
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): October 16, 2020

Aaron's, Inc.

(Exact name of registrant as specified in its charter)

Georgia
(State or other jurisdiction of
incorporation or organization)

1-13941
(Commission
File Number)

58-0687630
(IRS Employer
Identification No.)

400 Galleria Parkway SE, Suite 300
Atlanta, Georgia
(Address of principal executive offices)

30339-3194
(Zip code)

Registrant's telephone number, including area code:
(678) 402-3000

Not Applicable
(Former name or former address, if changed since last report)

* This report is filed by the Registrant as successor issuer to Aaron's, Inc. The common stock of Aaron's, Inc. previously was registered under Section 12(b) of the Securities Exchange Act of 1934 (the "Exchange Act"). The Registrant's common stock is deemed to be registered under Section 12(b) of the Exchange Act by virtue of Rule 12g-3(a).

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 Exchange Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, Par Value \$0.50 Per Share	AAN	New York Stock Exchange

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

Introductory Note

On April 13, 2020, Aaron's, Inc., a Georgia corporation ("Aaron's"), announced plans to create a new public holding company, Aaron's Holdings Company, Inc. ("HoldCo"), by implementing a holding company formation (the "holding company formation"). Upon completion of the holding company formation on October 16, 2020, HoldCo became the successor issuer to Aaron's pursuant to Rule 12g-3(a) under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

Item 3.01. Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing

The disclosure in Item 3.03 is incorporated herein by reference.

In connection with the holding company formation, Aaron's notified the New York Stock Exchange ("NYSE") that the holding company formation had been completed and requested that trading of its shares of common stock be suspended prior to the market opening on October 19, 2020. On October 16, 2020, the NYSE is expected to suspend trading of the Aaron's shares after the close of business. On October 19, 2020, HoldCo shares are expected to commence trading on the NYSE under the symbol "AAN". In addition, the NYSE has informed Aaron's that it will file with the Securities and Exchange Commission (the "SEC") a notification on Form 25 to remove the common stock of Aaron's that had been listed on the NYSE from listing by Aaron's on the NYSE and from registration under Section 12(b) of the Exchange Act.

Item 3.03. Material Modification to Rights of Security Holders.

On October 16, 2020, Aaron's completed the holding company formation. In the holding company formation, Aaron's became a direct, wholly owned subsidiary of HoldCo and thereafter converted to a limited liability company. The holding company formation was effected through a merger pursuant to an Agreement and Plan of Merger (the "Merger Agreement"), dated May 1, 2020, among Aaron's, HoldCo and Aaron's Merger Sub, Inc., a Georgia corporation ("Merger Sub"). Pursuant to the terms of the Merger Agreement, at the effective time of the Merger (the "Effective Time"), Merger Sub merged with and into Aaron's and the separate corporate existence of Merger Sub ceased (the "Merger"), with Aaron's as the surviving corporation in the Merger and continuing its existence as a direct, wholly owned subsidiary of HoldCo.

At the Effective Time, each outstanding share of Aaron's common stock issued and outstanding immediately prior to the Effective Time automatically converted into one share of HoldCo common stock. HoldCo is incorporated in the State of Georgia, as is Aaron's. The rights of shareholders of HoldCo are generally governed by Georgia law and HoldCo's articles of incorporation and bylaws, which are the same in all material respects as those of Aaron's. Therefore, the rights of a HoldCo shareholder are substantially similar as to the rights of an Aaron's shareholder immediately prior to the holding company formation. The holding company formation is described in more detail in the joint proxy statement/prospectus filed by HoldCo with the SEC on May 8, 2020, which description is incorporated by reference herein.

In connection with the holding company formation, and pursuant to an Assumption Agreement, dated as of October 16, 2020 (the "Assumption Agreement"), HoldCo assumed Aaron's currently effective registration statements and assumed, and agreed to perform all obligations of Aaron's under, the Amended and Restated Aaron Rents, Inc. 2001 Stock Option and Incentive Award Plan (the "2001 Stock Option and Incentive Award Plan"), the Aaron's, Inc. Amended and Restated 2015 Equity and Incentive Award Plan (the "2015 Equity and Incentive Award Plan") and assumed sponsorship of, and agreed to perform all obligations under, the Aaron's, Inc. Employee Stock Purchase Plan (the "ESPP"), the Aaron's, Inc. Employees Retirement Plan (the "Retirement Plan"), the Aaron's, Inc. Deferred Compensation Plan (the "Deferred Compensation Plan") and the Aaron's, Inc. Amended and Restated Compensation Plan for Non-Employee Directors (the "Director Plan"). As a result, this will allow (i) HoldCo to grant awards of HoldCo common stock under the 2015 Equity and Incentive Award Plan to eligible employees and other service providers, including employees of Aaron's, (ii) eligible employees of HoldCo and its subsidiaries (including Aaron's) to continue to participate in the ESPP (and purchase HoldCo common stock), the Retirement Plan (and invest in HoldCo common stock) and the Deferred Compensation Plan and (iii) non-employee directors of

HoldCo to participate in the Director Plan. Outstanding equity awards under the 2001 Stock Option and Incentive Award Plan and the 2015 Equity and Incentive Award Plan will continue in effect in accordance with the terms and conditions of the applicable plan and award agreement, including the same exercise price (if applicable), except that the shares of common stock issuable under each such equity award will be shares of HoldCo common stock. In addition, each participant eligible to purchase a share of Aaron's common stock under the ESPP will automatically be eligible to purchase a share of HoldCo common stock and otherwise, the same terms and conditions of the ESPP will apply.

At the Effective Time, the following plans were each amended and restated in connection with the holding company formation to effectuate HoldCo's assumption of such plans and, among other things, to provide that references to Aaron's be changed to refer to HoldCo and references to Aaron's common stock be changed to refer to HoldCo common stock: the 2015 Equity and Incentive Award Plan, the ESPP, the Deferred Compensation Plan and the Director Plan. In addition, the Retirement Plan and the 2001 Stock Option and Incentive Award Plan were amended to reflect HoldCo's assumption thereof.

The foregoing descriptions of the Merger Agreement, Assumption Agreement, the 2015 Equity and Incentive Award Plan (as amended and restated), the ESPP (as amended and restated), the Retirement Plan (as amended), the Deferred Compensation Plan (as amended and restated), the Director Plan (as amended and restated), and the 2001 Stock Option and Incentive Award Plan (as amended) are qualified in their entirety by the terms of such agreements, which are filed hereto as Exhibits 2.1, 10.1, 10.2, 10.3, 10.4, 10.5, 10.6 and 10.7 respectively, and incorporated herein by reference.

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

The disclosure in Item 3.03 is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
2.1	<u>Agreement and Plan of Merger, dated as of May 1, 2020, among Aaron's, Inc., Aaron's Holdings Company, Inc. and Aaron's Merger Sub, Inc. (incorporated by reference to Appendix B to the joint proxy statement/prospectus filed by Aaron's, Inc. with the SEC on May 8, 2020)</u>
10.1	<u>Assumption Agreement between Aaron's, Inc. and Aaron's Holdings Company, Inc., dated as of October 16, 2020</u>
10.2	<u>Aaron's, Inc. Amended and Restated 2015 Equity and Incentive Award Plan, 2020 Amendment and Restatement</u>
10.3	<u>Aaron's, Inc. Employee Stock Purchase Plan, 2020 Amendment and Restatement</u>
10.4	<u>Fourth Amendment to the Aaron's, Inc. Employees Retirement Plan</u>
10.5	<u>Aaron's, Inc. Deferred Compensation Plan, 2020 Amendment and Restatement</u>
10.6	<u>Aaron's, Inc. Amended and Restated Compensation Plan for Non-Employee Directors, 2020 Amendment and Restatement</u>
10.7	<u>Amendment to the Aaron Rents, Inc. 2001 Stock Option and Incentive Award Plan, as Amended and Restated</u>

SIGNATURES

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

AARON'S, INC.

By: /s/ Robert W. Kamerschen

Robert W. Kamerschen

Executive Vice President, General Counsel, Chief
Corporate Affairs Officer & Corporate Secretary

Date: October 16, 2020

ASSUMPTION AGREEMENT

THIS ASSUMPTION AGREEMENT (this “Assumption Agreement”) dated as of October 16, 2020 is between Aaron’s, Inc., a Georgia corporation (“Aaron’s”), and Aaron’s Holdings Company, Inc., a Georgia corporation and a wholly owned subsidiary of Aaron’s (“HoldCo”). All capitalized terms used in this Assumption Agreement and not defined herein have the respective meanings ascribed to them in the Agreement and Plan of Merger, dated as of May 1, 2020 (the “Merger Agreement”), by and among HoldCo, Aaron’s and Aaron’s Merger Sub, Inc., a Georgia corporation and a wholly owned subsidiary of HoldCo (“Merger Sub”).

RECITALS

WHEREAS, pursuant to the Merger Agreement, at the Effective Time Merger Sub will be merged with and into Aaron’s, with Aaron’s continuing as the surviving corporation, each outstanding share of Aaron’s Common Stock will be converted into one share of HoldCo Common Stock and each outstanding share of HoldCo Common Stock held by Aaron’s will be canceled (the “Holding Company Formation”); and

WHEREAS, in connection with the Holding Company Formation, HoldCo will assume Aaron’s currently effective registration statements (collectively, the “Registration Statements”), Aaron’s Registered Stock Plans (including the Aaron’s Stock Awards), the Employee Benefit Plans and the Director Plan (as such terms are defined below), all upon the terms and subject to the conditions set forth in this Assumption Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, Aaron’s and HoldCo hereby agree as follows:

I.

ASSUMPTION OF REGISTRATION STATEMENTS

1. Subject to and as of the Effective Time, by virtue of the Merger, HoldCo assumes the Registration Statements subject to the terms and conditions of the Merger Agreement and, to the extent set forth therein, hereby assumes all obligations of Aaron’s under the Registration Statements.

2. HoldCo, as of the Effective Time by virtue of the Merger, shall be deemed a “successor issuer” for purposes of continuing offerings under the Securities Act of 1933, as amended (the “Securities Act”). As soon as practicable following the Effective Time, HoldCo agrees to file post-effective amendments to each of the Registration Statements, adopting such statements as HoldCo’s own registration statements for all purposes of the Securities Act and the Securities Exchange Act of 1934 and setting forth any additional information necessary to reflect any material changes made in connection with or resulting from the succession or as necessary to keep the Registration Statements from being misleading.

II.

ASSUMPTION OF EQUITY PLANS

1. Subject to and as of the Effective Time, by virtue of the Merger, Aaron's assigns to HoldCo and HoldCo assumes and will perform, from and after the Effective Time, all of the obligations of Aaron's pursuant to the Amended and Restated Aaron Rents, Inc. 2001 Stock Option and Incentive Award Plan, the Aaron's Inc. Amended and Restated 2015 Equity and Incentive Award Plan and the Aaron's, Inc. Employee Stock Purchase Plan (collectively, the "Registered Stock Plans").

2. Subject to and as of the Effective Time, by virtue of the Merger, HoldCo assumes each option to purchase or right to acquire or vest or be settled in Aaron's Common Stock and/or cash issued under the Amended and Restated Aaron Rents, Inc. 2001 Stock Option and Incentive Award Plan, and the Aaron's Inc. Amended and Restated 2015 Equity and Incentive Award Plan (the "Aaron's Stock Plans") or granted by Aaron's outside of the Aaron's Stock Plans that is outstanding and unexercised, unvested, unsettled and/or not yet paid or payable immediately prior to the Effective Time ("Aaron's Stock Awards"), which shall automatically be converted into an option to purchase or right to acquire or vest in or be settled in, on otherwise the same terms and conditions as were applicable under the respective Aaron's Stock Plan or the underlying equity or equity-based award agreement (as modified herein), that number of shares of HoldCo Common Stock and/or cash amount equal to the number of shares of Aaron's Common Stock and/or cash amount subject to such Aaron's Stock Award, and, for stock options, an exercise price per share equal to the exercise price per share for such Aaron's stock option immediately prior to the Effective Time. Any shares of Aaron's Common Stock that remain available for issuance pursuant to the Aaron's Stock Plans immediately prior to the Effective Time shall, by virtue of the Merger, be assumed by HoldCo in such a manner that such shares are converted, as of the Effective Time, into that number of shares of HoldCo Common Stock equal to the number of such shares of Aaron's Common Stock. Such shares of HoldCo Common Stock shall be available for issuance under the Aaron's Stock Plans assumed by HoldCo on and after the Effective Time.

