

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

HCI Group, Inc.

Form: 8-K

Date Filed: 2021-03-04

Corporate Issuer CIK: 1400810

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

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities and Exchange Act of 1934**

Date of Report (or Date of Earliest Event Reported): February 26, 2021

HCI Group, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Florida
**(State or Other Jurisdiction
of Incorporation or Organization)**

001-34126
(Commission File Number)

20-5961396
**(I.R.S. Employer
Identification Number)**

**5300 West Cypress Street, Suite 100
Tampa, Florida 33607**
(Address of Principal Executive Offices)

(813) 405-3600
(Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

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

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

Emerging growth company

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	HCI	NYSE

Item 1.01 Entry into a Material Definitive Agreement

On February 26, 2021, we amended our employment agreement with our chief executive officer to reduce his annual salary from \$950,000 to \$250,000. However, Mr. Patel received and will receive other compensation, including compensation from an affiliate corporation. See item 5.02(e) below.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Item 5.02(b) Departure of Directors or Certain Officers

On February 26, 2021, our directors Jim Macchiarola and Loreen Spencer resigned from the board of directors. Mr. Macchiarola will continue to serve as a director of our affiliate, TypTap Insurance Group, Inc. Ms. Spencer was appointed to that same board.

Item 5.02(c) Appointment of Certain Officers

On February 26, 2021, our board of directors promoted Karin Coleman from Executive Vice President of the company to Chief Operating Officer. Ms. Coleman also serves as president of our insurance subsidiary, Homeowners Choice Property & Casualty Insurance Company, Inc.

Item 5.02(d) Election of Directors

On February 26, 2021, our board of directors elected Eric Hoffman to the board of directors as a Class A Director. His term will expire at our next annual shareholders meeting. Mr. Hoffman, age 34, is a managing director of Centerbridge Partners, L.P., a New York based private investment firm. He joined Centerbridge in 2010 and focuses primarily on investments in the financial services sector. Mr. Hoffman's investment experience encompasses financial institutions, insurance and specialty finance companies including automotive, aviation and renewable energy. Prior to joining Centerbridge, he was an Analyst at The Blackstone Group. Mr. Hoffman currently serves on the boards of directors of Amedeo Capital Limited and Voyager Aviation Holdings LLC. Previously, Mr. Hoffman served on the boards of directors of Root Insurance Company (as an observer) and Pocahontas Parkway. He also serves on the board of directors of the Beginning with Children Foundation, an education-focused non-profit organization. Mr. Hoffman graduated *summa cum laude* with a Bachelor of Science in Economics (concentration in finance and insurance) from the Wharton School at the University of Pennsylvania.

Mr. Hoffman was appointed as a director pursuant to an agreement between us, our affiliate TypTap Insurance Group, Inc. and Centerbridge Partners, L.P. as described on our Form 8-K filed March 1, 2021.

In addition, on the same date, our board of directors elected Karin Coleman, age 60, to the board as a Class A Director. Her term will expire at our next annual shareholders meeting. Ms. Coleman is the president of our insurance subsidiary, Homeowners Choice Property & Casualty Insurance Company, Inc., and as stated above in Item 5.02(c) is our Chief Operating Officer. She joined the company in 2009 as vice president of corporate services. During her

tenure she has overseer strategic initiatives, human resources, regulatory and legislative affairs, vendor management and community relations. Prior to joining HCI, Ms. Coleman served nine years as vice president of strategic alliances of Take Stock in Children, located in Miami, Florida, the state's largest public-private partnership providing college access and assistance to at-risk children. Previously, she served in various corporate roles over 13 years at Florida Progress Corporation (NYSE: FPC), a Fortune 500 diversified holding company operating electric energy, and energy transportation companies, now part of Duke Energy. Ms. Coleman holds a Bachelor of Arts degree in International Studies from the University of South Florida and is a certified senior professional in human resources. No arrangement or understanding exists between Ms. Coleman and anyone else pursuant to which she was selected as director.

Item 5.02(e) Compensatory Arrangements of Certain Officers

On February 26, 2021, our compensation committee established new annual salaries for certain of our executives, including “named executive officers,” as set forth below.

