

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (date of earliest event reported): May 24, 2022

**REX AMERICAN RESOURCES
CORPORATION**

(Exact name of registrant as specified in its charter)

Commission File Number 001-09097

Delaware

31-1095548

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer
Identification No.)

7720 Paragon Rd.
Dayton, Ohio 45459

(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: (937) 276-2931

N/A

(Former name or former address, if changed since last report)

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))

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

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.01 par value	REX	New York Stock Exchange

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

Emerging growth company

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

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

In February, 2022, the Compensation Committee (the “Compensation Committee”) of the Board of Directors (the “Board”) of REX American Resources Corporation (the “Company”) engaged Pearl Meyer & Partners LLC (“Pearl Meyer”) to assess the compensation payable to the Company’s named executive officers and non-employee directors and make recommendations for market-based adjustments.

Following its review of Pearl Meyer’s recommendations, on May 24, 2022, the Compensation Committee approved and recommended to the Board for approval, and the Board approved: (i) changes to the employment agreements (which had not been modified since 2018) between the Company and Stuart A. Rose, the Company’s Executive Chairman of the Board, Zafar A. Rizvi, the Company’s Chief Executive Officer, and Douglas L. Bruggeman, the Company’s Vice President Finance, Chief Financial Officer and Treasurer, effective as of February 1, 2022, (ii) the grant to Messrs. Rizvi and Bruggeman of performance-based long-term incentive awards under the Company’s 2015 Incentive Plan (the “Plan”) in the form of restricted stock units (the “2022 TSR Awards”), with vesting and payment based on total shareholder return of the Company, and (iii) updated the Company’s compensation arrangements for its non-employee directors effective as of February 1, 2022.

The changes to the employment agreements with Messrs. Rizvi, Bruggeman and Rose, the long-term performance-based incentive awards granted to Messrs. Rizvi and Bruggeman and the changes in the compensation program for the non-employee directors are briefly described below.

Amended Employment Agreements

Mr. Rizvi’s employment agreement was amended to increase his annual base salary from \$225,000 to \$275,000, to increase the percentage of the Company’s adjusted net income on which his annual incentive bonus is based from 3% to 4.5% and to increase the annual cap on the bonus from \$2,000,000 to \$5,000,000. In addition, the minimum amount of the incentive bonus Mr. Rizvi will be entitled to receive in the event his employment is terminated by the Company without cause or, following a change in control, for good reason (which will be calculated without regard to the normal annual cap and paid in cash), was increased from \$500,000 to \$1,000,000, with the amount of such bonus capped at \$6,000,000.

Mr. Bruggeman’s employment agreement was amended to increase his annual base salary from \$275,700 to \$300,000, to increase the percentage of the Company’s adjusted net income on which his annual incentive bonus is based from 1.5% to 2.25% and to increase the annual cap on the bonus from \$1,500,000 to \$2,500,000. In addition, the minimum amount of the incentive bonus Mr. Bruggeman will be entitled to receive in the event his employment is terminated by the Company without cause or, following a change in control, for good reason (which will be calculated without regard to the normal annual cap and paid in cash), was increased from \$500,000 to \$1,000,000, with the amount of such bonus capped at \$3,000,000.

Mr. Rose’s employment agreement was amended to increase his annual base salary from \$154,500 to \$225,000, to increase the percentage of the Company’s adjusted net income on which his annual incentive bonus is based from 2.2% to 2.5% and to increase the annual cap on the bonus from \$1,500,000 to \$2,500,000. In addition, the minimum amount of the incentive bonus Mr. Rose will be entitled to receive in the event his employment is terminated by the Company without cause or, following a change in control, for good reason (which will be calculated without regard to the normal annual cap and paid in cash), was increased from \$500,000 to \$1,000,000, with the amount of such bonus capped at \$3,000,000.

In addition, each of the amended employment agreements provides that: (i) any losses incurred by the Company related to the Company’s proposed carbon sequestration project, or any other new investment in an operating entity, for the period through the end of the second year after commencement of operations, will not reduce the bonus calculation, (ii) 50% of pre-tax losses of the Company in any year must be recouped in the following years before any incentive bonus is paid, and (iii) 25% of each annual incentive bonus earned will be paid in restricted stock issued under the Plan and the remainder in cash,

The foregoing description is only a brief summary of the changes made to the employment agreements between each of Messrs. Rizvi, Bruggeman and Rose and the Company and is qualified in its entirety by reference to the amended employment agreements, which are included as Exhibits 10.1, 10.2 and 10.3 to this Current Report on Form 8-K, respectively, and are incorporated herein by reference.

Performance-Based Long-Term Incentive Awards

The 2022 TSR Awards granted to Messrs. Rizvi and Bruggeman on May 24, 2022 were granted under the Plan in the form of restricted stock units, each of which represents the right of the recipient to receive one share of common stock of the Company on vesting.

The number of restricted stock units subject to each 2022 TSR Award that may vest at the end of the three year performance period, which commenced January 1, 2022, ranges from 0% to 200% of the specified target number of restricted stock units subject to the award, based on the Company's total shareholder return ("TSR") in comparison to the TSR of the companies that comprise the Russell 2000 Index during the performance period, provided that the recipient of the award remains a full-time employee of the Company during the entire performance period. The percentage of the target number of restricted stock units that will vest at the end of the performance period of the 2022 TSR Awards will be 100% if the Company's TSR ranks above the 50th percentile of the index group's TSR, with decreasing percentages of the target number of restricted stock units vesting for performance at or below the 50th percentile (down to 0% for Company TSR performance below the 40th percentile of the index group) and with increasing percentages of the target number of restricted stock units vesting for performance above the 50th percentile (up to a maximum of 200% for Company TSR performance at the 90th percentile of the index group or above), all as set forth in the award agreement. If the Company's TSR is negative during the performance period, the maximum number of restricted stock units that can vest is 100%, even for performance above the 60th percentile of the index group.

In the event that, during the three year performance period for the 2022 TSR Awards (but prior to any change in control), the employment of Mr. Rizvi or Mr. Bruggeman is terminated by the Company without cause or by him for good reason, the performance goals on which the achievement of the restricted stock units subject to the awards are based will be deemed satisfied at the greater of the 100% level of performance or the Company's actual TSR performance as of the date of the occurrence of such event relative to the index group, and will be paid within 30 days after the occurrence of such event. In the event that, during such period, Mr. Rizvi or Mr. Bruggeman dies or becomes totally disabled, the performance goals on which the achievement of the restricted stock units subject to the awards are based will be deemed satisfied at the 100% level of performance, and will be paid within 30 days after the occurrence of such event.

In the event of a change in control (as defined in the Plan) of the Company during the performance period for the 2022 TSR Awards, the performance goals on which the achievement of the restricted stock units subject to the award are based will be deemed satisfied at the greater of the 150% level of performance or the Company's actual TSR performance as of the date of the change in control relative to the index group. If the 2022 TSR Award is assumed or substituted by the acquirer or a specified related party in connection with the change in control, the award will vest and become payable if the executive remains employed through the end of the three year performance period (or his earlier death or disability or the termination of his employment by the Company without cause or by him for good reason). If the 2022 TSR Award is not so assumed or substituted in connection with the change of control, the award will become fully vested as of the date of the change in control and will be paid within 30 days thereafter.

The target number of restricted stock units subject to the 2022 TSR Awards granted to Messrs. Rizvi and Bruggeman are 15,000 units and 7,500 units, respectively.

The foregoing description of the 2022 TSR Awards is only a brief summary of the terms of the awards and is qualified in its entirety by reference to the full form of Restricted Stock Unit Award Agreement, which is attached as Exhibit 10.4 to this Current Report on Form 8-K and is incorporated herein by reference.

Director Compensation Arrangements

Under the updated compensation arrangements approved by the Board for the Company's directors who are not officers or employees of the Company, which are effective as of February 1, 2022, the annual retainer was increased from \$45,000 to \$70,000, and the Chairs of the Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee will receive additional annual cash retainers of \$20,000, \$10,000 and \$10,000, respectively. The directors who are not officers or employees of the Company also will continue to be reimbursed for reasonable travel expenses and will receive an additional \$5,000 if the director serves on one or more Board committees.

In addition, each director who is not an employee of the Company will receive an annual \$50,000 grant of restricted stock under the Plan (increased from the previous \$25,000) based on the closing price of the Company's common stock on the date of grant, which will continue to vest in one-third installments on the first three anniversaries of the grant. In addition the Lead Director will receive an additional \$25,000 (increased from the previous \$12,500) grant of restricted stock with the same three-year vesting.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

The following exhibits are filed with this Current Report on Form 8-K:

<u>Exhibit No.</u>	<u>Description</u>
10.1	<u>Employment Agreement dated as of May 24, 2022 between Rex Radio and Television, Inc. (a subsidiary of the Company) and Zafar A. Rizvi.*</u>
10.2	<u>Employment Agreement dated as of May 24, 2022 between Rex Radio and Television, Inc. (a subsidiary of the Company) and Douglas L. Bruggeman.*</u>
10.3	<u>Employment Agreement dated as of May 24, 2022 between Rex Radio and Television, Inc. (a subsidiary of the Company) and Stuart A. Rose.*</u>
10.4	<u>Form of REX American Resources Corporation Restricted Stock Unit Award Agreement (Employee-Performance Based Vesting Award).*</u>

* Filed herewith.

SIGNATURES

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

REX AMERICAN RESOURCES CORPORATION

Date: May 27, 2022

By: /s/ Douglas L. Bruggeman

Name: Douglas L. Bruggeman

Title: Vice President-Finance, Chief Financial Officer and Treasurer

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EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (“Agreement”) is entered into as of the 24th day of May, 2022 between **REX RADIO AND TELEVISION, INC.**, an Ohio corporation (the “Corporation”), and **ZAFAR A. RIZVI** (the “Employee”), under the following circumstances:

Recitals

A. The Corporation and Employee entered into that certain Employment Agreement dated June 2, 2015 (“Initial Agreement”), as amended by the First Amendment to Employment Agreement dated April 11, 2017 (“First Amendment”), as further amended by the Second Amendment to Employment Agreement dated March 27, 2018 (“Second Amendment”, and together with the Initial Agreement and First Amendment, the “Original Employment Agreement”);

B. The Corporation and Employee desire to continue their employment relationship;

C. The Corporation and Employee agree that entering into a new employment agreement is in their best interest, and desire for this Agreement to supersede the Original Employment Agreement pursuant to the terms herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follow:

ARTICLE I – DUTIES OF EMPLOYEE

1.1 Duties of Employee. Employee shall be employed as Chief Executive Officer and President of the Corporation for the period set forth in Article II below. Employee shall be subject to the supervision of the Executive Chairman of the Board and the Board of Directors of the Corporation and shall perform those managerial, executive, operational and administrative duties normally performed by such officer of a corporation.