3. Subject to and as of the Effective Time, by virtue of the Merger, HoldCo assumes sponsorship of the Aaron's, Inc. Employee Stock Purchase Plan (the "ESPP"), such that each participant eligible to purchase a share of Aaron's Common Stock under the ESPP shall automatically be eligible to purchase a share of HoldCo Common Stock as of the Effective Time at the same price per share in effect immediately prior to the Effective Time, and otherwise the same terms and conditions as were applicable, under the ESPP immediately prior to the Effective Time shall apply. Any shares of Aaron's Common Stock that remain available for issuance pursuant to the ESPP immediately prior to the Effective Time shall, by virtue of the Merger, automatically be assumed by HoldCo in such a manner that such shares are converted, as of the Effective Time, into that number of shares of HoldCo Common Stock equal to the number of such shares of Aaron's Common Stock. Such shares of HoldCo Common Stock shall be available for issuance under the ESPP assumed by HoldCo on and after the Effective Time

4. HoldCo and Aaron's agree to (i) prepare and execute all amendments to the Registered Stock Plans, Aaron's Stock Awards, and other documents necessary to effectuate HoldCo's assumption of the Registered Stock Plans and the Aaron's Stock Awards, and (ii) submit any required filings with the Securities and Exchange Commission in connection with the foregoing.

5. On or prior to the Effective Time, HoldCo shall reserve sufficient shares of HoldCo Common Stock to provide for the issuance of HoldCo Common Stock to satisfy HoldCo's obligations under the Merger Agreement, including, without limitation, the Registered Stock Plans, the ESPP and the Aaron's, Inc. Employees Retirement Plan.

6. The assumption and conversion of Aaron's Common Stock and other equity awards and plans set forth in this Article II shall in all events be implemented in a manner satisfying the requirements of Sections 409A, 422 and 424 of the Code and the regulations issued thereunder and the provisions of the applicable plan.

III.

ASSUMPTION OF EMPLOYEE BENEFIT PLANS

1. Subject to and as of the Effective Time, by virtue of the Merger, Aaron's transfers, and HoldCo assumes and accepts sponsorship of, the Aaron's, Inc. Employees Retirement Plan and the Aaron's, Inc. Deferred Compensation Plan (the "Employee Benefit Plans"), along with any and all agreements, rights, duties, assets and liabilities associated with such Employee Benefit Plans, such that Aaron's will no longer sponsor any of the Employee Benefit Plans on and after the Effective Time.

2. From and after the Effective Time, by virtue of the Merger, each share of Aaron's Common Stock held under the Aaron's, Inc. Employees Retirement Plan shall be assumed by HoldCo in such a manner that it is automatically converted into a share of HoldCo Common Stock.

3. As of and subject to the Effective Time, by virtue of the Merger, Aaron's transfers, and HoldCo assumes and accepts, any and all trusts and related trust agreements and other funding vehicles maintained by Aaron's in connection with such Employee Benefit Plans.

4. As of and subject to the Effective Time, by virtue of the Merger, Aaron's will be a participating employer in the Employee Benefit Plans, and all of Aaron's employees, to the extent otherwise eligible pursuant to the terms of the applicable Employee Benefit Plan, shall be eligible to participate or continue to be eligible to participate, as applicable, in such Employee Benefit Plans by taking into account any service such employees were credited previously by Aaron's for purposes of such plans.

5. HoldCo and Aaron's agree to prepare, execute and deliver any and all amendments to the Employee Benefit Plans and other documents necessary to effectuate HoldCo's assumption of sponsorship of such Employee Benefit Plans and the related trusts, trust agreements and funding vehicles and HoldCo's and Aaron's participation in such Employee Benefit Plans as participating employers for their respective eligible employees.

IV.

ASSUMPTION OF DIRECTOR PLAN

1. Subject to and as of the Effective Time, Aaron's assigns to HoldCo and HoldCo assumes and will perform, from and after the Effective Time, all of the obligations of Aaron's pursuant to the Aaron's, Inc. Amended and Restated Compensation Plan for Non-Employee Directors (the "Director Plan").

2. HoldCo and Aaron's agree to prepare and execute all amendments to the Director Plan and other documents necessary to effectuate HoldCo's assumption of sponsorship of such Director Plan.

V.

MISCELLANEOUS

1. At the Effective Time, any compensatory plan, agreement, program or policy related to Aaron's Common Stock shall each be automatically deemed to be amended without further action, to the extent necessary or appropriate, to provide that references to Aaron's in such compensatory plan, agreement, program or policy (including any related documents) shall be deemed to refer solely to HoldCo.

2. Aaron's and HoldCo agree that the Merger does not constitute a "Change in Control" under the Registered Stock Plans, the Aaron's Stock Awards, the Deferred Compensation Plan, the Director Plan or any other compensatory plan, agreement, program or policy of Aaron's or its subsidiaries.

3. Each of HoldCo and Aaron's will, from time to time and at all times hereafter, upon every reasonable request to do so by the other party hereto, make, do, execute and deliver, or cause to be made, done, executed and delivered, all such further acts, deeds, assurances and things as may be reasonably required or necessary in order to further implement and carry out the intent and purpose of this Assumption Agreement.

[Signatures Follow on Next Page]

IN WITNESS WHEREOF, HoldCo and Aaron's have caused this instrument to be duly executed as of and on the date first above written, to be effective as of the Effective Time.

AARON'S HOLDINGS COMPANY, INC.

By: /s/ Todd King
Name: Todd King
Title: Vice President and Assistant Secretary

AARON'S, INC.

By: /s/ Robert W. Kamerschen
Name: Robert W. Kamerschen
Title: Executive Vice President, General Counsel, Chief
Corporate Affairs Officer & Corporate Secretary

[Signature Page to Assumption Agreement]

AARON'S, INC.
AMENDED AND RESTATED 2015 EQUITY AND INCENTIVE PLAN

2020 AMENDMENT AND RESTATEMENT

ARTICLE 1. PURPOSE AND GENERAL PROVISIONS

1.1 **Establishment of Plan.** Aaron's, Inc., a Georgia corporation ("Aaron's"), previously established an incentive compensation plan known as the Aaron's, Inc. Amended and Restated 2015 Equity and Incentive Plan (the "2015 Plan"). Effective on the closing of the transactions contemplated by the Agreement and Plan of Merger, dated May 1, 2020, among Aaron's, Aaron's Holdings Company, Inc. ("Holdings") and Aaron's Merger Sub, Inc. (the "Merger"), Aaron's shall become a wholly owned subsidiary of Holdings. Effective on the Merger, responsibility for the 2015 Plan, including administration of the 2015 Plan and payment of all outstanding awards under the 2015 Plan, shall be assumed by Holdings. The Board of Directors of Holdings (the "Board") hereby amends and restates the 2015 Plan as set forth in this document, as the Aaron's Inc. Amended and Restated 2015 Equity and Incentive Plan, 2020 Amendment and Restatement (the "Plan") to provide that all awards granted under the Plan outstanding as of the date of the Merger and payable in Aaron's common stock, and all future awards under the Plan, shall be paid in shares of Holdings common stock, subject to equitable adjustments under Section 4.3 of the Plan, and governed by the terms of the respective award agreements and by the Plan.

1.2 **Purpose of Plan.** The purpose of the Plan is to promote the long-term growth and profitability of the Company and its subsidiaries by (i) providing certain employees, directors, consultants, advisors and other persons who perform services for the Company and its subsidiaries with incentives to maximize shareholder value and otherwise contribute to the success of the Company, and (ii) enabling the Company to attract, retain and reward outstanding individuals to serve as directors, officers and employees.

1.3 **Types of Awards.** Awards under the Plan may be made to eligible Participants in the form of Incentive Stock Options, Nonqualified Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Shares, Performance Units, Other Awards, Annual Incentive Awards, or any combination thereof.

1.4 **Effective Date.** The 2015 Plan was originally effective March 10, 2015. The Plan, as amended and restated herein, shall be effective as of October 16, 2020, (the "Effective Date"), the date it was adopted by the Board.

1.5 **Termination of the Plan.** No awards shall be granted under the Plan after the tenth (10th) anniversary of the Effective Date. Awards granted under the Plan on or prior to the tenth (10th) anniversary of the Effective Date shall remain outstanding beyond that date in accordance with the terms and conditions of the Plan and the Agreements corresponding to such Awards.

ARTICLE 2. DEFINITIONS

Except where the context otherwise indicates, the following definitions apply:

“409A AWARD” means an Award that is not exempt from Code section 409A.

“AGREEMENT” means the written or electronic agreement evidencing an Award granted to a Participant under the Plan. As determined by the Committee, each Agreement shall consist of either (i) a written agreement in a form approved by the Committee and executed on behalf of the Company by an officer duly authorized to act on its behalf, or (ii) an electronic notice of Award in a form approved by the Committee and recorded by the Company (or its designee) in an electronic recordkeeping system used for the purpose of tracking Awards, and if required by the Committee, executed or otherwise electronically accepted by the recipient of the Award in such form and manner as the Committee may require. The Committee may authorize any officer of the Company (other than the particular Award recipient) to execute any or all Agreements on behalf the Company.

“ANNUAL INCENTIVE AWARD” mean an Award under Article 10 that entitles the Participant to receive a payment in cash or other property specified by the Committee to the extent performance goals are achieved.

“AWARD” means an award granted to a Participant under the Plan that consists of one or more Incentive Stock Options, Nonqualified Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Shares, Performance Units, Other Awards, Annual Incentive Awards, or a combination of these.

“BOARD” means the Board of Directors of the Company.

“CAUSE” means, unless provided otherwise in the Agreement, (i) the Participant’s material fraud, malfeasance, gross negligence, or willful misconduct with respect to business affairs of the Employer, which is, or is reasonably likely to be if such action were to become known by others, directly or materially harmful to the business or reputation of the Employer; (ii) the Participant’s conviction of or failure to contest prosecution for a felony or a crime involving fraud, embezzlement, theft or moral turpitude; (iii) the Participant’s breach of the Agreement (including, without limitation, any provisions relating to maintaining confidential information and not soliciting the Employer’s employees and customers); or (iv) the willful and continued failure or habitual neglect by the Participant to perform his duties with the Employer substantially in accordance with the operating and personnel policies and procedures of the Employer. “Cause” shall be determined by the Committee in its sole discretion. Notwithstanding the foregoing, if the Participant has entered into an employment agreement with the Employer that is binding as of the date of employment termination, and if such employment agreement defines “Cause,” then the definition of “Cause” in such agreement shall apply to the Participant for Awards under this Plan.

“CHANGE IN CONTROL” means the occurrence of one of the following events:

(a) The acquisition (other than from the Company) by any Person of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act (but without regard to any time period specified in Rule 13d-3(d)(1)(i))), of thirty-five percent (35%) or more of the combined voting power of then outstanding securities of the Company entitled to vote generally in the election of directors (the “Outstanding Company Voting Securities”); excluding, however, (1) any acquisition by the Company or (2) any acquisition by an employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company;

(b) A majority of the members of the Board is replaced during any 12- month period by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of the appointment or election; or

(c) Consummation by the Company of a reorganization, merger, or consolidation or sale of all or substantially all of the assets of the Company (a “Transaction”); excluding, however, a Transaction pursuant to which all or substantially all of the individuals or entities who are the beneficial owners, respectively, of the Outstanding Company Voting Securities immediately prior to such Transaction will beneficially own, directly or indirectly, more than fifty percent (50%) of the combined voting power of the outstanding securities of such corporation entitled to vote generally in the election of directors of the corporation resulting from such Transaction (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company’s assets either directly or indirectly) in substantially the same proportions relative to each other as their ownership, immediately prior to such Transaction, of the Outstanding Company Voting Securities.