Name and office	Annual Salary
Paresh Patel, chief executive officer	\$250,000
Karin Coleman, chief operating officer	\$400,000
Andrew L. Graham, general counsel	\$300,000
James Mark Harmsworth, chief financial officer	\$350,000
Anthony Saravanos, president—real estate division	\$300,000

Mr. Patel will also receive an annual salary of \$350,000 from our affiliate, TypTap Insurance Group, Inc., for which he serves as chief executive officer.

On February 26, 2021, certain of our executives, including “named executive officers,” were awarded restricted common shares in the company as set forth below.

Name and office	Restricted Stock
Paresh Patel, chief executive officer	20,000
Karin Coleman, chief operating officer	71,000
Andrew L. Graham, general counsel	71,000
James Mark Harmsworth, chief financial officer	71,000
Anthony Saravanos, president—real estate division	71,000

In the case of Mr. Patel, 10,000 shares will vest one year after the market value per share of HCI stock equals or exceeds \$105 for 30 consecutive trading days; and 10,000 shares will vest one year after the market value per share of HCI stock equals or exceeds \$140 for 30 consecutive trading days. The shares awarded to the other executive officers will vest in three tranches: (i) 3,000 shares will vest in equal installments over four years; (ii) 34,000 shares will vest one year after the market value per share of HCI stock equals or exceeds \$105 for 30 consecutive trading days; and (iii) 34,000 shares will vest one year after the market value per share of HCI stock equals or exceeds \$140 for 30 consecutive trading days.

Mr. Patel was also awarded 1,480,935 restricted shares by our affiliate, TypTap Insurance Group, Inc. The shares will vest in three tranches: (i) 206,215 shares will vest in equal installments over four years; (ii) 642,060 shares will vest one year after the market value per share of TypTap stock equals or exceeds \$15 for 30 consecutive trading days; and (iii) 632,660 shares will vest one year after the market value per share of TypTap stock equals or exceeds \$20 for 30 consecutive trading days.

Item 9.01 Exhibits.

[Exhibit 10.50 Paresh Patel HCI Restricted Stock Award Agreement](#)

[Exhibit 10.51 Paresh Patel TypTap Restricted Stock Award Agreement](#)

[Exhibit 10.52 Form of Executive Restricted Stock Award](#)

Exhibit 104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

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

Dated: March 4, 2021.

HCI GROUP, INC.

BY: /s/ James Mark Harmsworth
Name: James Mark Harmsworth
Title: Chief Financial Officer

A signed original of this Form 8-K has been provided to HCI Group, Inc. and will be retained by HCI Group, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 10.50

**HCI GROUP, INC.
2012 OMNIBUS INCENTIVE PLAN
RESTRICTED STOCK AWARD CONTRACT**

Paresh Patel
5300 W Cypress Street,
Suite 300
Tampa, FL 33607

Dear Paresh Patel:

You have been granted a Restricted Stock award for shares of common stock of HCI Group, Inc. (the "Company") under the HCI Group, Inc. 2012 Omnibus Incentive Plan, as amended (the "Plan") with the following terms and conditions. For the purposes of this contract "Restricted Shares" means Restricted Stock awarded pursuant to the Plan and this contract.

Grant Date: February 26, 2021

Number of Shares: 20,000 Shares

Vesting Schedule:

The Restricted Shares will be subject to a Restriction Period. Your Restriction Period will lapse and your Restricted Shares will vest as follows:

- 10,000 of the Restricted Shares will vest, if ever, on the first anniversary of the date on which the Company Stock Value first equals or exceeds \$105 for 30 consecutive trading days on the Applicable Exchange, provided that you have been continuously employed by or in the service of the Company or an Affiliate through and including such vesting date.
- 10,000 of the Restricted Shares will vest, if ever, on the first anniversary of the date on which the Company Stock Value first equals or exceeds \$140 for 30 consecutive trading days on the Applicable Exchange, provided that you have been continuously employed by or in the service of the Company or an Affiliate through and including such vesting date.

The lapse of your Restriction Period and vesting may be suspended or delayed as a result of a leave of absence.