1.2 Engaging in Other Employment. Employee shall devote a substantial portion of his business time, energies, attention and abilities to the business of the Corporation; provided, however, Employee shall not be prohibited from: (i) making investments in other businesses; (ii) participating as a Director/Manager role in such business within which he has invested; and/or (iii) serving as an independent director for any business, with full right to retain any fees or incentive grants related to such directorship.

1.3 Additional Duties. In addition to the foregoing duties, Employee shall perform such other work as may be assigned to him from time to time, subject to the instructions, directions and control of the Executive Chairman of the Board.

ARTICLE II – TERM OF EMPLOYMENT

2.1 **Term.** The Corporation shall employ Employee commencing as of the 1st day of February, 2022, and for a period of one (1) year through January 31, 2023. (the “**Employment Period**”) and any renewal period provided for in Section 2.2 below unless earlier terminated by Employee’s: (i) resignation; (ii) death; (iii) total disability; or (iv) termination of employment, as provided in Article VI. “**Total Disability**” shall mean such disability as shall render Employee incapable of performing substantially all of his duties for the Corporation as determined by a qualified physician chosen by the Corporation. Each twelve month period ending on January 31 during the Employment Period or any period of renewal provided for in Section 2.2 below shall be referred to as a “**Performance Period**.”

2.2 **Renewal Term.** The terms and conditions of this Employment Agreement shall automatically renew, without any further action by either party required, upon the expiration of the Employment Period and any period of renewal for subsequent one (1) year periods unless: (i) notice of termination is provided to the other party at least one hundred eighty (180) days prior to the expiration of the Employment Period or any period of renewal; or (ii) this Employment Agreement is otherwise terminated pursuant to Article VI.

ARTICLE III - COMPENSATION AND EXPENSES

3.1 **Compensation.** Employee shall receive as compensation for services rendered under this Agreement a base salary of Two Hundred Seventy-Five Thousand Dollars and Zero Cents (\$275,000.00) per year, payable in equal bi-monthly installments of Eleven Thousand Four Hundred Fifty-Eight Dollars and Thirty-Three Cents (\$11,458.33) per month on the 15th and last working day of each month (or such more frequent dates as the Corporation may choose), and prorated for any partial monthly period.

3.2 **Expenses.** Employee is authorized to incur reasonable expenses in connection with the performance of his duties for the Corporation, including expenses for entertainment of customers, travel, and similar business purposes. The Corporation will reimburse Employee for all such expenses upon the presentation of an itemized account of such expenditures and approval of the expenditures by a designated officer. In incurring reasonable business expenses, Employee shall conform to the policies of the Corporation as adopted by the Board of Directors from time to time.

ARTICLE IV - EMPLOYEE BENEFITS AND BONUSES

4.1 **Employee Benefit Plans.** Employee shall be entitled to participate in any qualified profit-sharing/401k plan, medical and dental reimbursement plan, group term life insurance plan, and any other employee benefit plan which may be established by the Corporation, such participation to be in accordance with the terms of any such plan.

4.2 Bonus.

(a) Bonus. In addition to Employee's salary as provided in Section 3.1, Employee shall be entitled to an annual cash and/or incentive plan bonus computed based upon the earnings of REX American Resources Corporation ("REX") (the "Bonus").

Effective as of February 1, 2022 ("Effective Date"), for each fiscal year of REX during the Employment Period or any period of renewal, the Employee's Bonus shall be equal to 4.5% of the amount equal to:

- (i) 133% of "Net Income Attributable to REX Common Shareholders" (after tax); plus
- (ii) add back of incentive and stock compensation expense.

The Bonus shall be paid seventy-five percent (75%) in cash when determined and twenty-five percent (25%) in an award of Restricted Stock based on the then closing price of REX common stock as of June 15 of such year vesting in one-third installments on the first three anniversaries of the grant. The Bonus has been based upon current corporate income tax rates in effect in calendar year 2022, with the understanding that if tax rates change during the Term hereof, the Bonus base calculation will be adjusted accordingly. Notwithstanding anything to the contrary herein contained: (i) any losses incurred by the Company related to the proposed Carbon Sequestration project, or any other new investment in an operating entity, for the period through the second year after commencement of operations, will not reduce the Bonus base calculation; and (ii) if there is a pre-tax loss in one or more fiscal years, fifty (50) percent of the pre-tax loss would need to be recouped in its entirety before a bonus could be paid in future years.

(b) Bonus Limitation. Notwithstanding Sections 4.2(a), Employee shall in no event receive a total bonus exceeding Five Million Dollars and Zero Cents (\$5,000,000.00) in any fiscal year. Subject to Sections 6.3 and 6.7 below, the Corporation shall pay the Bonus to Employee during the calendar year in which the Performance Period ends.

4.3 Vacation. Employee shall be entitled to six (6) weeks of vacation during each 12-month period of the Employment Period or any period of renewal at full pay; provided, however, that any portion of a vacation not taken in any 12-month period may be taken in the subsequent 12-month period. The time for such vacation shall be selected by Employee. Employee shall not be entitled to vacation pay in lieu of vacation.

ARTICLE V - NONDISCLOSURE AND NONCOMPETITION

5.1 Confidential Information. Employee agrees to keep secret and confidential the Confidential Information (as defined below) and shall not use or disclose such information, either during or after his employment with the Corporation, for any purpose not authorized by the Corporation. Upon termination of his employment with the Corporation, Employee shall leave with the Corporation all records, including all copies thereof, containing any Confidential

Information, including, but not limited to, such documents as memoranda, notes, records, reports, customer lists, manuals, drawings, blueprints and maps, computer drives, all computer records and e-mail records. "Confidential Information" means information about the Corporation and any of its subsidiaries which is disclosed to Employee or known by him as a consequence of or through his work with or on behalf of the Corporation (including information conceived, originated, discovered, or developed by him) not generally known about the Corporation, including, but not limited to, matters of a technical nature, such as "know-how," innovations, research projects, methods, and matters of a business nature, such as information about costs, profits, markets, sales, lists of customers, suppliers, business processes, computer programs, accounting methods, information systems, business or marketing, financial plans and reports and any other information of a similar nature.

5.2 Restrictions on Competition. During the term of this Agreement and for a period of one (1) year after termination of Employee's employment with the Corporation, for any reason, Employee shall not directly or indirectly, either as an employee, employer, consultant, agent, principal, partner, stockholder, corporate officer, director, or in any other individual or representative capacity, engage or participate in any business that is in competition in any manner whatsoever with the business of the Corporation within fifty (50) miles of any location operated by the Corporation or its affiliates at the time of Employee's termination.

5.3 Saving. In the event any provision of this Article V shall be held invalid, illegal, or unenforceable, the remaining provisions shall in no way be affected thereby, and shall continue in full force and effect. If, moreover, any one or more of the provisions contained in this Article V shall for any reason be held to be excessively broad as to time, duration, geographical scope, activity or subject, it shall be construed, by limiting and reducing it, so as to be enforceable to the extent compatible with the applicable law as it shall then appear.

ARTICLE VI - TERMINATION

6.1 Termination of Employment For Cause. The Corporation may at any time terminate Employee's employment "For Cause." Such termination of employment For Cause shall not prejudice any other remedy to which the Corporation may be entitled either at law, in equity, or under this Agreement. Termination of employment "For Cause" shall mean termination upon: (i) Employee's repeated failure or refusal to perform his duties hereunder faithfully, diligently, competently and to the best of his ability for reasons other than Total Disability; (ii) Employee's violation of any material provision of this Agreement; or (iii) Employee's clear and intentional violation of a state or federal law of which he is aware or should have been aware: (a) involving the commission of a felonious crime against the Corporation which has a materially adverse effect upon the Corporation; or (b) involving a felony other than against the Corporation having a materially adverse effect upon the Corporation, as determined in either case in the reasonable judgment of the Board of Directors.

6.2 Termination by Either Party. This Agreement may be terminated by either party with or without cause upon one hundred eighty (180) days' notice.

6.3 Effect of Termination of Employment Without Cause. In the event the Corporation terminates Employee's employment other than: (a) "For Cause" (as defined in Section 6.1); or (b) due to death or Total Disability as provided in Section 2.1, the Corporation shall pay Employee, in full satisfaction and complete discharge of all obligations and liabilities of the Corporation to Employee under this Agreement or otherwise: (i) the balance of his compensation under Section 3.1 for the remainder of the Employment Period, payable no less frequently than bi-monthly; plus (ii) a Cash Bonus payment equal to two hundred percent (200%) of the total Bonus paid to Employee for the Corporation's prior fiscal year, but in no event less than One Million Dollars and Zero Cents (\$1,000,000.00), or more than Six Million Dollars and Zero Cents (\$6,000,000.00), without reference to the Bonus Limitation set forth in Section 4.2(b) hereof; plus (iii) pursuant to any incentive plan maintained by the Corporation, Employee shall have the right, during such reasonable period of time established by the Compensation Committee, to exercise any awards held by Employee, in whole or in part, whether or not such award was otherwise exercisable at that time, and without regard to any vesting or other limitation on exercise imposed pursuant to such plan.

6.4 Effect of Termination For Cause on Compensation. In the event this Agreement is terminated prior to the completion of the Employment Period or any period of renewal For Cause, Employee shall be entitled to: (i) the compensation earned by him pursuant to Section 3.1 prior to the date of termination as provided for in this Agreement computed pro rata up to and including that date; and (ii) all Bonus payments pursuant to Section 4.2 calculated on a pro rata basis based upon Employee's actual date of termination, and Employee shall automatically and completely forfeit any additional rights which could be alleged under any bonus plan established by the Corporation, Employee shall be paid his pro rata Bonus payments during the calendar year in which the Performance Period that includes the date of termination ends.

6.5 Effect of Death or Disability. In the event of the death or Total Disability of Employee during the Employment Period, Employee, or his Estate, shall be entitled to: (i) compensation earned by him pursuant to Section 3.1 hereof prior to the date of death or termination for Total Disability, computed pro rata up to and including that date; plus (ii) a pro rata portion of the Bonus payments pursuant to Section 4.2, for the year of Employee's death or Total Disability based upon Employee's actual date of termination. Employee shall be paid his pro rata Bonus payment during the calendar year in which the Performance Period that include the date of termination ends; plus (iii) pursuant to any incentive plan maintained by the Corporation, Employee shall have the right during such reasonable period of time established by the Compensation Committee, to exercise any awards held by the Employee in whole or in part, whether or not such award was otherwise exercisable at that time, and without regard to any vesting or other limitation on exercise imposed pursuant to such plan.

6.6 Effect of Voluntary Termination by Employee. In the event of the voluntary termination by Employee, pursuant to Section 6.2 hereof, Employee shall be entitled to: (i) compensation earned by him pursuant to Section 3.1 hereof prior to the date of termination, computed pro rata up to and including that date; plus (ii) a pro rata portion of the Bonus payment pursuant to Section 4.2, for the year of Employee's voluntary termination based upon Employee's actual date of termination. Employee shall be paid his pro rata Bonus payment

during the calendar year in which the Performance Period that includes the date of termination ends.