Notwithstanding the foregoing, for purposes of any 409A Award, if that Award provides for a change in the time or form of payment upon a Change in Control, then no Change in Control shall be deemed to have occurred upon an event described above unless the event would also constitute a change in ownership of the Company, a change in effective control of the Company, or a change in ownership of a substantial portion of the Company’s assets under Code section 409A.

“CODE” means the Internal Revenue Code of 1986, as now in effect and as hereafter amended from time to time. Any reference to a particular section of the Code includes any applicable regulations promulgated under that section. All citations to sections of the Code are to such sections as they may from time to time be amended or renumbered.

“COMMITTEE” means the Compensation Committee of the Board or such other committee consisting of two or more members of the Board as may be appointed by the Board from time to time to administer this Plan pursuant to Article 3. If the Common Stock is traded on the NASDAQ or the NYSE, all of the members of the Committee shall be independent directors within the meaning of the NASDAQ’s or NYSE’s listing standards (as applicable). If any member of the Committee does not qualify as a “Non-Employee Director” within the meaning of Rule 16b-3 under the Exchange Act, the Board shall appoint a subcommittee of the Committee, consisting of at least two Non-Employee Directors to grant Awards to Insiders; each member of such subcommittee shall be a Non-Employee Director. References to the Committee in the Plan shall include and, as appropriate, apply to any such subcommittee.

“**COMMON STOCK**” means the Common Stock of the Company, and any other shares into which such stock may be changed by reason of a recapitalization, reorganization, merger, consolidation or any other change in the corporate structure or capital stock of the Company.

“**COMPANY**” means Aaron’s Holdings Company, Inc., a Georgia corporation, and its successors and assigns.

“**DISABILITY**” means, with respect to any Incentive Stock Option, a disability as determined under Code section 22(e)(3), and with respect to any other Award, unless provided otherwise in an Agreement (in which case such definition shall apply for purposes of the Plan with respect to that particular Award), (i) with respect to a Participant who is eligible to participate in a program of long-term disability insurance maintained by the Employer, the date on which the insurer or administrator under such program of long-term disability insurance determines that the Participant is eligible to commence benefits under such program, and (ii) with respect to any Participant (including a Participant who is eligible to participate in a program of long-term disability insurance maintained by the Employer), the Participant’s inability, due to physical or mental injury or illness, to perform the essential functions of his position with or without reasonable accommodation for a period of one hundred eighty (180) days, whether or not consecutive, occurring within any period of twelve (12) consecutive months, subject to any limitation imposed by federal, state or local laws, including, without limitation, the American with Disabilities Act.

Notwithstanding the preceding provisions of this definition or anything in any Agreement to the contrary, to the extent any provision of this Plan or an Agreement would cause a payment of a 409A Award to be made because of the Participant’s Disability, then there shall not be a Disability that triggers payment until the date (if any) that the Participant is disabled within the meaning of Code section 409A(a)(2)(C). Any payment that would have been made except for the application of the preceding sentence shall be made in accordance with the payment schedule that would have applied in the absence of a Disability (and other Participant rights that are tied to a Disability, such as vesting, shall not be affected by the prior sentence).

“**EFFECTIVE DATE**” shall have the meaning ascribed to such term in Section 1.4 hereof.

“**EMPLOYEE**” means any individual whom the Employer treats as a common law employee for payroll tax purposes, either within or outside the United States.

“**EMPLOYER**” means the Company and the Subsidiaries.

“**EXCHANGE ACT**” means the Securities Exchange Act of 1934, as now in effect and as hereafter amended from time to time. Any reference to a particular section of the Exchange Act includes any applicable regulations promulgated under that section. All citations to sections of the Exchange Act or rules thereunder are to such sections or rules as they may from time to time be amended or renumbered.

“**FAIR MARKET VALUE**” of a share of Common Stock of the Company means, as of the date in question,

(a) if the Common Stock is listed for trading on the NASDAQ, the closing sale price of a share of Common Stock on such date, as reported by the NASDAQ or such other source as the Committee deems reliable, or if no such reported sale of the Common Stock shall have occurred on such date, on the last day prior to such date on which there was such a reported sale;

(b) if the Common Stock is listed for trading on the NYSE, the closing sale price of a share of Common Stock on such date, as reported by the NYSE or such other source as the Committee deems reliable, or if no such reported sale of the Common Stock shall have occurred on such date, on the last day prior to such date on which there was such a reported sale;

(c) if the Common Stock is not listed for trading on the NASDAQ or the NYSE but is listed for trading on another national securities exchange, the closing sale price of a share of Common Stock on such date as reported on such exchange, or if no such reported sale of the Common Stock shall have occurred on such date, on the last day prior to such date on which there was such a reported sale;

(d) if the Common Stock is not listed for trading on a national securities exchange but nevertheless is publicly traded and reported (through the OTC Bulletin Board or otherwise), the closing sale price of a share of Common Stock on such date, or if no such reported sale of the Common Stock shall have occurred on such date, on the last day prior to such date on which there was such a reported sale; or

(e) if the Common Stock is not publicly traded and reported, the fair market value as established in good faith by the Committee or the Board.

For purposes of subsection (c) above, if the Common Stock is not traded on the NASDAQ or the NYSE but is traded on more than one other securities exchange on the given date, then the largest exchange on which the Common Stock is traded shall be referenced to determine Fair Market Value.

Notwithstanding the foregoing but subject to the next paragraph, if the Committee determines in its discretion that an alternative definition of Fair Market Value should be used in connection with the grant, exercise, vesting, settlement or payout of any Award, it may specify such alternative definition in the Agreement applicable to the Award. Such alternative definition may include a price that is based on the opening, actual, high, low, or average selling prices of a share of Common Stock on the NASDAQ or other securities exchange on the given date, the trading date preceding the given date, the trading date next succeeding the given date, or an average of trading days.

Notwithstanding the foregoing, (i) in the case of an Option or SAR, Fair Market Value shall be determined in accordance with a definition of fair market value that permits the Award to be exempt from Code section 409A; and (ii) in the case of an Option that is intended to qualify as an ISO under Code section 422, Fair Market Value shall be determined by the Committee in accordance with the requirements of Code section 422.

“INCENTIVE STOCK OPTION” or “ISO” means an Option that is designated as an “incentive stock option” and intended to meet the requirements of Code section 422.

“INSIDER” shall mean an individual who is, on the relevant date, subject to the reporting requirements of Exchange Act section 16(a).

“NASDAQ” means The NASDAQ Stock Market LLC or its successor.

“NON-EMPLOYEE” means any consultant or advisor, other than an Employee or Non-Employee Director, who provides bona fide services to the Employer not in connection with the offer or sale of securities in a capital raising transaction.

“NON -EMPLOYEE DIRECTOR” means any individual who is a member of the Board and who is not also employed by the Employer.

“NONQUALIFIED STOCK OPTION” or “NQSO” means any Option that is not designated as an “incentive stock option” or that otherwise does not meet the requirements of Code section 422.

“NYSE” means the New York Stock Exchange or its successor.

“OPTION” means an Award granted under Article 5 that is either an Incentive Stock Option or a Nonqualified Stock Option. An Option shall be designated as either an Incentive Stock Option or a Nonqualified Stock Option, and in the absence of such designation, shall be treated as a Nonqualified Stock Option.

“OPTION EXERCISE PRICE” means the price at which a share of Common Stock may be purchased by a Participant pursuant to the exercise of an Option.

“OTHER AWARD” means any form of equity-based or equity-related award, other than an Option, a Stock Appreciation Right, Restricted Stock, a Restricted Stock Unit, a Performance Share, a Performance Unit or an Annual Incentive Award, that is granted pursuant to Article 9.

“PARTICIPANT” means an Employee, Non-Employee or Non-Employee Director who is eligible to receive or has received an Award under this Plan.

“PERFORMANCE PERIOD” shall have the meaning ascribed to such term in Section 8.3.

“PERFORMANCE SHARE” means an Award under Article 8 of the Plan that is valued by reference to a share of Common Stock, which value may be paid to the Participant by delivery of cash or other property as the Committee shall determine upon achievement of such performance objectives during the relevant Performance Period as the Committee shall establish at the time of such Award or thereafter.

“PERFORMANCE UNIT” means an Award under Article 8 of the Plan that has a value set by the Committee (or that is determined by reference to a valuation formula specified by the Committee), which value may be paid to the Participant by delivery of cash or other property as the Committee shall determine upon achievement of such performance objectives during the relevant Performance Period as the Committee shall establish at the time of such Award or thereafter.

“PERMITTED TRANSFEREE” means any members of the immediate family of the Participant (i.e., spouse, children, and grandchildren), any trusts for the benefit of such family members or any partnerships whose only partners are such family members.

“PERSON” means any “person” or “group” as those terms are used in Exchange Act Sections 13(d) and 14(d).

“PLAN” means the Aaron’s, Inc. Amended and Restated 2015 Equity and Incentive Plan, 2020 Amendment and Restatement set forth in this document and as it may be amended from time to time.

“PRIOR PLAN” means the Aaron’s, Inc. 2001 Stock Option and Incentive Award Plan, as it may be amended from time to time.

“RESTRICTED STOCK” means an Award of shares of Common Stock under Article 7 of the Plan, which shares are issued with such restrictions as the Committee, in its sole discretion, may impose.

“RESTRICTED STOCK UNIT” or “RSU” means an Award under Article 7 of the Plan that is valued by reference to a share of Common Stock, which value may be paid to the Participant by delivery of cash or other property as the Committee shall determine and that has such restrictions as the Committee, in its sole discretion, may impose.

“RESTRICTION PERIOD” means the period commencing on the date an Award of Restricted Stock or an RSU is granted and ending on such date as the Committee shall determine, during which time the Award is subject to forfeiture as provided in the Agreement.

“SHARE POOL” shall have the meaning ascribed to such term in in Section 4.1.

“STOCK APPRECIATION RIGHT” or “SAR” means an Award granted under Article 6 that provides for delivery of cash or other property as the Committee shall determine with a value equal to the excess of the Fair Market Value of a share of Common Stock on the day the Stock Appreciation Right is exercised over the specified exercise price.

“SUBSIDIARY” means a corporation or other entity of which outstanding shares or ownership interests representing fifty percent (50%) or more of the combined voting power of such corporation or other entity entitled to elect the management thereof are owned directly or indirectly by the Company. With respect to all purposes of the Plan, including but not limited to, the establishment, amendment, termination, operation and administration of the Plan, the Company and the Committee shall be authorized to act on behalf of all other entities included within the definition of “Subsidiary.”

ARTICLE 3. ADMINISTRATION; POWERS OF THE COMMITTEE

3.1 General. This Plan shall be administered by the Committee.

3.2 Authority of the Committee.

a. Subject to the provisions of the Plan, the Committee shall have the full and discretionary authority to (i) select the persons who are eligible to receive Awards under the Plan, (ii) determine the form and substance of Awards made under the Plan and the conditions and restrictions, if any, subject to which such Awards will be made, (iii) modify the terms of Awards made under the Plan, (iv) interpret, construe and administer the Plan and Awards granted thereunder, (v) make any adjustments necessary or desirable in connection with Awards made under the Plan to eligible Participants located outside the United States, and (vi) adopt, amend, or rescind such rules and regulations, and make such other determinations, for carrying out the Plan as it may deem appropriate.

b. The Committee may correct any defect, supply any omission or reconcile any inconsistency in the Plan or any Agreement in the manner and to the extent it shall deem desirable to carry it into effect.

c. Decisions of the Committee on all matters relating to the Plan shall be in the Committee's sole discretion and shall be conclusive, final and binding on all parties. The validity, construction, and effect of the Plan and any rules and regulations relating to the Plan shall be determined in accordance with applicable federal and state laws and rules and regulations promulgated pursuant thereto.

d. In the event the Company shall assume outstanding equity awards or the right or obligation to make such awards in connection with the acquisition of another corporation or business entity, the Committee may, in its discretion, make such adjustments in the terms of Awards as it shall deem equitable and appropriate to prevent dilution or enlargement of benefits intended to be made under the Plan.

e. In making any determination or in taking or not taking any action under the Plan, the Committee may obtain and may rely on the advice of experts, including but not limited to employees of the Company and professional advisors.