Form of Issuance:

The Company will instruct its transfer agent to evidence the Restricted Shares by electronic entry on the transfer agent's books and to indicate the Restriction Period (and any other restrictions the Company may require to ensure compliance with the Securities Act and state and other securities laws) and the risks of forfeiture within those book entries. Upon the lapse of a Restriction Period, provided you have paid applicable withholding taxes, the Company will instruct the transfer agent to deliver the applicable shares, without restriction, to a brokerage account established in your name.

Transferability of
Restricted Shares:

You may not assign, sell, transfer, pledge, encumber or otherwise alienate or hypothecate any of your Restricted Shares until they are vested. In addition, by accepting this Award, you agree not to sell any Restricted Shares acquired under this Award at a time when applicable laws, Company policies or any agreement between the Company and its underwriters prohibits a sale. You will not sell your shares except during an open trading window as described in the Company's Insider Trading Policy.

Forfeiture

Unvested Restricted Shares will be forfeited when your service to the Company ends. For this purpose, service to an Affiliate is deemed to be service to the Company. All unvested Restricted Shares will immediately and automatically be forfeited on the sixth anniversary of the Grant Date. Forfeiture may also occur under other circumstances described in the Plan.

Voting and Dividends:

You may exercise full voting rights and will receive all dividends and other distributions paid with respect to the Restricted Shares, in each case so long as the applicable record date occurs before you forfeit such Shares. If, however, any such dividends or distributions are paid in Shares, such Shares will be subject to the same risk of forfeiture, restrictions on transferability and other terms of this Award as are the Restricted Stock with respect to which they were paid. Dividends on unvested Restricted Shares will be treated as wages for federal income tax purposes and will therefore be subject to federal income tax, Social Security tax, and Medicare tax withholdings.

Tax Withholding:

You understand that you (and not the Company or any Affiliate) will be responsible for your own federal, state, local or foreign tax liability and any of your other tax consequences that may arise as a result of the transactions contemplated by this Award. You shall rely solely on the determinations of your tax advisors or your own determinations, and not on any statements or representations by the Company or any Affiliate or agents, with regard to all such tax matters. You may be able to alter the tax consequences of the acquisition of the Shares by filing an election under Section 83(b) of the Internal Revenue Code of 1986, as amended (the "Code"). Such election may be filed only within thirty (30) days after the date of this Award. You should consult with your tax advisor to determine the tax consequences of acquiring the Shares and the advantages and disadvantages of filing the Code Section 83(b) election. You acknowledge that it is your sole responsibility, and not the Company's or any Affiliate, to file a timely election under Code Section 83(b), even if you request the Company or its representatives make this filing on your behalf.

To the extent that the receipt of the Restricted Stock or the vesting of the Restricted Stock results in income to you for Federal, state or local income tax purposes, you will surrender to the Company at the time the Company or any Affiliate is obligated to withhold taxes in connection with such receipt or vesting, as the case may be, such number of Restricted Shares as the Company or any Affiliate requires to meet its withholding obligation under applicable tax laws or regulations, and if you fail to do so, the Company and any Affiliate has the right and authority to deduct or withhold from other compensation payable to you an amount sufficient to satisfy its withholding obligations. The number of Restricted Shares to be surrendered will be based of the aggregate Fair Market Value on the date the withholding is to be determined. In the Company's discretion, you may surrender additional shares to increase your payroll tax deductions using an alternate method prescribed by the Internal Revenue Service. A request for withholding of shares to satisfy payroll taxes exceeding the minimum requirements must be delivered to the Company's general counsel at least five business days before any vesting date.

Miscellaneous:

This Restricted Stock Award may be amended only by written consent signed by you and the Company, except if the amendment is not to your detriment or as otherwise permitted by the terms of the Plan.

As a condition of the granting of this Award, you agree, for yourself and your legal representatives or guardians, that this contract and the Plan shall be interpreted by the Committee and that any interpretation by the Committee of the terms of this contract or the Plan and any determination made by the Committee pursuant to this contract or the Plan shall be final, binding and conclusive.

This contract may be executed in counterparts.