If Employee terminates his/her employment voluntarily, after having obtained twenty (20) years of service with the Corporation and attained age fifty-five (55), pursuant to any incentive plan maintained by the Corporation Employee shall have the right, during such reasonable period of time established by the Compensation Committee, to exercise any awards held by the Employee in whole or in part, whether or not such award was otherwise exercisable at that time, and without regard to any vesting or other limitation on exercise imposed pursuant to such plan.

6.7 Effect of Change In Control.

(a) For purposes of this Agreement, “Change in Control” means a change in control of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Exchange Act, provided that, without limitation, such a change in control shall include and be deemed to occur upon any of the following events:

(i) Any “person” (as such term is used in Sections 13(d) and 14(d)(2) of the Exchange Act, but excluding any person described in and satisfying the conditions of Rule 13d-1(b)(1) thereunder), other than the Corporation, its subsidiaries or any employee benefit plan of the Corporation or any of its subsidiaries, becomes the “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Corporation representing twenty-five percent (25%) or more of the combined voting power of the Corporation’s then outstanding securities;

(ii) The “Incumbent Directors” cease to constitute at least a majority of the Board of Directors. For purposes hereof, “Incumbent Directors” means the members of the Board of Directors at the effective date of this Agreement and the persons elected or nominated for election as their successors or pursuant to increases in the size of the Board of Directors by a vote of at least two-thirds of the Board members then still in office (or successors or additional members so elected or nominated);

(iii) The shareholders of the Corporation approve a merger, combination, consolidation, recapitalization or other reorganization of the Corporation with one or more other entities that are not subsidiaries and, as a result of the transaction, less than 50% of the outstanding voting securities of the surviving or resulting corporation shall immediately after the event be owned in the aggregate by the stockholders of the Corporation (directly or indirectly), determined on the basis of record ownership as of the date of determination of holders entitled to vote on the action (or in the absence of a vote, the day immediately prior to the event); or

(iv) The shareholders of the Corporation approve a plan of liquidation and dissolution or the sale or transfer of substantially all of the Corporation’s business and/or assets as an entirety to an entity that is not a subsidiary.

Notwithstanding the foregoing, no Change in Control shall be deemed to have occurred if, prior to such time as a Change in Control would otherwise be deemed to have occurred, the Board of Directors determines otherwise.

(b) In the event Employee terminates his employment for “Good Reason” (as defined below) within twelve (12) months following a Change in Control of the Corporation, the Corporation shall pay Employee, in full satisfaction and complete discharge of all obligations and liabilities of the Corporation to Employee under this Agreement or otherwise: (i) the balance of his compensation under Section 3.1 for the remainder of the Employment Period, payable no less frequently than bi-monthly; plus (ii) a Cash Bonus payment equal to two hundred percent (200%) of the total Bonus paid to Employee for the Corporation’s prior fiscal year, but in no event no less than One Million Dollars and Zero Cents (\$1,000,000.00), or more than Six Million Dollars and Zero Cents (\$6,000,000.00), without reference to the Bonus Limitation set forth in Section 4.2(b) hereof; plus (iii) pursuant to any incentive plan maintained by the Corporation, Employee shall have the right, during such reasonable period of time established by the Compensation Committee, to exercise any awards held by the Employee in whole or in part, whether or not such award was otherwise exercisable at that time, and without regard to any vesting or other limitation on exercise imposed pursuant to such plan.

For purposes of this Agreement, “Good Reason” means (i) a reduction in Employee’s salary or bonus opportunity set forth in this Agreement, (ii) a significant diminution in Employee’s position, reporting relationships, authority, duties or responsibilities, (iii) the Corporation ceasing to be publicly owned in connection with a Change in Control, unless it is acquired by a publicly owned company of which Employee serves as the chief executive officer, (iv) relocation of Employee’s place of work outside of the Dayton, Ohio metropolitan area, (v) a breach by the Corporation of this Agreement or (vi) failure of the Corporation to assign this Agreement to a successor upon a Change in Control.

ARTICLE VII - WAIVER OF BREACH

7.1 Effect of Waiver. Waiver by the Corporation of any condition, or of the breach of Employee of any term or covenant contained in this Agreement, whether by conduct or otherwise, in any one or more instances shall not be deemed to be or construed as a further or continuing waiver of any such condition or to be a waiver either of any other condition or of the breach of any other term or covenant of this Agreement. The failure of the Corporation at any time or times to require performance of any provision hereof shall in no manner affect its rights at a later time to require the same.

ARTICLE VIII - MISCELLANEOUS

8.1 Notices. All notices and other communications by any party hereto shall be made in writing to the other party and shall be deemed to have been duly given when mailed by United States certified mail, with postage prepaid, addressed as the parties hereto may designate from time to time in writing.

8.2 Entire Agreement. This Agreement constitutes the entire agreement between the Corporation and the Employee, and supersedes all prior or contemporaneous agreements, representations, negotiations and understandings of the parties hereto, oral or written, including, without limitation, the Original Employment Agreement.

8.3 Assignability. Neither this Agreement, nor any duties or obligations hereunder shall be assignable by Employee without the prior written consent of the Board of Directors of the Corporation.

8.4 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

8.5 Captions. The captions in this Agreement are inserted for convenience only and shall not be considered part of or affect the construction or interpretation of any provision of this Agreement.

8.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio.

8.7 Parent Entity. References in this Agreement to the Corporation shall include REX, the ultimate parent entity of the Corporation, as the context or circumstance requires to give effect to the purpose and intent of this Agreement.

8.8 Original Employment Agreement. The Corporation and Employee hereby consent and agree that the Original Employment Agreement shall terminate upon the full execution of this Agreement.

[Remainder of this page intentionally left blank, signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first set forth above.

REX RADIO AND TELEVISION, INC.,
an Ohio corporation,

By: /s/ Douglas L. Bruggeman
Douglas L. Bruggeman
Vice President--Finance, Chief Financial Officer
and Treasurer

EMPLOYEE

/s/Zafar A. Rizvi
Zafar A. Rizvi

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (“Agreement”) is entered into as of the 24th day of May, 2022 between **REX RADIO AND TELEVISION, INC.**, an Ohio corporation (the “Corporation”), and **DOUGLAS L. BRUGGEMAN** (the “Employee”), under the following circumstances:

Recitals

A. The Corporation and Employee entered into that certain Employment Agreement dated June 2, 2015 (“Initial Agreement”), as amended by the First Amendment to Employment Agreement dated April 11, 2017 (“First Amendment”), as further amended by the Second Amendment to Employment Agreement dated March 27, 2018 (“Second Amendment”, and together with the Initial Agreement and First Amendment, the “Original Employment Agreement”);

B. The Corporation and Employee desire to continue their employment relationship;

C. The Corporation and Employee agree that entering into a new employment agreement is in their best interest, and desire for this Agreement to supersede the Original Employment Agreement pursuant to the terms herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follow:

ARTICLE I – DUTIES OF EMPLOYEE

1.1 Duties of Employee. Employee shall be employed as Vice President-Finance, Chief Financial Officer and Treasurer of the Corporation for the period set forth in Article II below. Employee shall be subject to the supervision of the Chief Executive Officer and the Board of Directors of the Corporation and shall perform those managerial, executive, operational and administrative duties normally performed by such officer of a corporation.

1.2 Engaging in Other Employment. Employee shall devote a substantial portion of his business time, energies, attention and abilities to the business of the Corporation; provided, however, Employee shall not be prohibited from: (i) making investments in other businesses; (ii) participating as a Director/Manager role in such business within which he has invested; and/or (iii) serving as an independent director for any business, with full right to retain any fees or incentive grants related to such directorship.

1.3 Additional Duties. In addition to the foregoing duties, Employee shall perform such other work as may be assigned to him from time to time, subject to the instructions, directions and control of the Chief Executive Officer.

ARTICLE II – TERM OF EMPLOYMENT

2.1 **Term.** The Corporation shall employ Employee commencing as of the 1st day of February, 2022, and for a period of one (1) year through January 31, 2023. (the “**Employment Period**”) and any renewal period provided for in Section 2.2 below unless earlier terminated by Employee’s: (i) resignation; (ii) death; (iii) total disability; or (iv) termination of employment, as provided in Article VI. “**Total Disability**” shall mean such disability as shall render Employee incapable of performing substantially all of his duties for the Corporation as determined by a qualified physician chosen by the Corporation. Each twelve month period ending on January 31 during the Employment Period or any period of renewal provided for in Section 2.2 below shall be referred to as a “**Performance Period.**”

2.2 **Renewal Term.** The terms and conditions of this Employment Agreement shall automatically renew, without any further action by either party required, upon the expiration of the Employment Period and any period of renewal for subsequent one (1) year periods unless: (i) notice of termination is provided to the other party at least one hundred eighty (180) days prior to the expiration of the Employment Period or any period of renewal; or (ii) this Employment Agreement is otherwise terminated pursuant to Article VI.

ARTICLE III - COMPENSATION AND EXPENSES

3.1 **Compensation.** Employee shall receive as compensation for services rendered under this Agreement a base salary of Three Hundred Thousand Dollars and Zero Cents (\$300,000.00) per year, payable in equal bi-monthly installments of Twelve Thousand Five Hundred Dollars and Zero Cents (\$12,500.00) per month on the 15th and last working day of each month (or such more frequent dates as the Corporation may choose), and prorated for any partial monthly period.

3.2 **Expenses.** Employee is authorized to incur reasonable expenses in connection with the performance of his duties for the Corporation, including expenses for entertainment of customers, travel, and similar business purposes. The Corporation will reimburse Employee for all such expenses upon the presentation of an itemized account of such expenditures and approval of the expenditures by a designated officer. In incurring reasonable business expenses, Employee shall conform to the policies of the Corporation as adopted by the Board of Directors from time to time.

ARTICLE IV - EMPLOYEE BENEFITS AND BONUSES

4.1 **Employee Benefit Plans.** Employee shall be entitled to participate in any qualified profit-sharing/401k plan, medical and dental reimbursement plan, group term life insurance plan, and any other employee benefit plan which may be established by the Corporation, such participation to be in accordance with the terms of any such plan.

4.2 Bonus.

(a) Bonus. In addition to Employee's salary as provided in Section 3.1, Employee shall be entitled to an annual cash and/or incentive plan bonus computed based upon the earnings of REX American Resources Corporation ("REX") (the "Bonus").

Effective as of February 1, 2022 ("Effective Date"), for each fiscal year of REX during the Employment Period or any period of renewal, the Employee's Bonus shall be equal to 2.25% of the amount equal to:

- (i) 133% of "Net Income Attributable to REX Common Shareholders" (after tax); plus
- (ii) add back of incentive and stock compensation expense.