3.3 Rules for Foreign Jurisdictions. Notwithstanding anything in the Plan to the contrary, the Committee may, in its sole discretion, (i) amend or vary the terms of the Plan in order to conform such terms with the requirements of each non-U.S. jurisdiction where a Participant works or resides or to meet the goals and objectives of the Plan; (ii) establish one or more sub-plans for these purposes; and (iii) establish administrative rules and procedures to facilitate the operation of the Plan in such non-U.S. jurisdictions. For purposes of clarity, the terms and conditions contained herein that are subject to variation in a non-U.S. jurisdiction shall be reflected in a written addendum to the Plan with respect to each Participant or group of Participants affected by such non-U.S. jurisdiction.

3.4 Delegation of Authority. The Committee may, in its discretion, at any time and from time to time, delegate to one or more of its members such of its authority as it deems appropriate (provided that any such delegation shall be to at least two members of the Committee with respect to Awards to Insiders). The Committee may, at any time and from time to time, delegate to one or more other members of the Board such of its authority as it deems appropriate. To the extent permitted by law and applicable stock exchange rules, the Committee may also delegate its authority to one or more persons who are not members of the Board, except that no such delegation will be permitted with respect to Insiders.

3.5 Agreements. Each Award granted under the Plan shall be evidenced by an Agreement. Each Agreement shall be subject to and incorporate, by reference or otherwise, the applicable terms and conditions of the Plan, and any other terms and conditions, not inconsistent with the Plan, as may be imposed by the Committee, including without limitation, provisions related to the consequences of termination of employment. Each Agreement shall specify the period over which the Award will vest or with respect to which any risk of substantial forfeiture will lapse. A copy of the Agreement shall be provided to the Participant, and the Committee may, but need not, require that the Participant sign (or otherwise acknowledge receipt of) a copy of the Agreement or a copy of a notice of grant. Each Participant may be required, as a condition to receiving an Award under this Plan, to enter into an agreement with the Company containing such non-compete, confidentiality, and/or non-solicitation provisions as the Committee may adopt and approve from time to time (as so modified or amended, the "Non-Compete Agreement"). The provisions of the Non-Compete Agreement may also be included in, or incorporated by reference in, the Agreement.

3.6 Indemnification. No member or former member of the Committee or the Board or person to whom the Committee has delegated responsibility under the Plan shall be liable for any action or determination made in good faith with respect to the Plan or any Award granted under it. The Company shall indemnify and hold harmless each member and former member of the Committee and the Board against all cost or expense (including counsel fees and expenses) or liability (including any sum paid in settlement of a claim with the approval of the Board) arising out of any act or omission to act in connection with the Plan, unless arising out of such member's or former member's own willful misconduct, fraud, bad faith or as expressly prohibited by statute. Such indemnification shall be in addition (without duplication) to any rights to indemnification or insurance the member or former member may have as a director or under the by-laws of the Company or otherwise.

ARTICLE 4. SHARES AVAILABLE UNDER THE PLAN

4.1 Number of Shares. Subject to adjustment as provided in this Section 4.1 and in Section 4.3, the aggregate number of shares of Common Stock that are available for issuance pursuant to Awards granted under the Plan is 8,000,000 shares of Common Stock (the "Share Pool"). Effective on the Merger, shares of Common Stock equal to the number of shares of Aaron's common stock available for issuance under the Plan immediately before the Merger adjusted in the manner described by Section 4.3, are available for issuance under the Plan. All of the Share Pool may, but is not required to, be issued pursuant to Incentive Stock Options. If Awards are granted in substitution or assumption of awards of an entity acquired, by merger or otherwise, by the Company (or any Subsidiary), to the extent such grant shall not be inconsistent with the terms, limitations and conditions of Code section 422, Exchange Act Rule 16b-3 or applicable NASDAQ or NYSE rules, the number of shares subject to such substitute or assumed Awards shall not increase or decrease the Share Pool.

The shares issued pursuant to Awards under the Plan shall be made available from shares currently authorized but unissued or shares currently held (or subsequently acquired) by the Company as treasury shares, including shares purchased in the open market or in private transactions.

No further grants shall be made under the Prior Plan after May 6, 2015 (the "Record Date").

The following rules shall apply for purposes of the determination of the number of shares of Common Stock available for grants of Awards under the Plan:

a. Each Option shall be counted as one share subject to an Award and deducted from the Share Pool.

b. Each share of Restricted Stock, each Restricted Stock Unit that may be settled in shares of Common Stock, and each Other Award that may be settled in shares of Common Stock shall be counted as one share subject to an Award and deducted from the Share Pool. Restricted Stock Units and Other Awards that may not be settled in shares of Common Stock shall not result in a deduction from the Share Pool.

c. Each Performance Share that may be settled in shares of Common Stock shall be counted as one share subject to an Award, based on the number of shares that would be paid under the Performance Share for achievement of target performance, and deducted from the Share Pool. Each Annual Incentive Award and each Performance Unit that may be settled in shares of Common Stock shall be counted as a number of shares subject to an Award, based on the number of shares that would be paid under the Annual Incentive Award or Performance Unit for achievement of target performance, with the number determined by dividing the value of the Annual Incentive Award or Performance Unit at the time of grant by the Fair Market Value of a share of Common Stock at the time of grant, and this number shall be deducted from the Share Pool. In the event that the Award (of Performance Shares, Performance Units or an Annual Incentive Award) is later settled based on above-target performance, the additional number of shares of Common Stock corresponding to the above-target performance, calculated pursuant to the applicable methodology specified above, shall be deducted from the Share Pool at the time of such settlement; in the event that the Award is later settled based on below-target performance, the difference between the number of shares of Common Stock awarded based on the below-target performance and the number previously deducted from the Share Pool based on the target performance, calculated pursuant to the applicable methodology specified above, shall be added back to the Share Pool. Annual Incentive Awards, Performance Shares and Performance Units that may not be settled in shares of Common Stock shall not result in a deduction from the Share Pool.

d. Each Stock Appreciation Right that may be settled in shares of Common Stock shall be counted as one share subject to an Award and deducted from the Share Pool. Stock Appreciation Rights that may not be settled in shares of Common Stock shall not result in a reduction from the Share Pool.

e. If, for any reason, any shares subject to an Award under the Plan are not issued or are returned to the Company, for reasons including, but not limited to, a forfeiture of Restricted Stock or a Restricted Stock Unit, or the termination, expiration or cancellation of an Option, Stock Appreciation Right, Restricted Stock, Restricted Stock Unit, Performance Share, Performance Unit, or Other Award, or settlement of any Award in cash rather than shares, such shares shall again be available for Awards under the Plan and, if originally deducted from the Share Pool, shall be added back to the Share Pool.

f. If, for any reason, after the Record Date any shares subject to an award under the Prior Plan are not issued or are returned to the Company, for reasons including, but not limited to, a forfeiture of restricted stock or a restricted stock unit, or the termination, expiration or cancellation of an option, stock appreciation right, restricted stock, restricted stock unit, performance share, performance unit, or other award, or settlement of any award in cash rather than shares, such shares shall be available for Awards under the Plan and shall be added to the Share Pool.

g. Notwithstanding anything to contrary contained herein, if the Option Exercise Price, purchase price and/or tax withholding obligation under an Award is satisfied by the Company retaining shares or by the Participant tendering shares (either by actual delivery or attestation), the number of shares so retained or tendered shall be deemed delivered for purposes of determining the Share Pool and shall not be available for further Awards under the Plan. To the extent an SAR that may be settled in shares of Common Stock is, in fact, settled in shares of Common Stock, the gross number of shares subject to such Stock Appreciation Right shall be deemed delivered for purposes of determining the Share Pool and shall not be available for further Awards under the Plan. Similarly, after the Record Date, if the option exercise price, purchase price and/or tax withholding obligation under a Prior Plan award is satisfied by the Company retaining shares or by the holder tendering shares (either by actual delivery or attestation), the number of shares so retained or tendered shall be deemed delivered for purposes of determining the Share Pool and shall not be available for further Awards under the Plan. Shares reacquired by the Company on the open market or otherwise using cash proceeds from the exercise of Options or, after the Record Date, options under any Prior Plan, shall not be added back to the Share Pool.

4.2 Individual Limits. Subject to adjustment as provided in Section 4.3, the maximum number of Options and Stock Appreciation Rights that, in the aggregate, may be granted in any one fiscal year of the Company to any one Participant shall be one million (1,000,000). The multipliers specified in subsections (a) through (g) of Section 4.1 shall not apply for purposes of applying the foregoing individual limitation of this Section 4.2.

4.3 Adjustment of Shares. If any change in corporate capitalization, such as a stock split, reverse stock split, stock dividend, or any corporate transaction such as a reorganization, reclassification, merger or consolidation or separation, including a spin-off, of the Company or sale or other disposition by the Company of all or a portion of its assets, any other change in the Company's corporate structure, or any distribution to shareholders (other than an ordinary cash dividend) results in the outstanding shares of Common Stock, or any securities exchanged therefor or received in their place, being exchanged for a different number or class of shares or other

securities of the Company, or for shares of stock or other securities of any other corporation (or new, different or additional shares or other securities of the Company or of any other corporation being received by the holders of outstanding shares of Common Stock), or a material change in the value of the outstanding shares of Common Stock as a result of the change, transaction or distribution, then the Committee shall make equitable adjustments, as it determines are necessary and appropriate to prevent the enlargement or dilution of benefits intended to be made available under the Plan, in:

- a. the number and class of stock or other securities that comprise the Share Pool as set forth in Section 4.1, including, without limitation, with respect to Incentive Stock Options;
- b. the limitations on the aggregate number of shares of Common Stock that may be awarded to any one Participant under various Awards as set forth in Section 4.2;
- c. the number and class of stock or other securities subject to outstanding Awards, and which have not been issued or transferred under an outstanding Award;
- d. the Option Exercise Price under outstanding Options, the exercise price under outstanding Stock Appreciation Rights, and the number of shares of Common Stock to be transferred in settlement of outstanding Awards; and
- e. the terms, conditions or restrictions of any Award and Agreement, including but not limited to the price payable for the acquisition of shares of Common Stock.

It is intended that, if possible, any adjustment contemplated above shall be made in a manner that satisfies applicable legal requirements as well as applicable requirements with respect to taxation (including, without limitation and as applicable in the circumstances, Code section 424, and Code section 409A) and accounting (so as to not trigger any charge to earnings with respect to such adjustment).

Without limiting the generality of the above, any good faith determination by the Committee as to whether an adjustment is required in the circumstances and the extent and nature of any such adjustment shall be final, conclusive and binding on all persons.

ARTICLE 5. STOCK OPTIONS

5.1 Grant of Options. Subject to the terms and provisions of the Plan, the Committee may from time to time grant Options to eligible Participants. The Committee shall have sole discretion in determining the number of shares subject to Options granted to each Participant. The Committee may grant a Participant ISOs, NQSOs or a combination thereof, and may vary such Awards among Participants; provided that the Committee may grant Incentive Stock Options only to individuals who are employees (within the meaning of Code section 3401(c)) of the Company or its subsidiaries (as defined for this purpose in Code section 424(f)). Notwithstanding anything in this Article 5 to the contrary, except for Options that are specifically designated as intended to be subject to Code section 409A, the Committee may only grant Options to individuals who provide direct services on the date of grant of the Options to the Company or another entity in a chain of entities in which the Company or another such entity has a controlling interest (within the meaning of Treasury Regulation section 1.409A-1(b)(5)(iii)(e)) in each entity in the chain.

5.2 Agreement. Each Option grant shall be evidenced by an Agreement that shall specify the Option Exercise Price, the duration of the Option, the number of shares of Common Stock to which the Option pertains, the conditions upon which the Option shall become vested and exercisable and such other provisions as the Committee shall determine. The Option Agreement shall further specify whether the Award is intended to be an ISO or an NQSO. Any portion of an Option that is not designated in the Agreement as an ISO or otherwise fails or is not qualified as an ISO (even if designated as an ISO) shall be an NQSO. Dividend equivalents shall not be paid with respect to Options.

