a Separation from Service, regardless of the reason (<i>i.e.</i>, whether initiated by the Company or the Grantee, and with or without cause).</p>	

[Signature page follows]

By signing below, the Grantee agrees that this Restricted Stock Unit Award is granted under and governed by the terms and conditions of the Employment Agreement, the Plan, this Notice and the Terms.

LAWRENCE J. STEENVOORDEN

CHEMBIO DIAGNOSTICS, INC.

By: _____
Richard L. Eberly
Chief Executive Officer and President

Date: _____

Date: _____

TERMS AND CONDITIONS OF RESTRICTED STOCK UNIT AWARD

1. **Grant of RSU.** The Restricted Stock Unit Award (the “**RSU**”) granted by Chembio Diagnostics, Inc. (the “**Company**”) to the person specified as the Grantee (the “**Grantee**”) in the Notice of Grant of Restricted Stock Unit Award (the “**Notice**”) to which these Terms and Conditions of Restricted Stock Unit Award (these “**Terms**”) are attached, is subject to the terms and conditions of the Plan, the Notice and these Terms. The terms and conditions of the Plan are incorporated by reference in their entirety into these Terms (the Plan is available upon request). Together, the Notice and these Terms constitute the “**Agreement.**” When used in the Agreement, terms defined in the Plan shall have the meanings given to them in the Plan, as modified herein (if applicable). For purposes of the Agreement, any reference to the Company shall include a reference to any Subsidiary.
 - (a) As of the Grant Date set forth in the Notice, the Company grants to the Grantee the RSU for the Total Number of Restricted Stock Units set forth in the Notice (the “**Units**”). The Units are subject to the restrictions set forth in these Terms and the Plan.
 - (b) Until forfeiture or settlement in shares of Common Stock, the Units shall be reflected in a bookkeeping account maintained by the Company. If and when Units become vested, and upon the satisfaction of all other applicable conditions as to the Units, such Units (and any related Dividend Unit described in Section 1(c) below) shall be settled by payment to the Grantee of a share of Common Stock as provided in Section 1(e) of these Terms and otherwise in accordance with the Plan.
 - (c) With respect to each Unit payable hereunder, whether or not vested, that has not been forfeited (but only to the extent such Unit has not been settled for Common Stock), the Company shall, with respect to any cash dividends paid on the Common Stock, accrue and credit to the Grantee’s bookkeeping account a number of Units having a Fair Market Value as of the date such dividend is paid equal to the cash dividends that would have been paid with respect to such Unit if it were an outstanding share of Common Stock (a “**Dividend Unit**”). These Dividend Units thereafter shall (i) be treated as Units for purposes of future dividend accruals pursuant to this Section 1(c) and (ii) vest and be settled at the same time as the Unit with respect to which such Dividend Units were received (and be subject to the same terms and conditions as the Units with respect to which such Dividend Units were received). Any dividends or distributions on Common Stock paid other than in cash shall accrue in the Grantee’s bookkeeping account and shall vest and be settled at the same time as the Units in respect of which it is made (in each case in the same form, based on the same record date and at the same time, as such dividend or other distribution is paid on such Common Stock).
 - (d) The Company’s obligations under the Agreement (for the avoidance of doubt, with respect to both the Units and the Dividend Units, if any) shall be unfunded and unsecured, and no special or separate fund shall be established and no other segregation of assets shall be made. The rights of Grantee under the Agreement shall be no greater than those of a general unsecured creditor of the Company. In addition, the Units shall be subject to such restrictions as the Company may deem advisable under the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange upon which Common Stock is then listed, any Company policy and any applicable federal or state securities law.
 - (e) Except as otherwise provided in the Agreement, settlement of the Units (to the extent vested) shall be made as soon as practicable after the relevant vesting date (but in no event following March 15 of the calendar year following the year of vesting), and upon the satisfaction of all other applicable conditions as to the Units (including the payment by the Grantee of all applicable withholding taxes). The Units shall be settled solely in shares of Common Stock.
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2. Restrictions.

- (a) The Grantee shall have no rights as a stockholder of the Company by virtue of any Unit unless and until such Unit vests and a resulting share or shares of Common Stock are issued to the Grantee (any such shares of Common Stock being issued in settlement of Units being referred to as “Shares”).
- (b) Neither the RSU nor any of the Units may be sold, assigned, transferred (other than by will or the laws of descent and distribution, or to an inter vivos trust with respect to which the Grantee is treated as the owner under Sections 671 through 677 of the Code), pledged, hypothecated, or otherwise encumbered or disposed of.
- (c) Any attempt to dispose of the RSU, the Units or any interest in the Units in a manner contrary to the restrictions set forth in these Terms shall be void and of no effect.

3. Forfeiture. Except as set forth under “Vesting Schedule” in the Notice, if (i) prior to vesting, the Company terminates the Grantee’s employment without Cause (as defined in the Employment Agreement between the Company and the Grantee, effective as of [DATE], or the “Employment Agreement”), (ii) prior to vesting, the Grantee terminates his employment with the Company without Good Reason (as defined in the Employment Agreement), (iii) prior to vesting, there occurs a material breach of the Agreement by the Grantee, or (iv) the Grantee fails to meet the tax withholding obligations described in these Terms, all rights of the Grantee to the Units that have not vested as of the date of such event shall terminate immediately and be forfeited in their entirety.