The Bonus shall be paid seventy-five percent (75%) in cash when determined and twenty-five percent (25%) in an award of Restricted Stock based on the then closing price of REX common stock as of June 15 of such year vesting in one-third installments on the first three anniversaries of the grant. The Bonus has been based upon current corporate income tax rates in effect in calendar year 2022, with the understanding that if tax rates change during the Term hereof, the Bonus base calculation will be adjusted accordingly. Notwithstanding anything to the contrary herein contained: (i) any losses incurred by the Company related to the proposed Carbon Sequestration project, or any other new investment in an operating entity, for the period through the second year after commencement of operations, will not reduce the Bonus base calculation; and (ii) if there is a pre-tax loss in one or more fiscal years, fifty (50) percent of the pre-tax loss would need to be recouped in its entirety before a bonus could be paid in future years.

(b) Bonus Limitation. Notwithstanding Sections 4.2(a), Employee shall in no event receive a total bonus exceeding Two Million Five Hundred Thousand Dollars and Zero Cents (\$2,500,000.00) in any fiscal year. Subject to Sections 6.3 and 6.7 below, the Corporation shall pay the Bonus to Employee during the calendar year in which the Performance Period ends.

4.3 Vacation. Employee shall be entitled to six (6) weeks of vacation during each 12-month period of the Employment Period or any period of renewal at full pay; provided, however, that any portion of a vacation not taken in any 12-month period may be taken in the subsequent 12-month period. The time for such vacation shall be selected by Employee. Employee shall not be entitled to vacation pay in lieu of vacation.

ARTICLE V - NONDISCLOSURE AND NONCOMPETITION

5.1 Confidential Information. Employee agrees to keep secret and confidential the Confidential Information (as defined below) and shall not use or disclose such information, either during or after his employment with the Corporation, for any purpose not authorized by

the Corporation. Upon termination of his employment with the Corporation, Employee shall leave with the Corporation all records, including all copies thereof, containing any Confidential Information, including, but not limited to, such documents as memoranda, notes, records, reports, customer lists, manuals, drawings, blueprints and maps, computer drives, all computer records and e-mail records. "Confidential Information" means information about the Corporation and any of its subsidiaries which is disclosed to Employee or known by him as a consequence of or through his work with or on behalf of the Corporation (including information conceived, originated, discovered, or developed by him) not generally known about the Corporation, including, but not limited to, matters of a technical nature, such as "know-how," innovations, research projects, methods, and matters of a business nature, such as information about costs, profits, markets, sales, lists of customers, suppliers, business processes, computer programs, accounting methods, information systems, business or marketing, financial plans and reports and any other information of a similar nature.

5.2 Restrictions on Competition. During the term of this Agreement and for a period of one (1) year after termination of Employee's employment with the Corporation, for any reason, Employee shall not directly or indirectly, either as an employee, employer, consultant, agent, principal, partner, stockholder, corporate officer, director, or in any other individual or representative capacity, engage or participate in any business that is in competition in any manner whatsoever with the business of the Corporation within fifty (50) miles of any location operated by the Corporation or its affiliates at the time of Employee's termination.

5.3 Saving. In the event any provision of this Article V shall be held invalid, illegal, or unenforceable, the remaining provisions shall in no way be affected thereby, and shall continue in full force and effect. If, moreover, any one or more of the provisions contained in this Article V shall for any reason be held to be excessively broad as to time, duration, geographical scope, activity or subject, it shall be construed, by limiting and reducing it, so as to be enforceable to the extent compatible with the applicable law as it shall then appear.

ARTICLE VI - TERMINATION

6.1 Termination of Employment For Cause. The Corporation may at any time terminate Employee's employment "For Cause." Such termination of employment For Cause shall not prejudice any other remedy to which the Corporation may be entitled either at law, in equity, or under this Agreement. Termination of employment "For Cause" shall mean termination upon: (i) Employee's repeated failure or refusal to perform his duties hereunder faithfully, diligently, competently and to the best of his ability for reasons other than Total Disability; (ii) Employee's violation of any material provision of this Agreement; or (iii) Employee's clear and intentional violation of a state or federal law of which he is aware or should have been aware: (a) involving the commission of a felonious crime against the Corporation which has a materially adverse effect upon the Corporation; or (b) involving a felony other than against the Corporation having a materially adverse effect upon the Corporation, as determined in either case in the reasonable judgment of the Board of Directors.

6.2 Termination by Either Party. This Agreement may be terminated by either party with or without cause upon one hundred eighty (180) days' notice.

6.3 Effect of Termination of Employment Without Cause. In the event the Corporation terminates Employee's employment other than: (a) "For Cause" (as defined in Section 6.1); or (b) due to death or Total Disability as provided in Section 2.1, the Corporation shall pay Employee, in full satisfaction and complete discharge of all obligations and liabilities of the Corporation to Employee under this Agreement or otherwise: (i) the balance of his compensation under Section 3.1 for the remainder of the Employment Period, payable no less frequently than bi-monthly; plus (ii) a Cash Bonus payment equal to two hundred percent (200%) of the total Bonus paid to Employee for the Corporation's prior fiscal year, but in no event less than One Million Dollars and Zero Cents (\$1,000,000.00), or more than Three Million Dollars and Zero Cents (\$3,000,000.00), without reference to the Bonus Limitation set forth in Section 4.2(b) hereof; plus (iii) pursuant to any incentive plan maintained by the Corporation, Employee shall have the right, during such reasonable period of time established by the Compensation Committee, to exercise any awards held by Employee, in whole or in part, whether or not such award was otherwise exercisable at that time, and without regard to any vesting or other limitation on exercise imposed pursuant to such plan.

6.4 Effect of Termination For Cause on Compensation. In the event this Agreement is terminated prior to the completion of the Employment Period or any period of renewal For Cause, Employee shall be entitled to: (i) the compensation earned by him pursuant to Section 3.1 prior to the date of termination as provided for in this Agreement computed pro rata up to and including that date; and (ii) all Bonus payments pursuant to Section 4.2 calculated on a pro rata basis based upon Employee's actual date of termination, and Employee shall automatically and completely forfeit any additional rights which could be alleged under any bonus plan established by the Corporation, Employee shall be paid his pro rata Bonus payments during the calendar year in which the Performance Period that includes the date of termination ends.

6.5 Effect of Death or Disability. In the event of the death or Total Disability of Employee during the Employment Period, Employee, or his Estate, shall be entitled to: (i) compensation earned by him pursuant to Section 3.1 hereof prior to the date of death or termination for Total Disability, computed pro rata up to and including that date; plus (ii) a pro rata portion of the Bonus payments pursuant to Section 4.2, for the year of Employee's death or Total Disability based upon Employee's actual date of termination. Employee shall be paid his pro rata Bonus payment during the calendar year in which the Performance Period that include the date of termination ends; plus (iii) pursuant to any incentive plan maintained by the Corporation, Employee shall have the right during such reasonable period of time established by the Compensation Committee, to exercise any awards held by the Employee in whole or in part, whether or not such award was otherwise exercisable at that time, and without regard to any vesting or other limitation on exercise imposed pursuant to such plan.

6.6 Effect of Voluntary Termination by Employee. In the event of the voluntary termination by Employee, pursuant to Section 6.2 hereof, Employee shall be entitled to: (i) compensation earned by him pursuant to Section 3.1 hereof prior to the date of termination, computed pro rata up to and including that date; plus (ii) a pro rata portion of the Bonus payment pursuant to Section 4.2, for the year of Employee's voluntary termination based upon Employee's actual date of termination. Employee shall be paid his pro rata Bonus payment

during the calendar year in which the Performance Period that includes the date of termination ends.

If Employee terminates his/her employment voluntarily, after having obtained twenty (20) years of service with the Corporation and attained age fifty-five (55), pursuant to any incentive plan maintained by the Corporation Employee shall have the right, during such reasonable period of time established by the Compensation Committee, to exercise any awards held by the Employee in whole or in part, whether or not such award was otherwise exercisable at that time, and without regard to any vesting or other limitation on exercise imposed pursuant to such plan.

6.7 Effect of Change In Control.

(a) For purposes of this Agreement, “Change in Control” means a change in control of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Exchange Act, provided that, without limitation, such a change in control shall include and be deemed to occur upon any of the following events:

(i) Any “person” (as such term is used in Sections 13(d) and 14(d)(2) of the Exchange Act, but excluding any person described in and satisfying the conditions of Rule 13d-1(b)(1) thereunder), other than the Corporation, its subsidiaries or any employee benefit plan of the Corporation or any of its subsidiaries, becomes the “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Corporation representing twenty-five percent (25%) or more of the combined voting power of the Corporation’s then outstanding securities;

(ii) The “Incumbent Directors” cease to constitute at least a majority of the Board of Directors. For purposes hereof, “Incumbent Directors” means the members of the Board of Directors at the effective date of this Agreement and the persons elected or nominated for election as their successors or pursuant to increases in the size of the Board of Directors by a vote of at least two-thirds of the Board members then still in office (or successors or additional members so elected or nominated);

(iii) The shareholders of the Corporation approve a merger, combination, consolidation, recapitalization or other reorganization of the Corporation with one or more other entities that are not subsidiaries and, as a result of the transaction, less than 50% of the outstanding voting securities of the surviving or resulting corporation shall immediately after the event be owned in the aggregate by the stockholders of the Corporation (directly or indirectly), determined on the basis of record ownership as of the date of determination of holders entitled to vote on the action (or in the absence of a vote, the day immediately prior to the event); or

(iv) The shareholders of the Corporation approve a plan of liquidation and dissolution or the sale or transfer of substantially all of the Corporation’s business and/or assets as an entirety to an entity that is not a subsidiary.

Notwithstanding the foregoing, no Change in Control shall be deemed to have occurred if, prior to such time as a Change in Control would otherwise be deemed to have occurred, the Board of Directors determines otherwise.

(b) In the event Employee terminates his employment for “Good Reason” (as defined below) within twelve (12) months following a Change in Control of the Corporation, the Corporation shall pay Employee, in full satisfaction and complete discharge of all obligations and liabilities of the Corporation to Employee under this Agreement or otherwise: (i) the balance of his compensation under Section 3.1 for the remainder of the Employment Period, payable no less frequently than bi-monthly; plus (ii) a Cash Bonus payment equal to two hundred percent (200%) of the total Bonus paid to Employee for the Corporation’s prior fiscal year, but in no event no less than One Million Dollars and Zero Cents (\$1,000,000.00), or more than Three Million Dollars and Zero Cents (\$3,000,000.00), without reference to the Bonus Limitation set forth in Section 4.2(b) hereof; plus (iii) pursuant to any incentive plan maintained by the Corporation, Employee shall have the right, during such reasonable period of time established by the Compensation Committee, to exercise any awards held by the Employee in whole or in part, whether or not such award was otherwise exercisable at that time, and without regard to any vesting or other limitation on exercise imposed pursuant to such plan.