5.3 Option Exercise Price. The per share Option Exercise Price for each Option shall not be less than one hundred percent (100%) of the Fair Market Value of a share of Common Stock on the date the Option is granted. Notwithstanding the foregoing, an Option may be granted with an Option Exercise Price lower than set forth in the preceding sentence if such Option is granted pursuant to an assumption or substitution for another Option in a manner satisfying the provisions of Code section 424(a) relating to a corporate merger, consolidation, acquisition of property or stock, separation, reorganization, spinoff, or liquidation; provided that the Committee determines that such Option Exercise Price is appropriate to preserve the economic benefit of the replaced award and will not impair the exemption of the Option from Code section 409A (unless the Committee clearly and expressly foregoes such exemption at the time the Option is granted).

5.4 Duration of Options. Each Option shall expire at such time as the Committee shall determine at the time of grant; provided, however, that no Option shall be exercisable later than the tenth (10th) anniversary of its grant date. If an Agreement does not specify an expiration date, the Option's expiration date shall be the tenth (10th) anniversary of its grant date.

5.5 Exercise of Options. Options shall be exercisable at such times and be subject to such restrictions and conditions as the Committee shall specify, including conditions related to the employment of the Participant with the Employer or provision of services by the Participant to the Employer, which need not be the same for each grant or for each Participant. The Committee may provide in the Agreement for automatic exercise on a certain date and/or for accelerated vesting and other rights upon the occurrence of events specified in the Agreement.

5.6 Payment. Options shall be exercised, in whole or in part, by the delivery of a written or electronic notice of exercise to the Company or its designated representative in the form prescribed by the Company, setting forth the number of shares of Common Stock with respect to which the Option is to be exercised and satisfying any requirements that the Committee may apply from time to time. Full payment of the Option Exercise Price for such shares (less any amount previously paid by the Participant to acquire the Option) must be made on or prior to the Payment Date, as defined below. The Option Exercise Price shall be paid to the Company in United States dollars either: (a) in cash, (b) by check, bank draft, money order or other cash equivalent approved by the Committee, (c) unless not permitted by the Committee, by tendering previously acquired shares of Common Stock (or delivering a certification or attestation of ownership of such shares) having an aggregate Fair Market Value at the time of exercise equal to the total Option Exercise

Price (provided that the tendered shares must have been held by the Participant for any period required by the Committee), (d) unless not permitted by the Committee, by cashless exercise as permitted under Federal Reserve Board's Regulation T, subject to applicable securities law restrictions, (e) by any other means which the Committee determines to be consistent with the Plan's purpose and applicable law, including a net exercise; or (f) by a combination of the foregoing. "Payment Date" shall mean the date on which a sale transaction in connection with a cashless exercise (whether or not payment is actually made pursuant to a cashless exercise) would have settled in connection with the Option exercise. No certificate or cash representing a share of Common Stock shall be delivered until the full Option Exercise Price has been paid.

5.7 Special Rules for ISOs. The following rules apply notwithstanding any other terms of the Plan.

a. No ISOs may be granted under the Plan after the tenth (10th) anniversary of the date the Plan was approved by the Board.

b. In no event shall any Participant who owns (within the meaning of Code section 424(d)) stock of the Company possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any "parent" or "subsidiary" (within the meaning of Code section 424(e) or (f), respectively) be eligible to receive an ISO (i) at an Option Exercise Price less than one hundred ten percent (110%) of the Fair Market Value of a share of Common Stock on the date the ISO is granted, or (ii) that is exercisable later than the fifth (5th) anniversary date of its grant date.

c. The aggregate Fair Market Value of shares of Common Stock with respect to which ISOs (within the meaning of Code section 422) granted to a Participant are first exercisable in any calendar year under the Plan and all other incentive stock option plans of the Employer shall not exceed One Hundred Thousand Dollars (\$100,000). For this purpose, Fair Market Value shall be determined with respect to a particular ISO on the date on which such ISO is granted. In the event that this One Hundred Thousand Dollar (\$100,000) limit is exceeded with respect to a Participant, then ISOs granted under this Plan to such Participant shall, to the extent and in the order required by Treasury Regulations under Code section 422, automatically become NQSOs granted under this Plan.

d. Solely for purposes of determining the limit on ISOs that may be granted under the Plan, the provisions of Section 4.1 that replenish the Share Pool shall only be applied to the extent permitted by Code section 422 and the regulations promulgated thereunder.

ARTICLE 6. STOCK APPRECIATION RIGHTS

6.1 Grant of SARs. Subject to the terms and provisions of the Plan, the Committee may grant SARs to Participants in such amounts and upon such terms, and at any time and from time to time, as the Committee shall determine. A Stock Appreciation Right shall entitle the holder, within the specified period (which may not exceed 10 years), to exercise the SAR and receive in exchange therefor a payment having an aggregate value equal to the amount by which the Fair Market Value of a share of Common Stock on the exercise date exceeds the specified exercise price, times the number of shares with respect to which the SAR is exercised. The

Committee may provide in the Agreement for automatic exercise on a certain date, for payment of the proceeds on a certain date, and/or for accelerated vesting and other rights upon the occurrence of events specified in the Agreement. Notwithstanding anything in this Article 6 to the contrary, except for SARs that are specifically designated as intended to be subject to Code section 409A, the Committee may only grant SARs to individuals who provide direct services on the date of grant of the SARs to the Company or another entity in a chain of entities in which the Company or another such entity has a controlling interest (within the meaning of Treasury Regulation section 1.409A-1(b)(5)(iii)(e)) in each entity in the chain.

6.2 Agreement. Each SAR grant shall be evidenced by an Agreement that shall specify the exercise price, the duration of the SAR, the number of shares of Common Stock to which the SAR pertains, the conditions upon which the SAR shall become vested and exercisable and such other provisions as the Committee shall determine. Dividend equivalents shall not be paid with respect to SARs.

6.3 Duration of SARs. Each SAR shall expire at such time as the Committee shall determine at the time of grant; provided, however, that no SAR shall be exercisable later than the tenth (10th) anniversary of its grant date. If an Agreement does not specify an expiration date, the SAR's expiration date shall be the tenth (10th) anniversary of its grant date.

6.4 Payment. The Committee shall have sole discretion to determine in each Agreement whether the payment with respect to the exercise of a Stock Appreciation Right will be in the form of all cash, all shares of Common Stock, or any combination thereof. Unless and to the extent the Committee specifies otherwise, such payment will be in the form of shares of Common Stock. If payment is to be made in shares, the number of shares shall be determined based on the Fair Market Value of a share on the date of exercise. The Committee shall have sole discretion to determine and set forth in the Agreement the timing of any payment made in cash or shares, or a combination thereof, upon exercise of SARs.

6.5 Exercise Price. The exercise price for each Stock Appreciation Right shall be determined by the Committee and shall not be less than one hundred percent (100%) of the Fair Market Value of a share of Common Stock on the date the SAR is granted. Notwithstanding the foregoing, an SAR may be granted with an exercise price lower than set forth in the preceding sentence if such SAR is granted pursuant to an assumption or substitution for another SAR in a manner satisfying the provisions of Code section 424(a) relating to a corporate merger, consolidation, acquisition of property or stock, separation, reorganization, or liquidation; provided that the Committee determines that such SAR exercise price is appropriate to preserve the economic benefit of the replaced award and will not impair the exemption of the SAR from Code section 409A (unless the Committee clearly and expressly foregoes such exemption at the time the SAR is granted).

6.6 Exercise of SARs. SARs shall be exercisable at such times and be subject to such restrictions and conditions as the Committee shall specify, including conditions related to the employment of the Participant with the Employer or provision of services by the Participant to the Employer, which need not be the same for each grant or for each Participant. The Committee may provide in the Agreement for automatic accelerated vesting and other rights upon the occurrence of events specified in the Agreement.

ARTICLE 7. RESTRICTED STOCK AND RESTRICTED STOCK UNITS

7.1 Grant of Restricted Stock and Restricted Stock Units. Subject to provisions of the Plan, the Committee may from time to time grant Awards of Restricted Stock and RSUs to Participants. Awards of Restricted Stock and RSUs may be made either alone or in addition to or in tandem with other Awards granted under the Plan.

7.2 Agreement. The Restricted Stock or RSU Agreement shall set forth the terms of the Award, as determined by the Committee, including, without limitation, the number of shares of Restricted Stock or the number of RSUs granted; the purchase price, if any, to be paid for such Restricted Stock or RSUs, which may be equal to or less than Fair Market Value of a share and may be zero, subject to such minimum consideration as may be required by applicable law; any restrictions applicable to the Restricted Stock or RSU such as continued service or achievement of performance objectives; the length of the Restriction Period, if any, and any circumstances that will shorten or terminate the Restriction Period; and rights of the Participant to vote or receive dividends or dividend equivalents with respect to the shares during the Restriction Period. The Restriction Period may be of any duration and the Agreement may provide for lapse of the Restriction Period in monthly or longer installments over the course of the Restriction Period, as determined by the Committee. The Committee shall have sole discretion to determine and specify in each RSU Agreement whether the RSUs will be settled in the form of all cash, all shares of Common Stock, or any combination thereof. Unless and to the extent the Committee specifies otherwise, such settlement will be in the form of shares of Common Stock.

7.3 Certificates. Upon an Award of Restricted Stock to a Participant, shares of restricted Common Stock shall be registered in the Participant's name. Certificates, if issued, may either (i) be held in custody by the Company until the Restriction Period expires or until restrictions thereon otherwise lapse, and/or (ii) be issued to the Participant and registered in the name of the Participant, bearing an appropriate restrictive legend and remaining subject to appropriate stop-transfer orders. If required by the Committee, the Participant shall deliver to the Company one or more stock powers endorsed in blank relating to the Restricted Stock. Upon settlement of an RSU in shares, and, with respect to Restricted Stock, if and when the Restriction Period expires without a prior forfeiture of the Restricted Stock subject to such Restriction Period, unrestricted certificates for such shares shall be delivered to the Participant or registered in the Participant's name on the Company's or transfer agent's records; provided, however, that the Committee may cause such legend or legends to be placed on any such certificates as it may deem advisable under the terms of the Plan and the rules, regulations and other requirements of the Securities and Exchange Commission and any applicable federal or state law. Concurrently with the settlement of RSUs by the delivery of shares and with the lapse of any risk of forfeiture applicable to the Restricted Stock, the Participant shall be required to pay to the Company an amount necessary to satisfy any applicable federal, state and local tax requirements as set out in Article 15 below.

7.4 Dividends and Other Distributions. Except as provided in this Article 7 or in the applicable Agreement, a Participant who receives a Restricted Stock Award shall have (during and after the Restriction Period), with respect to such Restricted Stock Award, all of the rights of a shareholder of the Company, including the right to vote the shares and the right to receive dividends and other distributions to the extent, if any, such shares possess such rights; provided, however, the Committee may require that any dividends on such shares of Restricted Stock (during

the Restriction Period) be automatically deferred and reinvested in additional Restricted Stock subject to the same restrictions as the underlying Award, or may require that dividends and other distributions on Restricted Stock (during the Restriction Period) be paid to the Company for the account of the Participant and held pending and subject to the same restrictions on vesting as the underlying Award; provided, however that to the extent that any dividends are deferred, reinvested or otherwise not paid when such dividends would otherwise normally be paid (i) all terms and conditions for such delayed payment shall be included in the Agreement, and (ii) such deferral, reinvestment or delay in payment of the dividends shall only be allowed to the extent it complies with, or is exempt from, the requirements of Code section 409A. The Committee shall determine whether interest shall be paid on such amounts, the rate of any such interest, and the other terms applicable to such amounts (again, provided that all such terms shall, to the extent required, comply with Code section 409A). A Participant receiving a Restricted Stock Unit Award shall not possess voting rights and shall accrue dividend equivalents on such Units only to the extent provided in the Agreement relating to the Award; provided, however, that rights to dividend equivalents shall only be allowed to the extent they comply with, or are exempt from, Code section 409A. The Committee shall require that any such dividend equivalents be subject to the same restrictions on vesting and payment as the underlying Award.

ARTICLE 8. PERFORMANCE SHARES AND UNITS

8.1 Grant of Performance Shares and Performance Units. The Committee may grant Performance Shares and Performance Units to Participants in such amounts and upon such terms, and at any time and from time to time, as the Committee shall determine.