This Restricted Stock Award is granted under and governed by the terms and conditions of the Plan. Additional provisions regarding your Award and definitions of capitalized terms used and not defined in this Award can be found in the Plan.

BY SIGNING BELOW AND ACCEPTING THIS RESTRICTED STOCK AWARD, YOU AGREE TO ALL OF THE TERMS AND CONDITIONS DESCRIBED HEREIN AND IN THE PLAN. YOU ALSO ACKNOWLEDGE THAT YOU HAVE READ THIS AGREEMENT, THE PLAN AND THE PROSPECTUS DESCRIBING THE PLAN.

By: _____
Andrew L. Graham, Secretary

Paresh Patel

TYPTAP INSURANCE GROUP, INC.
2021 EQUITY INCENTIVE PLAN
RESTRICTED STOCK AWARD

Paresh Patel
5300 W Cypress Street,
Suite 300
Tampa, FL 33607

Dear Paresh Patel:

You have been granted an award of shares of the common stock ("Common Stock") of TypTap Insurance Group, Inc. (the "Company") constituting a Restricted Stock Award (this "Award") under the TypTap Insurance Group, Inc. 2021 Equity Incentive Plan (the "Plan") with terms and conditions described below. This Award is granted under and governed by the terms and conditions of the Plan. Additional provisions regarding this Award and definitions of capitalized terms used and not defined in this Award can be found in the Plan.

Grant Date: February 26, 2021

Number of Shares of Restricted Stock 1,480,935
("Restricted Shares"):

- 206,215 of the Restricted Shares (the "Time-Vested Shares") will vest as follows: one-fourth of the Time-Vested Shares will vest on February 26, 2022, one-fourth of the Time-Vested Shares will vest February 26, 2023, one-fourth of the Time-Vested Shares will vest on February 26, 2024, and one-fourth of the Time-Vested Shares will vest on February 26, 2025; provided that, on each such vesting date, you have been continuously employed by or in the service of the Company or an Affiliate through and including such date.
- 642,060 of the Restricted Shares will vest, if ever, on the first anniversary of the date on which the Company Stock Value (as defined below) first equals or exceeds \$15.00 for 30 consecutive trading days on the Applicable Exchange (or, if the Common Stock is not traded on an Applicable Exchange, the first anniversary of the Applicable Valuation Date (as defined below) on which the Company Stock Value first equals or exceeds \$15.00, as evidenced by a Written Determination), provided that you have been continuously employed by or in the service of the Company or an Affiliate through and including such vesting date.
- 632,660 of the Restricted Shares will vest, if ever, on the first anniversary of the date on which the Company Stock Value first equals or exceeds \$20.00 for 30 consecutive trading days on the Applicable Exchange (or, if the Common Stock is not traded on an Applicable Exchange, the first anniversary of the Applicable Valuation Date (as defined below) on which the Company Stock Value first equals or exceeds \$20.00, as evidenced by a Written Determination), provided that you have been continuously employed by or in the service of the Company or an Affiliate through and including such vesting date.

All unvested Restricted Shares will immediately and automatically be forfeited on the sixth anniversary of the Grant Date. Other events of forfeiture appear in this Award and in the Plan.

For purposes of this Award, the term "Company Stock Value" means (i) if the Company Stock Value is being measured on or following the date on which Company's Common Stock is traded on an Applicable Exchange, then the Company Stock Value will be the closing price of the Company's Common Stock on the Applicable Exchange, or (ii) if the Company's Common Stock is not then traded on an Applicable Exchange, then the Company Stock Value will be equal to the fair market value of a share of Common Stock as will be determined in writing by the Administrator as of a valuation date specified by the Administrator (the "Applicable Valuation Date"), which determination will be made specifically for the purpose of determining whether a vesting condition hereunder is satisfied (a "Written Determination"). For purposes of foregoing clause (ii), the determination of fair market value will assume that all outstanding preferred shares are converted into Common Stock in accordance with the conversion terms thereof immediately prior to the Applicable Valuation Date, and such determination will be made without valuation discounts for lack of marketability or lack of control (or similar discounts).