For purposes of this Agreement, “Good Reason” means (i) a reduction in Employee’s salary or bonus opportunity set forth in this Agreement, (ii) a significant diminution in Employee’s position, reporting relationships, authority, duties or responsibilities, (iii) the Corporation ceasing to be publicly owned in connection with a Change in Control, unless it is acquired by a publicly owned company of which Employee serves as the chief financial officer, (iv) relocation of Employee’s place of work outside of the Dayton, Ohio metropolitan area, (v) a breach by the Corporation of this Agreement or (vi) failure of the Corporation to assign this Agreement to a successor upon a Change in Control.

ARTICLE VII - WAIVER OF BREACH

7.1 Effect of Waiver. Waiver by the Corporation of any condition, or of the breach of Employee of any term or covenant contained in this Agreement, whether by conduct or otherwise, in any one or more instances shall not be deemed to be or construed as a further or continuing waiver of any such condition or to be a waiver either of any other condition or of the breach of any other term or covenant of this Agreement. The failure of the Corporation at any time or times to require performance of any provision hereof shall in no manner affect its rights at a later time to require the same.

ARTICLE VIII - MISCELLANEOUS

8.1 Notices. All notices and other communications by any party hereto shall be made in writing to the other party and shall be deemed to have been duly given when mailed by United States certified mail, with postage prepaid, addressed as the parties hereto may designate from time to time in writing.

8.2 Entire Agreement. This Agreement constitutes the entire agreement between the Corporation and the Employee, and supersedes all prior or contemporaneous agreements, representations, negotiations and understandings of the parties hereto, oral or written, including, without limitation, the Original Employment Agreement.

8.3 Assignability. Neither this Agreement, nor any duties or obligations hereunder shall be assignable by Employee without the prior written consent of the Chief Executive Officer or Board of Directors of the Corporation.

8.4 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

8.5 Captions. The captions in this Agreement are inserted for convenience only and shall not be considered part of or affect the construction or interpretation of any provision of this Agreement.

8.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio.

8.7 Parent Entity. References in this Agreement to the Corporation shall include REX, the ultimate parent entity of the Corporation, as the context or circumstance requires to give effect to the purpose and intent of this Agreement.

8.8 Original Employment Agreement. The Corporation and Employee hereby consent and agree that the Original Employment Agreement shall terminate upon the full execution of this Agreement.

[Remainder of this page intentionally left blank, signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first set forth above.

REX RADIO AND TELEVISION, INC.,
an Ohio corporation,

By: /s/ Zafar A. Rizvi
Zafar A. Rizvi
Chief Executive Officer and President

EMPLOYEE

/s/ Douglas L. Bruggeman
Douglas L. Bruggeman

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (“Agreement”) is entered into as of the 24th day of May, 2022 between **REX RADIO AND TELEVISION, INC.**, an Ohio corporation (the “Corporation”), and **STUART A. ROSE** (the “Employee”), under the following circumstances:

Recitals

A. The Corporation and Employee entered into that certain Employment Agreement dated June 2, 2015 (“Initial Agreement”), as amended by the First Amendment to Employment Agreement dated April 11, 2017 (“First Amendment”), as further amended by the Second Amendment to Employment Agreement dated March 27, 2018 (“Second Amendment”, and together with the Initial Agreement and First Amendment, the “Original Employment Agreement”);

B. The Corporation and Employee desire to continue their employment relationship;

C. The Corporation and Employee agree that entering into a new employment agreement is in their best interest, and desire for this Agreement to supersede the Original Employment Agreement pursuant to the terms herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follow:

ARTICLE I – DUTIES OF EMPLOYEE

1.1 Duties of Employee. Employee shall be employed as Executive Chairman of the Board of the Corporation and Head of Corporate Development for the period set forth in Article II below. Employee shall be subject to the supervision of the Board of Directors of the Corporation and shall perform those managerial, executive, operational and administrative duties normally performed by such officer of a corporation.

1.2 Engaging in Other Employment. Employee shall devote a substantial portion of his business time, energies, attention and abilities to the business of the Corporation; provided, however, Employee shall not be prohibited from: (i) making investments in other businesses; (ii) participating as a Director/Manager role in such business within which he has invested; and/or (iii) serving as an independent director for any business, with full right to retain any fees or incentive grants related to such directorship.

1.3 Additional Duties. In addition to the foregoing duties, Employee shall perform such other work as may be assigned to him from time to time, subject to the instructions, directions and control of the Board of Directors.

ARTICLE II – TERM OF EMPLOYMENT

2.1 **Term.** The Corporation shall employ Employee commencing as of the 1st day of February, 2022, and for a period of one (1) year through January 31, 2023. (the “**Employment Period**”) and any renewal period provided for in Section 2.2 below unless earlier terminated by Employee’s: (i) resignation; (ii) death; (iii) total disability; or (iv) termination of employment, as provided in Article VI. “**Total Disability**” shall mean such disability as shall render Employee incapable of performing substantially all of his duties for the Corporation as determined by a qualified physician chosen by the Corporation. Each twelve month period ending on January 31 during the Employment Period or any period of renewal provided for in Section 2.2 below shall be referred to as a “**Performance Period**.”

2.2 **Renewal Term.** The terms and conditions of this Employment Agreement shall automatically renew, without any further action by either party required, upon the expiration of the Employment Period and any period of renewal for subsequent one (1) year periods unless: (i) notice of termination is provided to the other party at least one hundred eighty (180) days prior to the expiration of the Employment Period or any period of renewal; or (ii) this Employment Agreement is otherwise terminated pursuant to Article VI.

ARTICLE III - COMPENSATION AND EXPENSES

3.1 **Compensation.** Employee shall receive as compensation for services rendered under this Agreement a base salary of Two Hundred Twenty-Five Thousand Dollars and Zero Cents (\$225,000.00) per year, payable in equal bi-monthly installments of Nine Thousand Three Hundred Seventy-Five Dollars and Zero Cents (\$9,375.00) per month on the 15th and last working day of each month (or such more frequent dates as the Corporation may choose), and prorated for any partial monthly period.

3.2 **Expenses.** Employee is authorized to incur reasonable expenses in connection with the performance of his duties for the Corporation, including expenses for entertainment of customers, travel, and similar business purposes. The Corporation will reimburse Employee for all such expenses upon the presentation of an itemized account of such expenditures and approval of the expenditures by a designated officer. In incurring reasonable business expenses, Employee shall conform to the policies of the Corporation as adopted by the Board of Directors from time to time.

ARTICLE IV - EMPLOYEE BENEFITS AND BONUSES

4.1 **Employee Benefit Plans.** Employee shall be entitled to participate in any qualified profit-sharing/401k plan, medical and dental reimbursement plan, group term life insurance plan, and any other employee benefit plan which may be established by the Corporation, such participation to be in accordance with the terms of any such plan.

4.2 Bonus.

(a) Bonus. In addition to Employee's salary as provided in Section 3.1, Employee shall be entitled to an annual cash and/or incentive plan bonus computed based upon the earnings of REX American Resources Corporation ("REX") (the "Bonus").

Effective as of February 1, 2022 ("Effective Date"), for each fiscal year of REX during the Employment Period or any period of renewal, the Employee's Bonus shall be equal to 2.5% of the amount equal to:

- (i) 133% of "Net Income Attributable to REX Common Shareholders" (after tax); plus
- (ii) add back of incentive and stock compensation expense.

The Bonus shall be paid seventy-five percent (75%) in cash when determined and twenty-five percent (25%) in an award of Restricted Stock based on the then closing price of REX common stock as of June 15 of such year vesting in one-third installments on the first three anniversaries of the grant. The Bonus has been based upon current corporate income tax rates in effect in calendar year 2022, with the understanding that if tax rates change during the Term hereof, the Bonus base calculation will be adjusted accordingly. Notwithstanding anything to the contrary herein contained: (i) any losses incurred by the Company related to the proposed Carbon Sequestration project, or any other new investment in an operating entity, for the period through the second year after commencement of operations, will not reduce the Bonus base calculation; and (ii) if there is a pre-tax loss in one or more fiscal years, fifty (50) percent of the pre-tax loss would need to be recouped in its entirety before a bonus could be paid in future years.

(b) Bonus Limitation. Notwithstanding Sections 4.2(a), Employee shall in no event receive a total bonus exceeding Two Million Five Hundred Thousand Dollars and Zero Cents (\$2,500,000.00) in any fiscal year. Subject to Sections 6.3 and 6.7 below, the Corporation shall pay the Bonus to Employee during the calendar year in which the Performance Period ends.

4.3 Vacation. Employee shall be entitled to six (6) weeks of vacation during each 12-month period of the Employment Period or any period of renewal at full pay; provided, however, that any portion of a vacation not taken in any 12-month period may be taken in the subsequent 12-month period. The time for such vacation shall be selected by Employee. Employee shall not be entitled to vacation pay in lieu of vacation.

ARTICLE V - NONDISCLOSURE AND NONCOMPETITION

5.1 Confidential Information. Employee agrees to keep secret and confidential the Confidential Information (as defined below) and shall not use or disclose such information, either during or after his employment with the Corporation, for any purpose not authorized by the Corporation. Upon termination of his employment with the Corporation, Employee shall leave with the Corporation all records, including all copies thereof, containing any Confidential

Information, including, but not limited to, such documents as memoranda, notes, records, reports, customer lists, manuals, drawings, blueprints and maps, computer drives, all computer records and e-mail records. "Confidential Information" means information about the Corporation and any of its subsidiaries which is disclosed to Employee or known by him as a consequence of or through his work with or on behalf of the Corporation (including information conceived, originated, discovered, or developed by him) not generally known about the Corporation, including, but not limited to, matters of a technical nature, such as "know-how," innovations, research projects, methods, and matters of a business nature, such as information about costs, profits, markets, sales, lists of customers, suppliers, business processes, computer programs, accounting methods, information systems, business or marketing, financial plans and reports and any other information of a similar nature.

5.2 Restrictions on Competition. During the term of this Agreement and for a period of one (1) year after termination of Employee's employment with the Corporation, for any reason, Employee shall not directly or indirectly, either as an employee, employer, consultant, agent, principal, partner, stockholder, corporate officer, director, or in any other individual or representative capacity, engage or participate in any business that is in competition in any manner whatsoever with the business of the Corporation within fifty (50) miles of any location operated by the Corporation or its affiliates at the time of Employee's termination.

5.3 Saving. In the event any provision of this Article V shall be held invalid, illegal, or unenforceable, the remaining provisions shall in no way be affected thereby, and shall continue in full force and effect. If, moreover, any one or more of the provisions contained in this Article V shall for any reason be held to be excessively broad as to time, duration, geographical scope, activity or subject, it shall be construed, by limiting and reducing it, so as to be enforceable to the extent compatible with the applicable law as it shall then appear.