8.2 Agreement. The Performance Share or Performance Unit Agreement shall set forth the terms of the Award, as determined by the Committee, including, without limitation, the number of Performance Shares or Performance Units granted; the purchase price, if any, to be paid for such Performance Shares or Performance Units, which may be equal to or less than Fair Market Value of a share and may be zero, subject to such minimum consideration as may be required by applicable law; the performance objectives applicable to the Performance Shares or Performance Units; and any additional restrictions applicable to the Performance Shares or Performance Units such as continued service. Unless provided otherwise at the time of grant, each Performance Share or Performance Unit shall have a Performance Period of at least one year except that, if any Award is made at the time of the Participant's commencement of employment with the Employer or on the occasion of a promotion, then the Performance Period may be less than one year. The Committee shall have sole discretion to determine and specify in each Performance Shares or Performance Units Agreement whether the Award will be settled in the form of all cash, all shares of Common Stock, or any combination thereof. Unless and to the extent the Committee specifies otherwise, such settlement will be in the form of shares of Common Stock. Any such shares may be granted subject to any restrictions deemed appropriate by the Committee.

8.3 Value of Performance Shares and Performance Units. Each Performance Unit shall have an initial value that is established by the Committee at the time of grant. Each Performance Share shall have an initial value equal to the Fair Market Value of a share of Common Stock on the date of grant. In addition to any non-performance terms applicable to the Award, the Committee shall set performance objectives in its discretion which, depending on the extent to which they are met, will determine the number and/or value of Performance Shares, Performance Units or both, as applicable, that will be paid out to the Participant. For purposes of this Article 8, the time period during which the performance objectives must be met shall be called a "Performance Period."

8.4 **Earning of Performance Shares and Performance Units.** Subject to the terms of this Plan, after the applicable Performance Period has ended, the holder of the Performance Shares or Performance Units shall be entitled to receive a payout of the number and value of Performance Shares or Performance Units, as applicable, earned by the Participant over the Performance Period, if any, to be determined as a function of the extent to which the corresponding performance objectives have been achieved and any applicable nonperformance terms have been met.

8.5 **Dividends and Other Distributions.** A Participant receiving Performance Shares or Performance Units shall not possess voting rights. A Participant receiving Performance Shares or Performance Units or any other Award that is subject to performance conditions shall accrue dividend equivalents on such Award only to the extent provided in the Agreement relating to the Award; provided, however, that rights to dividend equivalents shall only be allowed to the extent they comply with, or are exempt from, Code section 409A. Any rights to dividends or dividend equivalents on Performance Shares or Performance Units or any other Award subject to performance conditions shall be subject to the same restrictions on vesting and payment as the underlying Award.

ARTICLE 9. OTHER AWARDS

The Committee shall have the authority to specify the terms and provisions of other forms of equity-based or equity-related awards not described in Articles 5 through 8 or Article 10 of this Plan that the Committee determines to be consistent with the purpose of the Plan and the interests of the Company ("Other Awards"). Other Awards may include awards of, or the right to acquire, shares of Common Stock that are not subject to forfeiture or other restrictions, which may be awarded in payment of Non-Employee Director fees, in lieu of cash compensation, in exchange for cancellation of a compensation right, as a bonus, or upon the attainment of a performance goal, or otherwise. Other Awards may also provide for cash payments based in whole or in part on the value or future value of shares of Common Stock, for the acquisition or future acquisition of shares of Common Stock, or any combination of the foregoing. Notwithstanding the foregoing, where the value of an Other Award is based on the difference in the value of a share of Common Stock at different points in time, the grant or exercise price shall not be less than one hundred percent (100%) of the Fair Market Value of a share of Common Stock on the date of grant unless the Other Award is granted in replacement for an award previously granted by an entity that is assumed by the Company in a business combination, provided that the Committee determines that the Other Award preserves the economic benefit of the replaced award and is either exempt from or in compliance with the requirements of Code section 409A.

ARTICLE 10. ANNUAL INCENTIVE AWARDS

The Committee may grant Annual Incentive Awards to Participants in such amounts and upon such terms as the Committee shall determine. The Committee may specify the terms and conditions of Annual Incentive Awards in individual Agreements or through the timely adoption of plan rules or other Annual Incentive Award plan documentation. Unless provided otherwise at

the time of grant, Annual Incentive Awards shall have a Performance Period of one fiscal year except that, if any Annual Incentive Award is made at the time of the Participant's commencement of employment with the Employer or on the occasion of a promotion, then the Performance Period may be less than one fiscal year. Unless provided otherwise at the time of grant, Annual Incentive Awards (i) shall be payable in cash, and (ii) are intended to be exempt from Code section 409A as short-term deferrals, and, thus, will be payable no later than 2 ½ months after the end of the Company's fiscal year to which the Award relates.

ARTICLE 11. PERFORMANCE MEASURES

11.1 In General. The Committee may, in its discretion, include performance objectives in any Award. The performance objectives may include, but are not limited to, levels of, or growth or changes in, or other objective specification of performance with respect to one or more of the following performance criteria:

earnings, earnings before income taxes; earnings before interest and taxes (EBIT); earnings before interest, taxes, depreciation and amortization (EBITDA); earnings before interest, taxes, depreciation, amortization and rent (EBITDAR); gross margin; operating margin; profit margin; market value added; market share; revenue; revenue growth; return measures (including but not limited to return on equity, return on shareholders' equity, return on investment, return on assets, return on net assets, return on capital, return on sales, and return on invested capital); total shareholder return (either in absolute terms or relative to that of a peer group determined by the Committee); profit; economic profit; capitalized economic profit; operating profit; after-tax profit; net operating profit after tax (NOPAT); pre-tax profit; cash; cash flow measures (including but not limited to operating cash flow; free cash flow; cash flow return; cash flow per share; and free cash flow per share); earnings per share (EPS); consolidated pre-tax earnings; net earnings; operating earnings; segment income; economic value added; net income; net income from continuing operations available to common shareholders excluding special items; operating income; adjusted operating income; assets; sales; net sales; sales volume; sales growth; net sales growth; comparable store sales; sales per square foot; inventory turnover; inventory turnover ratio; productivity ratios; number of active stores/sites (including but not limited to Company-owned stores, franchised stores, and/or retail or merchant stores at which the Company has entered into lease-to-own arrangements during a specified time period); number of customers; invoice volume; debt/capital ratio; return on total capital; cost; unit cost; cost control; expense targets or ratios, charge off levels; operating efficiency; operating expenses; customer satisfaction; improvement in or attainment of expense levels; working capital; working capital targets; improvement in or attainment of working capital levels; debt; debt to equity ratio; debt reduction; capital targets; capital expenditures; price/earnings growth ratio; acquisitions, dispositions, projects or other specific events, transactions or strategic milestones; the Company's common stock price (and stock price appreciation, either in absolute terms or in relationship to the appreciation among members of a peer group determined by the Committee); and book value per share.

All criteria may be measured on a Generally Accepted Accounting Principles (“GAAP”) basis, adjusted GAAP basis, or non-GAAP basis. The Committee may provide for a threshold level of performance below which no amount of compensation will be paid, and it may provide for the payment of differing amounts of compensation for different levels of performance. The performance objective for an Award may be described in terms of Company-wide objectives or objectives that are related to a specific division, subsidiary, Employer, department, region, or function in which the participant is employed or as some combination of these (as alternatives or otherwise). A performance objective may be measured on an absolute basis or relative to a pre-established target, results for a previous year, the performance of other corporations, or a stock market or other index. If the Committee specifies more than one individual performance objective for a particular Award, the Committee shall also specify, in writing, whether one, all or some other number of such objectives must be attained.

The Committee may specify such other conditions and criteria as it chooses, and may specify that it can use its negative discretion to decrease the amount that would otherwise be payable under an Award based on the attainment or failure to attain such other conditions and criteria.

11.2 Determinations of Performance. For each Award that has been made subject to a performance objective, within ninety (90) days following the end of each Performance Period, the Committee shall determine whether the performance objective for such Performance Period has been satisfied. When applicable, prior to paying out an Award, the Committee shall also determine whether any performance objective or other conditions or criteria specified to guide the exercise of its negative discretion were satisfied, and thereby make a final determination with respect to the Award. If a performance objective applicable for a Performance Period is not achieved, the Committee in its sole discretion may pay all or a portion of that Award based on such criteria as the Committee deems appropriate, including without limitation individual performance, Company-wide performance or the performance of the specific division, subsidiary, Employer, department, region, or function employing the Participant.

11.3 Adjustments and Exclusions. In determining whether any performance objective has been satisfied, the Committee may include or exclude the effect of any or all extraordinary items and/or other items that are unusual or non-recurring, including but not limited to (i) charges, costs, benefits, gains or income associated with reorganizations or restructurings of the Employer, discontinued operations, goodwill, other intangible assets, long-lived assets (non-cash), real estate strategy (e.g., costs related to lease terminations or facility closure obligations), litigation or the resolution of litigation (e.g., attorneys’ fees, settlements or judgments), or currency or commodity fluctuations; and (ii) the effects of changes in applicable laws, regulations or accounting principles. In addition, the Committee may adjust any performance objective for a Performance Period as it deems equitable to recognize unusual or non-recurring events affecting the Employer, changes in tax laws or regulations or accounting procedures, mergers, acquisitions and divestitures, or any other factors as the Committee may determine. To the extent that a performance objective is based on the price of the Company’s common stock, then in the event of any stock dividend, stock split, combination of shares, recapitalization or other change in the capital structure of the Company, any merger, consolidation, spin-off, reorganization, partial or complete liquidation or other distribution of assets (other than a normal cash dividend), issuance of rights or warrants to purchase securities or any other corporate transaction having an effect similar to any of the foregoing, the Committee shall make or provide for such adjustments in such performance objective as the Committee in its sole discretion may in good faith determine to be equitably required in order to prevent dilution or enlargement of the rights of Participants.

ARTICLE 12. CHANGE IN CONTROL

Unless provided otherwise in an Award Agreement, upon a Change in Control of the Company, each outstanding Option, SAR, Restricted Stock and RSU shall vest as of or immediately prior to the Change in Control if such Award is not assumed or continued or replaced with an Award that constitutes a Replacement Award. “Replacement Award” means an award (A) of the same type (e.g., option, RSU, etc.) as the Award, (B) that has a value at least equal to the value of the Award, (C) that relates to publicly traded equity securities of the Company or its successor in the Change in Control or another entity that is affiliated with the Company or its successor following the Change in Control or is payable solely in cash, and (D) the other terms and conditions of which are not less favorable to the Participant than the terms and conditions of the Award (including the provisions that would apply in the event of a subsequent Change in Control). A Replacement Award may be granted only to the extent it does not result in the Award or Replacement Award failing to comply with or be exempt from Code section 409A. Without limiting the generality of the foregoing, the Replacement Award may take the form of a continuation of the Award if the requirements of the two preceding sentences are satisfied.

Unless provided otherwise in an Award Agreement, if the Participant receives a Replacement Award in connection with a Change in Control, and the Participant’s employment is terminated without Cause within two years following the consummation of a Change in Control, outstanding Options, SARs, Restricted Stock and RSUs held by such Participant shall vest on the Participant’s termination date.

With respect to Awards that are subject to one or more performance objectives, the Committee may, in its sole discretion, provide that any such full or prorated Award will be paid under the provisions of this Article 12 prior to when any or all such performance objectives are certified (or without regard to whether they are certified) or may make necessary and appropriate adjustments in the performance objectives.

ARTICLE 13. BENEFICIARY DESIGNATION

To the extent permitted by the Committee, each Participant may, from time to time, name any beneficiary or beneficiaries (who may be named contingently or successively) to whom any vested but unpaid Award is to be paid in case of the Participant’s death. Each such designation shall revoke all prior designations by the same Participant, shall be in a form prescribed by the Company, and will be effective only when filed by the Participant in writing (including electronically if permitted by the Company) with the Company or its designee during the Participant’s lifetime. In the absence of any such designation, benefits remaining unpaid at the Participant’s death shall be paid to the Participant’s spouse, and if the Participant has no surviving spouse, to the Participant’s estate.