4. Withholding.

- (a) Regardless of any action the Company takes with respect to any or all income tax, payroll tax or other tax-related withholding (“**Tax-Related Items**”), the Grantee acknowledges that the ultimate liability for all Tax-Related Items owed by the Grantee is and remains the Grantee’s responsibility and that the Company (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the RSU, including the grant, vesting or exercise of the RSU or the subsequent sale of Shares and (ii) does not commit to structure the terms of the grant or any aspect of the RSU to reduce or eliminate the Grantee’s liability for Tax-Related Items.
- (b) Prior to vesting of Units, the Grantee shall pay or make adequate arrangements satisfactory to the Company to satisfy all withholding obligations of the Company. In this regard, the Grantee authorizes the Company to withhold all applicable Tax-Related Items legally payable by the Grantee from the Grantee’s wages or other cash compensation paid to the Grantee by the Company or from proceeds of the sale of Shares. Alternatively, or in addition, to the extent permissible under applicable law, the Company may (i) sell or arrange for the sale of Shares that the Grantee acquires to meet the withholding obligation for Tax-Related Items and/or (ii) withhold Shares otherwise issuable upon exercise of the RSU, *provided* that the Company only withholds the number of Shares necessary to satisfy the withholding amount (not to exceed maximum statutory rates). Finally, the Grantee shall pay to the Company any amount of Tax-Related Items that the Company may be required to withhold as a result of the Grantee’s participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue and deliver Shares upon exercise of the RSU if the Grantee fails to comply with the Grantee’s obligations in connection with the Tax-Related Items as described in this Section 4.

5. Committee's Discretion. Notwithstanding any provision of these Terms to the contrary, the Committee shall have discretion under the Plan to waive any forfeiture of the Units as set forth in Section 3 of these Terms and any other conditions set forth in these Terms.
6. Grantee Representations. The Grantee hereby represents to the Company that the Grantee has read and fully understands the provisions of the Notice, these Terms and the Plan and the Grantee's decision to participate in the Plan is completely voluntary. Further, the Grantee acknowledges that the Grantee is relying solely on the Grantee's own advisors with respect to the tax consequences of this award. The Grantee releases and holds the Company, and its officers, directors, employees, stockholders and agents, harmless from any loss or claim related to or in any way connected with the tax consequences of the RSU, including the treatment of the RSU under Section 409A.
7. Regulatory Restrictions on Units. Notwithstanding the other provisions of the Agreement, the Committee shall have the discretion to impose such conditions, restrictions and limitations (including suspending the vesting of Units) on the issuance of Shares in connection with the RSU under the Plan unless and until the Committee determines that such issuance complies with (a) any applicable registration requirements under the Securities Act or the Committee has determined that an exemption therefrom is available, (b) any applicable listing requirement of any stock exchange on which the Common Stock is listed, (c) any applicable Company policy or administrative rules, and (d) any other applicable provision of state, federal or foreign law, including foreign securities laws where applicable.
8. Miscellaneous.
 - (a) Any notice that either party hereto may be required or permitted to give to the other shall be in writing and may be delivered personally, by intraoffice mail, by fax, by electronic mail or other electronic means, or via a postal service, postage prepaid, to such electronic mail or postal address and directed to such person as the Company may notify the Grantee from time to time; and to the Grantee at the Grantee's electronic mail or postal address as shown on the records of the Company from time to time, or at such other electronic mail or postal address as the Grantee, by notice to the Company, may designate in writing from time to time.
 - (b) The waiver by any party hereto of a breach of any provision of the Agreement shall not operate or be construed as a waiver of any other or subsequent breach.
 - (c) These Terms, the Notice and the Plan constitute the entire agreement between the parties with respect to the subject matter hereof.
 - (d) These Terms shall inure to the benefit of and be binding upon the parties hereto and to the extent not prohibited herein, their respective heirs, successors, assigns and representatives. Nothing in these Terms, express or implied, is intended to confer on any person other than the parties hereto and as provided above, their respective heirs, successors, assigns and representatives any rights, remedies, obligations or liabilities.

- (e) The Agreement shall be governed by and construed in accordance with the laws of the State of New York without giving effect to the principles of conflicts of law, *provided* that the provisions set forth therein and herein that are required to be governed by the Delaware General Corporation Law shall be governed by such law. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by the RSU or the Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of New York and agreed that any related litigation shall be conducted solely in the courts of Suffolk County, New York or the U.S. federal courts for the District of Eastern New York, where the Plan is made and to be performed.
- (f) The headings contained herein are for the sole purpose of convenience of reference, and shall not in any way limit or affect the meaning or interpretation of any of the terms or provisions of these Terms.
- (g) The provisions of the Plan are incorporated in these Terms in their entirety. In the event of any conflict between the provisions of the Notice, these Terms and the Plan, the provisions of the Plan shall control. Further, in the event of any conflict between the provisions of the Agreement and any employment agreement between the parties (including the Employment Agreement), the provisions of such employment agreement shall control. The Agreement may be amended at any time by the Board or, to the extent consistent with the Plan, by the Committee, *provided* that no amendment may, without the consent of the Grantee, materially impair the Grantee's rights with respect to the RSU.
- (h) Nothing in the Agreement shall confer upon the Grantee any right to continue in the employ or Service of the Company or affect the right of the Company to terminate the Grantee's employment or other Service at any time.
- (i) The Grantee agrees, upon demand of the Company, the Board or the Committee, to do all acts and execute, deliver and perform all additional documents, instruments and agreements that may be reasonably required by the Company, the Board or the Committee, as the case may be, to implement the provisions and purposes of the Agreement and the Plan.