ARTICLE VI - TERMINATION

6.1 Termination of Employment For Cause. The Corporation may at any time terminate Employee's employment "For Cause." Such termination of employment For Cause shall not prejudice any other remedy to which the Corporation may be entitled either at law, in equity, or under this Agreement. Termination of employment "For Cause" shall mean termination upon: (i) Employee's repeated failure or refusal to perform his duties hereunder faithfully, diligently, competently and to the best of his ability for reasons other than Total Disability; (ii) Employee's violation of any material provision of this Agreement; or (iii) Employee's clear and intentional violation of a state or federal law of which he is aware or should have been aware: (a) involving the commission of a felonious crime against the Corporation which has a materially adverse effect upon the Corporation; or (b) involving a felony other than against the Corporation having a materially adverse effect upon the Corporation, as determined in either case in the reasonable judgment of the Board of Directors.

6.2 Termination by Either Party. This Agreement may be terminated by either party with or without cause upon one hundred eighty (180) days' notice.

6.3 Effect of Termination of Employment Without Cause. In the event the Corporation terminates Employee's employment other than: (a) "For Cause" (as defined in Section 6.1); or (b) due to death or Total Disability as provided in Section 2.1, the Corporation shall pay Employee, in full satisfaction and complete discharge of all obligations and liabilities of the Corporation to Employee under this Agreement or otherwise: (i) the balance of his compensation under Section 3.1 for the remainder of the Employment Period, payable no less frequently than bi-monthly; plus (ii) a Cash Bonus payment equal to two hundred percent (200%) of the total Bonus paid to Employee for the Corporation's prior fiscal year, but in no event less than One Million Dollars and Zero Cents (\$1,000,000.00), or more than Three Million Dollars and Zero Cents (\$3,000,000.00), without reference to the Bonus Limitation set forth in Section 4.2(b) hereof; plus (iii) pursuant to any incentive plan maintained by the Corporation, Employee shall have the right, during such reasonable period of time established by the Compensation Committee, to exercise any awards held by Employee, in whole or in part, whether or not such award was otherwise exercisable at that time, and without regard to any vesting or other limitation on exercise imposed pursuant to such plan.

6.4 Effect of Termination For Cause on Compensation. In the event this Agreement is terminated prior to the completion of the Employment Period or any period of renewal For Cause, Employee shall be entitled to: (i) the compensation earned by him pursuant to Section 3.1 prior to the date of termination as provided for in this Agreement computed pro rata up to and including that date; and (ii) all Bonus payments pursuant to Section 4.2 calculated on a pro rata basis based upon Employee's actual date of termination, and Employee shall automatically and completely forfeit any additional rights which could be alleged under any bonus plan established by the Corporation, Employee shall be paid his pro rata Bonus payments during the calendar year in which the Performance Period that includes the date of termination ends.

6.5 Effect of Death or Disability. In the event of the death or Total Disability of Employee during the Employment Period, Employee, or his Estate, shall be entitled to: (i) compensation earned by him pursuant to Section 3.1 hereof prior to the date of death or termination for Total Disability, computed pro rata up to and including that date; plus (ii) a pro rata portion of the Bonus payments pursuant to Section 4.2, for the year of Employee's death or Total Disability based upon Employee's actual date of termination. Employee shall be paid his pro rata Bonus payment during the calendar year in which the Performance Period that include the date of termination ends; plus (iii) pursuant to any incentive plan maintained by the Corporation, Employee shall have the right during such reasonable period of time established by the Compensation Committee, to exercise any awards held by the Employee in whole or in part, whether or not such award was otherwise exercisable at that time, and without regard to any vesting or other limitation on exercise imposed pursuant to such plan.

6.6 Effect of Voluntary Termination by Employee. In the event of the voluntary termination by Employee, pursuant to Section 6.2 hereof, Employee shall be entitled to: (i) compensation earned by him pursuant to Section 3.1 hereof prior to the date of termination, computed pro rata up to and including that date; plus (ii) a pro rata portion of the Bonus payment pursuant to Section 4.2, for the year of Employee's voluntary termination based upon Employee's actual date of termination. Employee shall be paid his pro rata Bonus payment

during the calendar year in which the Performance Period that includes the date of termination ends.

If Employee terminates his/her employment voluntarily, after having obtained twenty (20) years of service with the Corporation and attained age fifty-five (55), pursuant to any incentive plan maintained by the Corporation Employee shall have the right, during such reasonable period of time established by the Compensation Committee, to exercise any awards held by the Employee in whole or in part, whether or not such award was otherwise exercisable at that time, and without regard to any vesting or other limitation on exercise imposed pursuant to such plan.

6.7 Effect of Change In Control.

(a) For purposes of this Agreement, “Change in Control” means a change in control of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Exchange Act, provided that, without limitation, such a change in control shall include and be deemed to occur upon any of the following events:

(i) Any “person” (as such term is used in Sections 13(d) and 14(d)(2) of the Exchange Act, but excluding any person described in and satisfying the conditions of Rule 13d-1(b)(1) thereunder), other than the Corporation, its subsidiaries or any employee benefit plan of the Corporation or any of its subsidiaries, becomes the “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Corporation representing twenty-five percent (25%) or more of the combined voting power of the Corporation’s then outstanding securities;

(ii) The “Incumbent Directors” cease to constitute at least a majority of the Board of Directors. For purposes hereof, “Incumbent Directors” means the members of the Board of Directors at the effective date of this Agreement and the persons elected or nominated for election as their successors or pursuant to increases in the size of the Board of Directors by a vote of at least two-thirds of the Board members then still in office (or successors or additional members so elected or nominated);

(iii) The shareholders of the Corporation approve a merger, combination, consolidation, recapitalization or other reorganization of the Corporation with one or more other entities that are not subsidiaries and, as a result of the transaction, less than 50% of the outstanding voting securities of the surviving or resulting corporation shall immediately after the event be owned in the aggregate by the stockholders of the Corporation (directly or indirectly), determined on the basis of record ownership as of the date of determination of holders entitled to vote on the action (or in the absence of a vote, the day immediately prior to the event); or

(iv) The shareholders of the Corporation approve a plan of liquidation and dissolution or the sale or transfer of substantially all of the Corporation’s business and/or assets as an entirety to an entity that is not a subsidiary.

Notwithstanding the foregoing, no Change in Control shall be deemed to have occurred if, prior to such time as a Change in Control would otherwise be deemed to have occurred, the Board of Directors determines otherwise.

(b) In the event Employee terminates his employment for “Good Reason” (as defined below) within twelve (12) months following a Change in Control of the Corporation, the Corporation shall pay Employee, in full satisfaction and complete discharge of all obligations and liabilities of the Corporation to Employee under this Agreement or otherwise: (i) the balance of his compensation under Section 3.1 for the remainder of the Employment Period, payable no less frequently than bi-monthly; plus (ii) a Cash Bonus payment equal to two hundred percent (200%) of the total Bonus paid to Employee for the Corporation’s prior fiscal year, but in no event no less than One Million Dollars and Zero Cents (\$1,000,000.00), or more than Three Million Dollars and Zero Cents (\$3,000,000.00), without reference to the Bonus Limitation set forth in Section 4.2(b) hereof; plus (iii) pursuant to any incentive plan maintained by the Corporation, Employee shall have the right, during such reasonable period of time established by the Compensation Committee, to exercise any awards held by the Employee in whole or in part, whether or not such award was otherwise exercisable at that time, and without regard to any vesting or other limitation on exercise imposed pursuant to such plan.

For purposes of this Agreement, “Good Reason” means (i) a reduction in Employee’s salary or bonus opportunity set forth in this Agreement, (ii) a significant diminution in Employee’s position, reporting relationships, authority, duties or responsibilities, (iii) relocation of Employee’s place of work outside of the Dayton, Ohio metropolitan area, (iv) a breach by the Corporation of this Agreement or (v) failure of the Corporation to assign this Agreement to a successor upon a Change in Control.

ARTICLE VII - WAIVER OF BREACH

7.1 Effect of Waiver. Waiver by the Corporation of any condition, or of the breach of Employee of any term or covenant contained in this Agreement, whether by conduct or otherwise, in any one or more instances shall not be deemed to be or construed as a further or continuing waiver of any such condition or to be a waiver either of any other condition or of the breach of any other term or covenant of this Agreement. The failure of the Corporation at any time or times to require performance of any provision hereof shall in no manner affect its rights at a later time to require the same.

ARTICLE VIII - MISCELLANEOUS

8.1 Notices. All notices and other communications by any party hereto shall be made in writing to the other party and shall be deemed to have been duly given when mailed by United States certified mail, with postage prepaid, addressed as the parties hereto may designate from time to time in writing.

8.2 Entire Agreement. This Agreement constitutes the entire agreement between the Corporation and the Employee, and supersedes all prior or contemporaneous agreements,

representations, negotiations and understandings of the parties hereto, oral or written, including, without limitation, the Original Employment Agreement.

8.3 Assignability. Neither this Agreement, nor any duties or obligations hereunder shall be assignable by Employee without the prior written consent of the Chief Executive Officer or Board of Directors of the Corporation.

8.4 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

8.5 Captions. The captions in this Agreement are inserted for convenience only and shall not be considered part of or affect the construction or interpretation of any provision of this Agreement.

8.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio.

8.7 Parent Entity. References in this Agreement to the Corporation shall include REX, the ultimate parent entity of the Corporation, as the context or circumstance requires to give effect to the purpose and intent of this Agreement.

8.8 Original Employment Agreement. The Corporation and Employee hereby consent and agree that the Original Employment Agreement shall terminate upon the full execution of this Agreement.

[Remainder of this page intentionally left blank, signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first set forth above.

REX RADIO AND TELEVISION, INC.,
an Ohio corporation,

By: /s/ Zafar A. Rizvi
Zafar A. Rizvi
Chief Executive Officer and President

EMPLOYEE

/s/ Stuart A. Rose
Stuart A. Rose

REX AMERICAN RESOURCES CORPORATION
Long Term Incentive - Restricted Stock Unit Award Agreement
(Employee - Performance-Based Vesting Award)
Grant Number: "RSU_Number"

REX American Resources Corporation (the "Company") hereby grants you, (_____) (the "Participant"), an award of restricted stock units ("Restricted Stock Units") under the REX American Resources Corporation 2015 Incentive Plan, as dated July 1, 2015 (the "Plan") Subject to the provisions of Appendix A (attached) and of the Plan, the principal features of this Award are as follows:

Date of Grant: _____ 2022
Number of Restricted Stock Units:
Performance Period: January 1, 2022 to December 31, 2024

Vesting of Restricted Stock Units: Subject to any accelerated vesting provisions in the Plan and this Award, the Restricted Stock Units eligible to vest will vest as follows:

The number of Restricted Stock Units (if any) eligible to vest will be determined based on how the Company's Total Shareholder Return ("TSR") ranks in comparison to the TSRs of the companies that comprise the Russell 2000 Index (the "Index Group") during the Performance Period. At the end of the Performance Period, the Participant will vest in the number of Restricted Stock Units as determined by the Compensation Committee, based on achievement of the TSR performance condition, provided that the Participant remains in Full-Time Employment during the Performance Period. The number of Restricted Stock Units that may vest ranges from zero percent (0%) to two hundred percent (200%) (the "Applicable Percentage") of the Target Number of Restricted Stock Units, depending on actual performance during the Performance Period.