ARTICLE 14. DEFERRALS

The Committee may permit a Participant to defer such Participant's receipt of the payment of cash or the delivery of shares that would otherwise be due to such Participant by virtue of the lapse or waiver of restrictions with respect to RSUs and Other Awards, or the satisfaction of any requirements or objectives with respect to Performance Shares and Performance Units. If any such deferral election is permitted or required, the Committee shall, in its sole discretion, establish rules and procedures for such payment deferrals, which rules and procedures shall comply with Code section 409A. The deferral of Option and SAR gains is prohibited.

ARTICLE 15. WITHHOLDING TAXES

15.1 Tax Withholding. The Company shall have the power and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy Federal, state, and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of or in connection with this Plan or any Award.

15.2 Share Withholding. Except as otherwise determined by the Committee or provided in the Agreement corresponding to an Award:

a. With respect to withholding required upon the exercise of Options or SARs, upon the lapse of restrictions on Restricted Stock, the settlement of Restricted Stock Units or Other Awards, upon the achievement of performance objectives related to Annual Incentive Awards, Performance Shares or Performance Units, or upon any other taxable event arising as a result of or in connection with an Award granted hereunder that is settled in shares of Common Stock, unless other arrangements are made with the consent of the Committee, Participants shall satisfy the withholding requirement by having the Company withhold shares of Common Stock having a Fair Market Value on the date the tax is to be determined equal to not more than the amount necessary to satisfy the Company's withholding obligations at the minimum statutory withholding rates (or at any greater rate as may be permitted under accounting standards without resulting in adverse accounting treatment, as determined by the Committee). All such withholding arrangements shall be subject to any restrictions or limitations that the Committee, in its sole discretion, deems appropriate.

b. A Participant may elect to deliver shares of Common Stock to satisfy, in whole or in part, the withholding requirement. Such an election must be made on or before the date the amount of tax to be withheld is determined. Once made, the election shall be irrevocable. The Fair Market Value of the shares to be delivered will be determined as of the date the amount of tax to be withheld is determined. Such delivery must be made subject to the conditions and pursuant to the procedures established by the Committee with respect to the delivery of shares of Common Stock in payment of the corresponding Option Exercise Price.

c. A Participant who is subject to the Company's securities Insider Trading Policy relative to disclosure and trading on inside information, at the time the tax withholding requirement arises with respect to his or her Restricted Stock or, to the extent settled in shares of Common Stock, his or her Restricted Stock Units, Performance Shares, Performance Units, Other Awards, Options or SARs, may elect to satisfy such withholding requirement by delivering payment of the tax required to be withheld in cash or by check on the date on which the amount of tax to be withheld is determined. Once made, the election shall be irrevocable.

ARTICLE 16. AMENDMENT AND TERMINATION

16.1 Amendment or Termination of Plan. The Board or the Committee may at any time terminate and from time to time amend the Plan in whole or in part, but no such action shall materially adversely affect any rights or obligations with respect to any Awards previously granted under the Plan, unless such action is required by applicable law or any listing standards applicable to the Common Stock or the affected Participants consent in writing. To the extent required by Code section 422, other applicable law, and/or any such listing standards, no amendment shall be effective unless approved by the shareholders of the Company.

16.2 Amendment of Agreement. The Committee may, at any time, amend outstanding Agreements in a manner not inconsistent with the terms of the Plan; provided, however, except as expressly permitted or provided for in the Plan or in the Agreement, if such amendment is materially adverse to the Participant, as determined by the Committee, the amendment shall not be effective unless and until the Participant consents, in writing, to such amendment. To the extent not inconsistent with the terms of the Plan, the Committee may, at any time, amend an outstanding Agreement in a manner that is not unfavorable to the Participant (as determined by the Committee) without the consent of such Participant. Except for adjustments as provided in Sections 4.3 or in connection with a Change in Control, the terms of outstanding Awards may not be amended to reduce the exercise price of outstanding Awards or cancel outstanding Options or SARs with per share exercise prices that are more than the Fair Market Value at the time of such cancellation in exchange for cash, other awards, or Options or SARs with an exercise price that is less than the exercise price of the original Options or SARs without shareholder approval.

16.3 Clawback. All Awards under the Plan (and payments and shares in settlement of Awards) shall be subject to clawback by the Company to the extent provided in any policy adopted by the Board including any policy adopted to comply with the requirements of Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

16.4 Cancellation of Awards for Detrimental Activity. The Committee may provide in the applicable Agreement or a separate policy that if a Participant engages in detrimental activity, as defined in such Agreement or separate policy, the Committee may, notwithstanding any other provision in this Plan to the contrary, cancel, rescind, suspend, withhold or otherwise restrict or limit any unexpired, unexercised, unpaid or deferred Award as of the first date the Participant engages in the detrimental activity, unless sooner terminated by operation of another term of this Plan or any other agreement. Without limiting the generality of the foregoing, the Agreement or separate policy may also provide that if the Participant exercises an Option or SAR, receives an RSU, Performance Share, Performance Unit, Annual Incentive Award or Other Award payout, or receives or vests in shares of Common Stock under an Award at any time during the time specified in such Agreement or separate policy, the Participant shall be required to pay to the Company the excess of the then fair market value of the shares that were received with respect to the Award (or if the Participant previously disposed of such shares, the fair market value of such shares at the time of the disposition) over the total price paid by the Participant for such shares.

16.5 Assumption or Cancellation of Awards Upon a Corporate Transaction.

a. In the event of a sale of all or substantially all of the assets or stock of the Company, a spinoff, the merger of the Company with or into another corporation such that shareholders of the Company immediately prior to the merger exchange their shares of stock in the Company for cash and/or shares of another entity or any other corporate transaction to which the Committee deems this provision applicable (any such event is referred to as a “Corporate Transaction”), all Awards will be subject to the agreement of merger or consolidation or applicable transaction agreement.

b. The Committee may, in its discretion, cause each Award to be assumed or for an equivalent Award to be substituted by the successor or spun-off corporation or a parent or subsidiary of such successor corporation and adjusted as appropriate.

c. In addition or in the alternative, the Committee, in its discretion, may cancel all or certain types of outstanding Awards at or immediately prior to the time of the Corporate Transaction provided that the Committee either (i) provides that the Participant is entitled to a payment (in cash or shares) equal to the value of the Award, as determined below and to the extent there is any such value, or (ii) at least fifteen (15) days prior to the Corporate Transaction (or, if not feasible to provide fifteen (15) days’ notice, within a reasonable period prior to the Corporate Transaction), notifies the Participant that, subject to rescission if the Corporate Transaction is not successfully completed within a certain period, the Award will be terminated and provides the Participant the right to exercise the Option or other Award as to all shares, including shares that would not otherwise be exercisable (or with respect to Restricted Stock, RSUs, Performance Shares, Performance Units, or Other Awards, provides that all restrictions shall lapse) prior to the Corporate Transaction.

d. For purposes of this provision, the value of the Award shall be measured as of the date of the Corporate Transaction and shall equal the value of the cash, shares or other property that would be payable to the Participant upon exercise or vesting of the Award, as applicable, less the amount of any payment required to be tendered by the Participant upon such exercise. The Committee may adopt such valuation methodologies for outstanding Awards as it deems reasonable in the event of a cash settlement and, in the case of Options, SARs or similar rights, but without limitation on other methodologies, may base such settlement solely upon the excess (if any) of the per share amount payable upon or in respect of such event over the exercise price of such Option or SAR and may cancel each Option or SAR with an exercise price greater than the per share amount payable upon or in respect of such event without any payment to the person holding such Option or SAR. For example, under this provision, in connection with a Corporate Transaction, the Committee can cancel all outstanding Options under the Plan in consideration for payment to the holders thereof of an amount equal to the portion of the consideration that would have been payable to such holders pursuant to the Corporate Transaction if their Options had been fully exercised immediately prior to such Corporate Transaction, less the aggregate Option Exercise Price that would have been payable therefor, or if the amount that would have been payable to the Option holders pursuant to such Corporate Transaction if their Options had been fully exercised immediately prior thereto would be less than the aggregate Option Exercise Price that would have been payable therefor, the Committee can cancel any or all such Options for no consideration or payment of any kind. Payment of any amount payable pursuant to this cancellation provision may be made in cash or, in the event that the consideration to be received in such transaction includes securities or other property, in cash and/or securities or other property in the Committee’s discretion.

e. Any actions taken under this Section 16.5 shall be valid with respect to a 409A Award only to the extent that such action complies with Code section 409A.

ARTICLE 17. MISCELLANEOUS PROVISIONS

17.1 Restrictions on Shares. If the Committee determines that the listing, registration or qualification upon any securities exchange or under any law of shares subject to any Award is necessary or desirable as a condition of, or in connection with, the granting of same or the issue or purchase of Shares thereunder, no such Award may be exercised in whole or in part (as applicable), no such Award may be paid out (as applicable) and no shares may be issued pursuant to such Award (as applicable) unless such listing, registration or qualification is effected free of any conditions not acceptable to the Committee. All certificates for shares of Common Stock delivered under the Plan shall be subject to such stop-transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations, and other requirements of the Securities and Exchange Commission, any listing standards applicable to the Common Stock and any applicable federal or state laws, and the Committee may cause a legend or legends to be placed on any such certificates to make appropriate reference to such restrictions. In making such determination, the Committee may rely upon an opinion of counsel for the Company.

Notwithstanding any other provision of the Plan, the Company shall have no liability to deliver any shares under the Plan or make any other distribution of the benefits under the Plan unless such delivery or distribution would comply with all applicable state, federal and foreign laws (including, without limitation and if applicable, the requirements of the Securities Act of 1933), and any applicable requirements of any securities exchange or similar entity.

17.2 Rights of a Shareholder. Except as provided otherwise in the Plan or in an Agreement, no Participant awarded an Option, SAR, RSU, Performance Share, Performance Unit or Other Award shall have any right as a shareholder with respect to any shares covered by such Award prior to the date of issuance to him or her or his or her delegate of a certificate or certificates for such shares or the date the Participant's name is registered on the Company's books as the shareholder of record with respect to such shares.

17.3 Transferability. No ISO granted under the Plan may be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than upon the Participant's death, to a beneficiary in accordance with Article 13 or by will or the laws of descent and distribution. If permitted by the Committee, a Participant may transfer NQSOs to a Permitted Transferee in accordance with procedures approved by the Committee. Except for a permitted transfer of NQSOs by a Participant to a Permitted Transferee, unless the Committee determines otherwise consistent with securities and other applicable laws, rules and regulations, (i) no Award granted under the Plan shall be sold, transferred, pledged, assigned or otherwise alienated or hypothecated by a Participant other than upon the Participant's death, to a beneficiary in accordance with Article 13 or by will or the laws of descent and distribution, and (ii) each Option and SAR outstanding to a Participant may be exercised during the Participant's lifetime only by the Participant or his or her guardian or legal representative (provided that Incentive Stock Options may be exercised by such guardian or legal representative only if permitted by the Code and any regulations promulgated thereunder). In the event of a transfer to a Permitted Transferee as permitted under this Section 17.3 or by the Committee, appropriate evidence of any transfer to the Permitted

Transferee shall be delivered to the Company at its principal executive office. If all or part of an Award is transferred to a Permitted Transferee, the Permitted Transferee's rights thereunder shall be subject to the same restrictions and limitations with respect to the Award as the Participant. For the avoidance of doubt, any permitted transfer of an Award will be without payment of consideration by the Permitted Transferee.

17.4 No Fractional Shares. Unless provided otherwise in the Agreement applicable to an Award, no fractional shares of Common Stock shall be issued or delivered pursuant to the Plan or any Award, and any fractional share otherwise payable pursuant to an Award shall be forfeited unless the Agreement provides for payment of cash for such fractional share.

17.5 No Implied Rights. Nothing in the Plan or any Agreement shall confer upon any Participant any right to continue in the employ or service of the Employer, or to serve as a Non-Employee Director thereof, or interfere in any way with the right of the Employer to terminate the Participant's employment or other service relationship at any time and for any reason. Unless otherwise determined by the Committee, no Award granted under the Plan shall be deemed salary or compensation for the purpose of computing benefits under any employee benefit plan, severance program, or other arrangement of the Employer for the benefit of its employees. No Participant shall have any claim to an Award until it is actually granted under the Plan. An Award of any type made in any one year to an eligible Participant shall neither guarantee nor preclude a further grant of that or any other type of Award to such Participant in that year or any subsequent year. To the extent that any person acquires a right to receive payments from the Company under the Plan, such right shall, except as otherwise provided by the Committee, be no greater than the right of an unsecured general creditor of the Company.