The foregoing share numbers and Company Stock Value numbers will be subject to adjustment by the Board or Administrator to take into account stock dividends or any subdivisions or combinations of the Common Stock by the Company that occur following the Grant Date.

Notwithstanding the foregoing, the Restricted Shares will vest in full upon a Change in Control, if you are continuously employed with, or in the service of, the Company or an Affiliate thereof through the date of the Change in Control.

Termination of Employment:

Upon your termination of employment with, or cessation of services to, the Company or an Affiliate thereof prior to the date the Restricted Shares are vested, you will forfeit the unvested Restricted Shares.

Release of Shares:

The Restricted Shares will be held in an account at the Company's transfer agent pending vesting (or in an account on the Company's stock book at such time that the Company does not have a transfer agent). As soon as practicable after any Restricted Shares vest, the applicable restrictions on the Restricted Shares will be removed and such Shares will be issued according to your instructions.

Transferability of
Restricted Shares:

You may not sell, transfer or otherwise alienate or hypothecate any of your Restricted Shares until they are vested. In addition, by accepting this Award, you agree not to sell any Shares acquired under this Award other than as set forth in the Plan and at a time when applicable laws, Company policies or an agreement between the Company and its underwriters do not prohibit a sale. The Company also may require you to enter into a shareholder's agreement (or similar agreement) that will include additional restrictions on the transfer of Shares acquired under this Award that will remain effective after such Shares have vested.

Voting and Dividends:

While the Restricted Shares are subject to forfeiture, you may exercise full voting rights and will be entitled all dividends and other distributions paid with respect to the Restricted Shares, in each case so long as the applicable record date occurs before you forfeit the Restricted Shares; provided that any dividends and distributions other than cash dividends will be held in the custody of the Company and will be subject to the same risk of forfeiture, restrictions on transferability and other terms of this Award that apply to the Restricted Shares with respect to which such distributions were made. All such non-cash dividends or other distributions will be paid to you within 45 days following the full vesting of the Restricted Shares with respect to which such distributions were made.

Transferability of Award:

You may not transfer or assign this Award for any reason, other than as set forth in the Plan. Any attempted transfer or assignment will be null and void.

Market Stand-Off:

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

You understand that you (and not the Company or any Affiliate) will be responsible for your own federal, state, local or foreign tax liability and any other tax consequences that may arise as a result of the transactions contemplated by this Award. You will rely solely on the determinations of your tax advisors or your own determinations, and not on any statements or representations by the Company or any of its agents, with regard to all such tax matters. You understand that you may alter the tax treatment of the Shares subject to this Award by filing an election under Section 83(b) of the Internal Revenue Code of 1986, as amended (the "Code"). Such election must be filed within thirty (30) days after the date of this Award to be effective. **You should consult with your tax advisor to determine the tax consequences of acquiring the Shares and the advantages and disadvantages of filing the Code Section 83(b) election. You acknowledge that it is your sole responsibility, and not the Company's, to file a timely election under Code Section 83(b), even if you request the Company or its representatives to make this filing on your behalf.**

To the extent that the receipt or the vesting of the Restricted Shares, or the payment of dividends on the Restricted Shares, results in income to you for federal, state or local income tax purposes, except as otherwise provided in the following paragraph, you will deliver to the Company at the time the Company is obligated to withhold taxes in connection with such receipt, vesting or payment, as the case may be, such amount as the Company requires to meet its withholding obligation under applicable tax laws or regulations. If you fail to do so, the Company has the right and authority to deduct or withhold from other compensation payable to you (including Restricted Shares as described in the following paragraph) an amount sufficient to satisfy its withholding obligations or to delay delivery of the shares.

If you do not make an election under Code Section 83(b) in connection with this Award and only if permitted by the Company, you may satisfy the withholding requirement in connection with the vesting of the Restricted Shares, in whole or in part, by electing to have the Company withhold for its own account the number of Restricted Shares that would otherwise be released to you on the date the tax is to be determined having an aggregate Fair Market Value (on the date the tax is to be determined) equal to the tax that the Company must withhold in connection with the vesting of such Restricted Shares. The Fair Market Value of any fractional Share not used to satisfy the withholding obligation (as determined on the date the tax is determined) will be paid to you in cash.