The Applicable Percentage will be determined as follows:

Company TSR Percentile Rank within the Index Group Applicable Percentage

At or Below 40th percentile	0%
Above 40th percentile	50%
Above 50th percentile	100%
Above 75th percentile	150%
90th percentile or higher	200%

If the Company's TSR ranks above the 50th percentile of the Index Group, 100% of the Target Number of Restricted Stock Units will be eligible to vest. If the TSR percentile rank achieved by the Company is at or below the 50th percentile of the Index Group, but above the 40th percentile, the Applicable Percentage will decrease by 5% for each percentile rank below the 50th percentile. If the Company's TSR percentile rank relative to the Index Group is above the 50th percentile, but below the 75th percentile, for each percentile rank above the 50th percentile, the Applicable Percentage will increase by 2%. If the Company's TSR percentile rank relative to the Index Group is above the 75th percentile, but below the 90th percentile, for each percentile rank above the 75th percentile, the Applicable Percentage will increase by 3.33%. If the Company's TSR is negative during the Performance Period, the maximum number of Restricted Stock

Units that can vest is 100%, even if the Company's TSR performs above the 60th percentile of the Index Group.

In no event shall the Applicable Percentage exceed 200%. Percentile ranks will be rounded up to the nearest whole number. The number of Restricted Stock Units eligible to vest (if any) will be rounded down to the nearest whole Share.

For purposes of the TSR calculations, the following additional rules shall apply. TSR will be calculated as change in share price as reported on the applicable exchange, including reinvestment of dividends (assuming dividend reinvestment on the ex-dividend date). The beginning and ending prices for each share (including the Company's) will be the simple average of the daily closing prices for that share of stock during the thirty (30) trading day period: (i) immediately preceding and ending on the relevant date as reported on the applicable market; and (ii) immediately following the relevant date as reported on the applicable market. Appropriate adjustments in the TSR calculations shall be made to reflect stock dividends, splits and other transactions affecting the various shares of stock, as determined by the Compensation Committee. Companies that are added to the Russell 2000 Index after the beginning of the Performance Period and companies that cease to be publicly-traded before the end of the Performance Period shall not be considered as part of the Index Group. Companies that remain publicly-traded as of the end of the Performance Period but that cease to be part of the Russell 2000 Index will be included in the Index Group.

All determinations regarding TSR performance and the Applicable Percentage shall be made by the Compensation Committee in its sole discretion within sixty (60) days following the end of the Performance Period and all such determinations shall be final and binding on all parties.

For these purposes, "Full-Time Employment" means that the Participant is not on a Nonstatutory Leave of Absence for 180 days or more during any Fiscal Year during the Performance Period and Participant is a Full-Time Employee during the entire Performance Period.

For these purposes, "Full-Time Employee" means that Participant works in a position of employment with the Company or any Subsidiary of the Company in which Participant is regularly scheduled to work forty (40) or more hours per week or a normal full-time work week pursuant to Applicable Law.

For these purposes, "Nonstatutory Leave of Absence" means any unpaid leave of absence approved by the Company that the Company is not required to provide to Participant pursuant to Applicable Law. Unless otherwise defined herein or in Appendix A, capitalized terms herein or in Appendix A will have the defined meanings ascribed to them in the Plan.

IMPORTANT:

The Company's obligation to deliver Shares or cash pursuant to this Award of Restricted Stock Units is subject to all of the terms and conditions contained in Appendix A and the Plan, including the Tax Obligations (as defined in Appendix A).

PLEASE BE SURE TO READ APPENDIX A, WHICH CONTAINS THE SPECIFIC TERMS AND CONDITIONS OF THIS AWARD.

By signing below, you acknowledge and agree that:

(a) you have been able to review the Award Documents and understand that all rights and obligations with respect to this Award are set forth in such documents;

(b) you agree to all terms and conditions contained in the Award Documents, including the Tax Obligations;

(c) the Award Documents set forth the entire understanding between the Company and you regarding this Award and your right to receive a whole number of Shares (or, in the discretion of the Compensation Committee, a lump sum cash payment equal to the Fair Market Value of such Shares) thereunder, except as otherwise provided.

The provisions of this Award Agreement are hereby approved as of this ____ day of _____, 2022.

Participant

APPENDIX A

TERMS AND CONDITIONS OF RESTRICTED STOCK UNIT AWARDS

1. Grant. The Company hereby grants to the Participant under the Plan an Award for a number of Restricted Stock Units set forth in the Long Term Incentive - Restricted Stock Unit Award Agreement, subject to all of the terms and conditions of the Restricted Stock Unit Award Agreement, including this Appendix A (collectively, the "Award Agreement"), and the Plan.

2. Company's Obligation to Pay. Each Restricted Stock Unit represents the right to receive a share of Stock if it becomes vested. The Participant will have no right to settlement of any unvested Restricted Stock Units. Prior to actual settlement of any vested Restricted Stock Units, such Restricted Stock Units will represent an unsecured obligation of the Company, payable (if at all) only from the general assets of the Company. Subject to the provisions of Sections 4 and 6, such vested Restricted Stock Units will be settled within 10 business days following the date on which the Committee certifies in writing the Company's TSR percentile rank relative to the Index Group, but in no event later than March 15, 2025.

3. Vesting Schedule. Except as provided in Sections 4 and 5, and subject to Section 6, the Restricted Stock Units granted under this Award Agreement will vest on the last day of the Performance Period, subject to achievement of the applicable Performance Goals specified in this Award Agreement and Participant's Full-Time Employment for the entire Performance Period. In the event any Restricted Stock Units have not vested at the end of the Performance Period, the then-unvested Restricted Stock Units granted under this Award Agreement will thereupon be forfeited without consideration payable by the Company and the Participant will have no further rights thereunder.

4. Change in Control. If the Participant remains a Full-Time Employee until the date of a Change in Control, and the Change in Control occurs before the last day of the Performance Period, the following rules will apply:

- a. If this Award is assumed or substituted by the successor corporation, or a parent or subsidiary of the successor corporation in connection with a Change in Control, then the Performance Goals shall be deemed satisfied at the greater of: (i) the 150% achievement level; or (ii) the actual achievement level based on the Company's TSR relative to the Index Group
-

through the date of the Change in Control, and the resulting number of earned Restricted Stock Units shall vest at the end of the Performance Period, subject to Participant remaining a Full-Time Employee with the successor corporation or a parent or subsidiary of the successor corporation through the end of the Performance Period and subject to Section 6 below. Upon vesting, the Restricted Stock Units that were earned as described in the immediately preceding sentence shall be payable within 30 calendar days following the end of the Performance Period.

b. If this Award is not assumed or substituted by the successor corporation or a parent or subsidiary of the successor corporation in connection with a Change in Control, then the Performance Goals shall be deemed satisfied at the greater of: (i) the 150% achievement level; or (ii) the actual achievement level based on the Company's TSR relative to the Index Group through the date of the Change in Control, and the resulting number of earned Restricted Stock Units shall become immediately vested and payable within 30 calendar days following the date of the Change in Control.

c. If not otherwise defined herein, Defined Terms are as set forth in Participant's Employment Agreement of even date herewith.

5. Compensation Committee Discretion. The Committee, in its discretion, may accelerate the vesting of the balance of the unvested Restricted Stock Units at any time. If so accelerated, such Restricted Stock Units will be considered as having vested as of the date specified by the Committee.

6. Forfeiture upon Termination of Continuous Service. Except as provided in Section 6(a), (b) and (c) below, if Participant ceases to be an Employee during the Performance Period, the unvested Restricted Stock Units will immediately terminate without any consideration payable by the Company.

a. Notwithstanding the foregoing, in the event that, prior to the end of the Performance Period (i) the Participant's employment is terminated by the Company other than For Cause (excluding for Death or Total Disability); or (ii) the Participant resigns for Good Reason, in either case prior to a Change in Control, then the Performance Goals shall be deemed satisfied at the greater of: (x) the 100% achievement level; or (y) the actual achievement level based on the Company's TSR relative to the Index Group through the calendar month ending immediately prior to the date of termination, and the resulting number of Restricted Stock Units shall be payable within 30 calendar days following such termination of employment.

b. Notwithstanding the foregoing, if the Participant's Award is assumed or substituted in connection with a Change in Control, the earned but unvested Restricted Stock Units (calculated in accordance with Section 4(a) above) will become fully vested in the event that: (i) the Participant's employment is terminated by the Company other than For Cause (including for Death or Total Disability); or (ii) the Participant resigns for Good Reason; or (iii) the Company, in its sole discretion, determines to provide for full vesting on any other termination event as mutually agreed by the Participant and the Company, and the vested Restricted Stock Units shall become payable within 30 calendar days following such termination of employment.

c. In the event Participant's employment with the Company terminates by reason of Death or Total Disability during the Performance Period but prior to a Change in Control, then the Performance Goals shall be deemed satisfied at the 100% achievement level and the resulting number of Restricted Stock Units shall be payable within 30 calendar days following such event.

7. Payment after Vesting. Any Restricted Stock Units that vest in accordance with Sections 3, 4, 5 or 6 will be paid to the Participant (or in the event of the Participant's death, to his or her estate) in whole shares of Stock. No fractional shares of Stock shall be issued to Participant and Participant shall not be entitled to consideration for any fractional shares of Stock.

8. Payments after Death or Disability. Any distribution or delivery to be made to the Participant under this Agreement will, if the Participant is then deceased or has incurred Total Disability, be made to the Participant's legal representatives, heirs, legatees or distributees, as applicable. Any such transferee must furnish the Company with (a) written notice of his or her status as transferee, and (b) evidence satisfactory to the Company to establish the validity of the transfer and compliance with any laws or regulations pertaining to said transfer.

9. Tax Obligations

(a) Responsibility for Taxes. Participant acknowledges that, regardless of any action taken by the Company or, if different, Participant's employer (the "Employer"), the ultimate liability for any tax and/or social insurance liability obligations and requirements in connection with the Restricted Stock Units, including, without limitation, (1) all federal, state, and local taxes (including the Participant's Federal Insurance Contributions Act (FICA) obligation) that are

required to be withheld by the Company or the Employer or other payment of tax-related items related to Participant's participation in the Plan and legally applicable to Participant, (2) the Participant's and, to the extent required by the Company (or Employer), the Company's (or Employer's) fringe benefit tax liability, if any, associated with the grant, vesting or settlement of the Restricted Stock Units or the sale of the shares of Stock, and (3) any other Company (or Employer) taxes the responsibility for which the Participant has, or has agreed to bear, with respect to the Restricted Stock Units (or the grant, vesting or settlement thereof or the sale of shares of Stock) (collectively, the "Tax Obligations"), is and remains Participant's responsibility and may exceed the amount actually withheld by the Company or the Employer. Participant further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax Obligations in connection with any aspect of the Restricted Stock Units, including, but not limited to, the grant, vesting or settlement of the Restricted Stock Units, the subsequent sale of shares of Stock acquired pursuant to such settlement and the receipt of any dividends or other distributions with respect to such shares of Stock, and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Restricted Stock Units to reduce or eliminate Participant's liability for Tax Obligations or achieve any particular tax result.