Miscellaneous:

- This Award may be amended only by written consent signed by both you and the Company, unless the amendment is not to your detriment. Notwithstanding the foregoing, this Award may be amended or terminated by the Board or the Committee without your consent in accordance with the provisions of the Plan.
- The failure of the Company to enforce any provision of this Award at any time will in no way constitute a waiver of such provision or of any other provision hereof.
- In the event any provision of this Award is held illegal or invalid for any reason, such illegality or invalidity will not affect the legality or validity of the remaining provisions of this Award, and this Award will be construed and enforced as if the illegal or invalid provision had not been included in this Award.
- As a condition to the grant of this Award, you agree (with such agreement being binding upon your legal representatives, guardians, legatees or beneficiaries) that this Award will be interpreted by the Committee and that any interpretation by the Committee of the terms of this Award or the Plan, and any determination made by the Committee pursuant to this Award or the Plan, will be final, binding and conclusive.
- This Award may be executed in counterparts.

BY SIGNING BELOW AND ACCEPTING THIS RESTRICTED STOCK AWARD, YOU AGREE TO ALL OF THE TERMS AND CONDITIONS DESCRIBED HEREIN AND IN THE PLAN. YOU ALSO ACKNOWLEDGE RECEIPT OF THE PLAN.

TYPTAP INSURANCE GROUP, INC.

By: _____
Brook Baker, Secretary

Paresh Patel

HCI GROUP, INC.
2012 OMNIBUS INCENTIVE PLAN
RESTRICTED STOCK AWARD CONTRACT

Dear _____:

You have been granted a Restricted Stock award for shares of common stock of HCI Group, Inc. (the "Company") under the HCI Group, Inc. 2012 Omnibus Incentive Plan, as amended (the "Plan") with the following terms and conditions. For the purposes of this contract "Restricted Shares" means Restricted Stock awarded pursuant to the Plan and this contract.

Grant Date: February 26, 2021

Number of Shares: 71,000 Shares

Vesting Schedule:

The Restricted Shares will be subject to a Restriction Period. Your Restriction Period will lapse and your Restricted Shares will vest as follows:

- 3,000 of the Restricted Shares (the "Time-Vested Shares") will vest as follows (date of value February 25, 2021): one-fourth of the Time-Vested Shares will vest on February 26, 2022, one-fourth of the Time-Vested Shares will vest on February 26, 2023, one-fourth of the Time-Vested Shares will vest on February 26, 2024, and one-fourth of the Time-Vested Shares will vest on February 26, 2025; provided that, on each such vesting date, you have been continuously employed by or in the service of the Company or an Affiliate through and including such date. Fractional shares will be rounded down to the nearest whole number until the last vesting date.
- 34,000 of the Restricted Shares will vest, if ever, on the first anniversary of the date on which the Company Stock Value first equals or exceeds \$105 for 30 consecutive trading days on the Applicable Exchange, provided that you have been continuously employed by or in the service of the Company or an Affiliate through and including such vesting date.
- 34,000 of the Restricted Shares will vest, if ever, on the first anniversary of the date on which the Company Stock Value first equals or exceeds \$140 for 30 consecutive trading days on the Applicable Exchange, provided that you have been continuously employed by or in the service of the Company or an Affiliate through and including such vesting date.

The lapse of your Restriction Period and vesting may be suspended or delayed as a result of a leave of absence.

Form of Issuance: The Company will instruct its transfer agent to evidence the Restricted Shares by electronic entry on the transfer agent's books and to indicate the Restriction Period (and any other restrictions the Company may require to ensure compliance with the Securities Act and state and other securities laws) and the risks of forfeiture within those book entries. Upon the lapse of a Restriction Period, provided you have paid applicable withholding taxes, the Company will instruct the transfer agent to deliver the applicable shares, without restriction, to a brokerage account established in your name.

Transferability of Restricted Shares: You may not assign, sell, transfer, pledge, encumber or otherwise alienate or hypothecate any of your Restricted Shares until they are vested. In addition, by accepting this Award, you agree not to sell any Restricted Shares acquired under this Award at a time when applicable laws, Company policies or any agreement between the Company and its underwriters prohibits a sale. You will not sell your shares except during an open trading window as described in the Company's Insider Trading Policy.

Forfeiture Unvested Restricted Shares will be forfeited when your service to the Company ends. For this purpose, service to an Affiliate is deemed to be service to the Company. All unvested Restricted Shares will immediately and automatically be forfeited on the sixth anniversary of the Grant Date. Forfeiture may also occur under other circumstances described in the Plan.

Voting and Dividends: You may exercise full voting rights and will receive all dividends and other distributions paid with respect to the Restricted Shares, in each case so long as the applicable record date occurs before you forfeit such Shares. If, however, any such dividends or distributions are paid in Shares, such Shares will be subject to the same risk of forfeiture, restrictions on transferability and other terms of this Award as are the Restricted Stock with respect to which they were paid. Dividends on unvested Restricted Shares will be treated as wages for federal income tax purposes and will therefore be subject to federal income tax, Social Security tax, and Medicare tax withholdings.

Tax Withholding: You understand that you (and not the Company or any Affiliate) will be responsible for your own federal, state, local or foreign tax liability and any of your other tax consequences that may arise as a result of the transactions contemplated by this Award. You shall rely solely on the determinations of your tax advisors or your own determinations, and not on any statements or representations by the Company or any Affiliate or agents, with regard to all such tax matters. You may be able to alter the tax consequences of the acquisition of the Shares by filing an election under Section 83(b) of the Internal Revenue Code of 1986, as amended (the "Code"). Such election may be filed only within thirty (30) days after the date of this Award. You should consult with your tax advisor to determine the tax consequences of acquiring the Shares and the advantages and disadvantages of filing the Code Section 83(b) election. You acknowledge that it is your sole responsibility, and not the Company's or any Affiliate, to file a timely election under Code Section 83(b), even if you request the Company or its representatives make this filing on your behalf.

To the extent that the receipt of the Restricted Stock or the vesting of the Restricted Stock results in income to you for Federal, state or local income tax purposes, you will surrender to the Company at the time the Company or any Affiliate is obligated to withhold taxes in connection with such receipt or vesting, as the case may be, such number of Restricted Shares as the Company or any Affiliate requires to meet its withholding obligation under applicable tax laws or regulations, and if you fail to do so, the Company and any Affiliate has the right and authority to deduct or withhold from other compensation payable to you an amount sufficient to satisfy its withholding obligations. The number of Restricted Shares to be surrendered will be based of the aggregate Fair Market Value on the date the withholding is to be determined. In the Company's discretion, you may surrender additional shares to increase your payroll tax deductions using an alternate method prescribed by the Internal Revenue Service. A request for withholding of shares to satisfy payroll taxes exceeding the minimum requirements must be delivered to the Company's general counsel at least five business days before any vesting date.

Miscellaneous:

This Restricted Stock Award may be amended only by written consent signed by you and the Company, except if the amendment is not to your detriment or as otherwise permitted by the terms of the Plan.

As a condition of the granting of this Award, you agree, for yourself and your legal representatives or guardians, that this contract and the Plan shall be interpreted by the Committee and that any interpretation by the Committee of the terms of this contract or the Plan and any determination made by the Committee pursuant to this contract or the Plan shall be final, binding and conclusive.

This contract may be executed in counterparts.

This Restricted Stock Award is granted under and governed by the terms and conditions of the Plan. Additional provisions regarding your Award and definitions of capitalized terms used and not defined in this Award can be found in the Plan.

BY SIGNING BELOW AND ACCEPTING THIS RESTRICTED STOCK AWARD, YOU AGREE TO ALL OF THE TERMS AND CONDITIONS DESCRIBED HEREIN AND IN THE PLAN. YOU ALSO ACKNOWLEDGE THAT YOU HAVE READ THIS AGREEMENT, THE PLAN AND THE PROSPECTUS DESCRIBING THE PLAN.

By: _____
Paresh Patel, Chief Executive Officer