(b) Tax Withholding. When vested Restricted Stock Units are settled, Participant generally will recognize immediate U.S. taxable income if Participant is a U.S. taxpayer. If Participant is a non-U.S. taxpayer, Participant will be subject to applicable taxes in his or her jurisdiction. Pursuant to such procedures and subject to such restrictions as the Committee may specify from time to time, the Company and/or Employer shall withhold an amount required to be withheld for the payment of Tax Obligations, determined by using up to the maximum federal, state and, if applicable, local marginal tax rates applicable to the Participant with respect to the Award on the date that the amount of tax to be withheld is to be determined. The Committee, in its discretion and pursuant to such procedures as it may specify from time to time, may permit Participant to satisfy such Tax Obligations, in whole or in part (without limitation), if permissible by applicable local law, by (1) paying cash, (2) electing to have the Company withhold otherwise deliverable cash or shares of Stock having a Fair Market Value equal to the amount of such Tax Obligations, (3) withholding the amount of such Tax Obligations from Participant's wages or other cash compensation paid to Participant by the Company and/or the Employer, (4) delivering to the Company already vested and owned shares of Stock having a Fair Market Value equal to such Tax Obligations, or (5) selling a sufficient number of such shares of Stock otherwise deliverable to Participant through such means as the Company may determine in its sole discretion (whether through a broker or otherwise) equal to the amount of the Tax Obligations.

To the extent determined appropriate by the Company, in its discretion, it will have the right (but not the obligation) to satisfy, any Tax Obligations by reducing the number of shares of Stock otherwise deliverable to Participant (provided that in no event shall the value of the Shares retained exceed the minimum amount of taxes required to be withheld or such other amount permitted under the Plan). Further, if Participant is subject to tax in more than one jurisdiction between the Date of Grant and a date of any relevant taxable or tax withholding event, as applicable, Participant acknowledges and agrees that the Company and/or the Employer (and/or former employer, as applicable) may be required to withhold or account for tax in more than one jurisdiction. Participant acknowledges and agrees that if Participant fails to make satisfactory arrangements for the payment of such Tax Obligations hereunder at the time of the applicable taxable event, Participant will permanently forfeit such Restricted Stock Units and any right to settlement thereof and the Restricted Stock Units will be cancelled with no consideration to Participant. Without limitation on any of the foregoing rights or remedies of Company, if Participant fails to make satisfactory arrangements for the payment of such Tax Obligations hereunder, Company has the right, at Company's sole discretion, to sell a sufficient number of such shares of Stock otherwise deliverable to Participant through such means as the Company may determine in its sole discretion (whether through a broker or otherwise) equal to the amount of the Tax Obligations, or to withhold otherwise deliverable cash or shares of Stock having a Fair Market Value equal to the amount of such Tax Obligations.

10. Participant Bears Risks of Selling Otherwise Distributable shares of Stock to Cover Tax Obligations. If any Tax Obligations are to be satisfied by selling a sufficient number of shares of Stock otherwise deliverable to Participant, Participant hereby acknowledges and agrees that such sales will be subject to market pricing and trade execution risks, including trading delays and timing, which could result in the sale of a greater amount of shares of Stock than expected and at a lower price than expected, including in comparison to other market sales within same trading day or adjacent trading days; and that Participant bears all risks associated with such sales, including all market pricing and trade execution risks. Participant hereby agrees to save and hold the Company, all Employers, and any Parent or Subsidiary, and their respective officers, directors and employees, harmless from any and all liabilities arising from or as a consequence of any such sales. Participant agrees that Participant will be responsible for any commissions and related costs with respect to such sales.

11. Nature of Grant. In accepting the Award, Participant acknowledges, understands and agrees that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;

(b) the Award of Restricted Stock Units is voluntary and occasional and does not create any contractual or other right to receive future awards of Restricted Stock Units, or benefits in lieu of Restricted Stock Units, even if Restricted Stock Units have been awarded in the past;

(c) all decisions with respect to future Restricted Stock Units or other awards, if any, will be at the sole discretion of the Company;

(d) Participant is voluntarily participating in the Plan;

(e) the Award of Restricted Stock Units and the shares of Stock issuable thereunder, including the value of dividends, distributions and future proceeds, are not intended to replace any pension rights or compensation;

(f) the Award of Restricted Stock Units and the shares of Stock issuable thereunder, including the value of dividends, distributions and future proceeds, are not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments;

(g) the future value of the underlying shares of Stock is unknown, indeterminable and cannot be predicted with certainty;

(h) unless otherwise provided in the Plan or by the Company in its discretion, the Restricted Stock Units and the benefits evidenced by this Award Agreement do not create any entitlement to have the Restricted Stock Units or any such benefits transferred to, or assumed by, another company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Stock; and

(i) unless otherwise agreed with the Company, the Restricted Stock Units and the shares of Stock issuable thereunder, including the value of dividends, distributions and future

proceeds, are not granted as consideration for, or in connection with, the service Participant may provide as a director of a Subsidiary or affiliate of the Company.

12. *Data Privacy. Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Participant's personal data as described in this Award Agreement and any other grant materials ("Data") by and among, as applicable, the Employer, the Company and any Parent or Subsidiary for the purpose of implementing, administering and managing Participant's participation in the Plan*

Participant understands that the Company and the Employer may hold certain personal information about Participant, including, but not limited to, Participant's name; home address; telephone numbers; date of birth; age; social insurance number, social security number, taxpayer identification number and/or other identification number; tax related information; salary; salary history; nationality; job title; any shares of stock or directorships held in the Company; details of all Restricted Stock Units or any other entitlement to shares of stock granted, canceled, exercised, vested, unvested or outstanding in Participant's favor; and benefit enrollment forms; for the purpose of implementing, administering and managing the Plan.

Participant understands that Data may be transferred to a stock plan service provider as may be selected by the Company from time to time, which is assisting the Company with the implementation, administration and management of the Plan. Participant understands that the recipients of Data may be located in the United States or elsewhere, and that the recipients' country (e.g., the United States) may have different data privacy laws and protections than Participant's country. Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of Data by contacting his or her local human resources representative. Participant authorizes the Company and any possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, process, retain and transfer Data, in electronic or other form, for the purpose of implementing, administering and managing his or her participation in the Plan. Participant understands that Data will be held as long as is necessary to implement, administer and manage Participant's participation in the Plan. Participant understands if he or she resides outside the United States, he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. Further, Participant understands

that he or she is providing the consents herein on a purely voluntary basis. If Participant does not consent, or if Participant later seeks to revoke his or her consent, his or her employment status or service and career with the Employer will not be adversely affected thereby; the only consequence of refusing or withdrawing Participant's consent is that the Company would not be able to grant Participant Restricted Stock Units or other equity awards or administer or maintain such awards. Therefore, Participant understands that refusing or withdrawing his or her consent may affect Participant's ability to participate in the Plan. For more information on the consequences of Participant's refusal to consent or withdrawal of consent, Participant understands that he or she may contact his or her local human resources representative. Nothing in this Section 12 shall be understood as limiting or restricting any other rights of Company, including without limitation under any other consents given by Participant, to receive, possess, use, process, retain and transfer any Data.

13. Rights as Stockholder. Neither the Participant nor any person claiming under or through the Participant will have any of the rights or privileges of a stockholder of the Company in respect of any shares of Stock deliverable hereunder unless and until certificates representing such shares of Stock will have been issued (including in book entry), recorded on the records of the Company or its transfer agents or registrars, and, if applicable, delivered to the Participant.

14. No Guarantee of Continued Service. PARTICIPANT ACKNOWLEDGES AND AGREES THAT ANY VESTING OF THE RESTRICTED STOCK UNITS PURSUANT TO THE VESTING SCHEDULE HEREOF IS EARNED ONLY BY CONTINUING AS A SERVICE PROVIDER AT THE WILL OF THE COMPANY OR THE EMPLOYER, AND NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THIS AWARD OF RESTRICTED STOCK UNITS, VESTING IN THE AWARD OR ACQUIRING SHARES OF STOCK HEREUNDER. PARTICIPANT FURTHER ACKNOWLEDGES AND AGREES THAT THIS AWARD AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS A SERVICE PROVIDER FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND WILL NOT INTERFERE IN ANY WAY WITH PARTICIPANT'S RIGHT OR THE RIGHT OF THE COMPANY OR THE EMPLOYER TO TERMINATE PARTICIPANT'S RELATIONSHIP AS A SERVICE PROVIDER AT ANY TIME, WITH OR WITHOUT CAUSE.

15. Address for Notices. Any notice to be given to the Company under the terms of this Agreement will be addressed to the Company at 7720 Paragon Road, Dayton OH 45459. Attn: Chief Financial Officer, or at such other address as the Company may hereafter designate in writing.

16. Award is Not Transferable. Except to the limited extent provided in Section 8, this Award and the rights and privileges conferred hereby will not be transferred, assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) and will not be subject to sale under execution, attachment or similar process. Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of this Award, or any right or privilege conferred hereby, or upon any attempted sale under any execution, attachment or similar process, this Award and the rights and privileges conferred hereby immediately will become null and void.

17. Binding Agreement. Subject to the limitation on the transferability of this grant contained herein, this Award Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

18. Additional Conditions to Issuance of Stock. If at any time the Company will determine, in its discretion, that the listing, registration or qualification of the shares of Stock upon any securities exchange or under any state or federal law, or the consent or approval of any governmental regulatory authority is necessary or desirable as a condition to the issuance of shares of Stock to the Participant (or his or her estate), such issuance will not occur unless and until such listing, registration, qualification, consent or approval will have been effected or obtained free of any conditions not acceptable to the Company. The Company will make all reasonable efforts to meet the requirements of any such state or federal law or securities exchange and to obtain any such consent or approval of any such governmental authority.

19. Plan Governs. This Award Agreement is subject to all terms and provisions of the Plan. In the event of a conflict between one or more provisions of this Award Agreement and one or more provisions of the Plan, the provisions of the Plan will govern.

20. Compensation Committee Authority. The Compensation Committee will have the power to interpret the Plan and this Award Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any Restricted Stock Units have vested). All actions

taken and all interpretations and determinations made by the Compensation Committee in good faith will be final and binding upon Participant, the Company and all other interested persons. No member of the Board or the Compensation Committee administering the Plan will be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or this Award Agreement.

21. Captions. Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Award Agreement.

22. Agreement Severable. In the event that any provision in this Award Agreement will be held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Award Agreement.