17.6 Transfer of Employee. The transfer of an Employee from the Company to a Subsidiary, from a Subsidiary to the Company, or from one Subsidiary to another shall not be considered a termination of employment; nor shall it be considered a termination of employment if an Employee is placed on military, disability or sick leave or such other leave of absence which is considered by the Committee as continuing intact the employment relationship. If an Employee's employment or other service relationship is with a Subsidiary and that entity ceases to be a Subsidiary of the Company, a termination of employment shall be deemed to have occurred when the entity ceases to be a Subsidiary unless the Employee transfers his or her employment or other service relationship to the Company or its remaining Subsidiaries.

17.7 Expenses of the Plan. The expenses of the Plan shall be borne by the Company. The Company shall not be required to establish any special or separate fund or make any other segregation of assets to assume the payment of any Award under the Plan.

17.8 Compliance with Laws.

a. The Plan and the grant of Awards shall be subject to all applicable federal and state laws, rules, and regulations and to such approvals by any United States government or regulatory agency as may be required. It is the intent of the Company that the awards made hereunder comply in all respects with Rule 16b-3 under the Exchange Act and that any ambiguities or inconsistencies in construction of the Plan be interpreted to give effect to such intention. Any provision herein relating to compliance with Rule 16b-3 under the Exchange Act shall not be applicable with respect to participation in the Plan by Participants who are not Insiders.

b. Grandfathered Performance-Based Awards. Notwithstanding anything in the Plan to the contrary, the Committee shall administer any Awards in effect on November 2, 2017 which qualify as “performance-based compensation” under Code section 162(m), as amended the by Tax Cuts and Jobs Act (the “Tax Act”), in accordance with the “grandfathering” transition rules applicable to written binding contracts in effect on November 2, 2017 and shall have the discretion to amend the Plan to conform to the TCJA, all without obtaining further approval from the Company’s shareholders (unless otherwise required by applicable law). Further, this amended and restated Plan is not intended, and shall not be deemed as amending, any such Awards to the extent it would result in the loss of deductibility under the TCJA’s Code section 162(m) “grandfathering” rules.

17.9 Successors. The terms of the Plan and outstanding Awards shall be binding upon the Company and its successors and assigns.

17.10 Tax Elections. Each Participant agrees to give the Committee prompt written notice of any election made by such Participant under Code section 83(b) or any similar provision thereof. Notwithstanding the preceding sentence, the Committee may condition any Award on the Participant’s not making an election under Code section 83(b).

17.11 Uncertificated Shares. To the extent that the Plan provides for issuance of certificates to reflect the transfer of shares of Common Stock, the transfer of such shares may be effected on a non-certificated basis, to the extent not prohibited by applicable law or the rules of any stock exchange on which shares of Common Stock are traded.

17.12 Compliance with Code Section 409A. At all times, this Plan shall be interpreted and operated (i) with respect to 409A Awards in accordance with the requirements of Code section 409A, and (ii) to maintain the exemptions from Code section 409A of Options, SARs and Restricted Stock and any Awards designed to meet the short-term deferral exception under Code section 409A. To the extent there is a conflict between the provisions of the Plan relating to compliance with Code section 409A and the provisions of any Agreement issued under the Plan, the provisions of the Plan control. Moreover, any discretionary authority that the Committee may have pursuant to the Plan shall not be applicable to a 409A Award to the extent such discretionary authority would conflict with Code section 409A. In addition, to the extent required to avoid a violation of the applicable rules under Code section 409A by reason of Code section 409A(a)(2)(B)(i), any payment under an Award shall be delayed until the earliest date of payment that will result in compliance with the rules of Code section 409A(a)(2)(B)(i) (regarding the required six (6) month delay for distributions to specified employees that are related to a separation from service). To the extent that a 409A Award provides for payment upon the recipient’s termination of employment as an Employee or cessation of service as a Non-Employee Director or Non-Employee, the 409A Award shall be deemed to require payment upon the individual’s “separation from service” within the meaning of Code section 409A. To the extent any provision of this Plan or an Agreement would cause a payment of a 409A Award to be made because of the occurrence of a change in control, then such payment shall not be made unless such change in control also constitutes a “change in ownership”, “change in effective control” or “change in ownership of a substantial portion of the Company’s assets” within the meaning of Code section

409A. Any payment that would have been made except for the application of the preceding sentence shall be made in accordance with the payment schedule that would have applied in the absence of a change in control. To the extent an Award is a 409A Award and is subject to a substantial risk of forfeiture within the meaning of Code section 409A (or will be granted upon the satisfaction of a condition that constitutes such a substantial risk of forfeiture), any compensation due under the Award (or pursuant to a commitment to grant an Award) shall be paid in full not later than the sixtieth (60th) day following the date on which there is no longer such a substantial risk of forfeiture with respect to the Award (and the Participant shall have no right to designate the year of the payment), unless the Committee shall clearly and expressly provide otherwise at the time of granting the Award. In the event that an Award shall be deemed not to comply with Code section 409A, then neither the Company, the Board, the Committee nor its or their designees or agents, nor any of their affiliates, assigns or successors (each a "protected party") shall be liable to any Award recipient or other person for actions, inactions, decisions, indecisions or any other role in relation to the Plan by a protected party.

17.13 Legal Construction.

a. If any provision of this Plan or an Agreement is or becomes or is deemed invalid, illegal or unenforceable in any jurisdiction, or would disqualify the Plan or any Agreement under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws or if it cannot be construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Agreement, it shall be stricken and the remainder of the Plan or the Agreement shall remain in full force and effect.

b. Where the context admits, words in any gender shall include the other gender, words in the singular shall include the plural and words in the plural shall include the singular.

c. To the extent not preempted by federal law, the Plan and all Agreements hereunder shall be construed in accordance with and governed by the laws of the State of Georgia, without giving effect to any choice of law provisions. Unless otherwise provided in the applicable Agreement, the recipient of an Award is deemed to submit to the exclusive jurisdiction and venue of the Federal and state courts of Georgia to resolve any and all issues that may arise out of or relate to the Plan or such Agreement.

IN WITNESS WHEREOF, this Plan is executed as of the date approved by the Board of Directors of the Company, this 16th day of October, 2020.

AARON'S HOLDINGS COMPANY, INC.

By: /s/ Robert W. Kamerschen

Name: Robert W. Kamerschen

Title: Corporate Secretary

AARON'S, INC.

EMPLOYEE STOCK PURCHASE PLAN

2020 AMENDMENT AND RESTATEMENT

Effective October 16, 2020

AARON'S, INC.
EMPLOYEE STOCK PURCHASE PLAN
2020 AMENDMENT AND RESTATEMENT

SECTION 1
PURPOSE, SCOPE AND ADMINISTRATION OF THE PLAN

1.1 Establishment of Plan. Aaron's, Inc., a Georgia corporation ("Aaron's"), previously established the Aaron's, Inc. Employee Stock Purchase Plan (the "Aaron's ESPP"). Effective on the closing of the transactions contemplated by the Agreement and Plan of Merger, dated May 1, 2020, among Aaron's, Aaron's Holdings Company, Inc. ("Holdings") and Aaron's Merger Sub, Inc. (the "Merger"), Aaron's shall become a wholly owned subsidiary of Holdings. Effective on the Merger, responsibility for the Aaron's ESPP, including administration of the Aaron's ESPP and payment of all outstanding awards under the Aaron's ESPP, shall be assumed by Holdings. The Board of Directors of Holdings hereby amends and restates the Aaron's ESPP as set forth in this document, as the Aaron's, Inc. Employee Stock Purchase Plan, 2020 Amendment and Restatement (as it may be amended from time to time, the "Plan") to provide that all future options to purchase stock under the Plan shall relate to shares of Holdings common stock, subject to equitable adjustments under Section 5.3 of the Plan, and governed by the terms of the Plan.

1.2 Purpose and Scope. The purpose of the Plan is to assist employees of the Company and its Designated Subsidiaries in acquiring a stock ownership interest in the Company pursuant to a plan which is intended to qualify as an "employee stock purchase plan" under Section 423 of the Code and to help such employees provide for their future security and to encourage them to remain in the employment of the Company and its Designated Subsidiaries.

SECTION 2
DEFINITIONS

Whenever the following terms are used in the Plan, they shall have the meaning specified below unless the context clearly indicates to the contrary. The singular pronoun shall include the plural where the context so indicates.

2.1 "Agent" means the brokerage firm, bank or other financial institution, entity or person(s), if any, engaged, retained, appointed or authorized to act as the agent of the Company or an agent of an Employee with regard to the Plan.

2.2 "Administrator" shall mean the Committee, or such individuals to which authority to provide administrative services under this Plan has been delegated under Section 7.1 hereof.

2.3 "Board" shall mean the Board of Directors of the Company.

2.4 "Code" shall mean the Internal Revenue Code of 1986, as amended.

2.5 "Committee" shall mean the Compensation Committee of the Board.

2.6 "Common Stock" shall mean the common stock, par value \$0.50 per share, of the Company.

2.7 “Company” shall mean Aaron’s Holding Company, Inc., a Georgia corporation, and its successors and assigns.

2.8 “Compensation” of an Employee shall mean the base salary and wages paid to the Employee from the Company or any Designated Subsidiary on each Payday as compensation for services to the Company or any Designated Subsidiary, before deduction for any deferral contributions made by the Employee to any tax-qualified or nonqualified deferred compensation plan, but excluding bonuses, commissions, military pay, education or tuition reimbursements, imputed income arising under any group insurance or benefit program, travel expenses, business and moving reimbursements, income received in connection with any stock options, restricted stock, restricted stock units, performance shares or other compensatory equity or equity-based awards and all contributions made by the Company or any Designated Subsidiary for the Employee’s benefit under any employee benefit plan now or hereafter established. Such Compensation shall be calculated before deduction of any income or employment tax withholdings but shall be withheld from the Employee’s net income.

2.9 “Designated Subsidiary” shall mean each Subsidiary that has been designated by the Board or the Committee from time to time in its sole discretion as eligible to participate in the Plan, including any Subsidiary in existence on the Effective Date and any Subsidiary formed or acquired following the Effective Date, in accordance with Section 7.2 hereof.

2.10 “Effective Date” shall mean October 16, 2020, the date the Plan, as amended and restated herein, was adopted by the Board. The Plan was originally effective March 2, 2018.

2.11 “Eligible Employee” shall mean an Employee who (i) has been employed by the Company or a Designated Subsidiary for at least six (6) months, (ii) customarily works more than twenty (20) hours per week, and (iii) is not a “highly compensated employee” of the Company or any Designated Subsidiary (within the meaning of Section 414(q) of the Code) who is subject to the disclosure requirements of Section 16(a) of the Exchange Act. Notwithstanding the foregoing, the Committee may exclude from participation in the Plan as an Eligible Employee (x) any other Employee that is a “highly compensated employee” of the Company or any Designated Subsidiary (within the meaning of Section 414(q) of the Code), or that is such a “highly compensated employee” (A) with compensation above a specified level and/or (B) who is an officer, and/or (y) any Employee who is a citizen or resident of a foreign jurisdiction (without regard to whether such Employee is also a citizen of the United States or a resident alien (within the meaning of Section 7701(b)(1)(A) of the Code)) if either (i) the grant of the Option is prohibited under the laws of the jurisdiction governing such Employee, or (ii) compliance with the laws of the foreign jurisdiction would cause the Plan or the Option to violate the requirements of Section 423 of the Code; provided that any exclusion in clauses (x) and/or (y) shall be applied in an identical manner under each Offering Period to all Employees of the Company and all Designated Subsidiaries, in accordance with Treasury Regulation Section 1.423-2(e).

2.12 “Employee” shall mean any person who renders services to the Company or a Designated Subsidiary as an “employee” within the meaning of Section 3401(c) of the Code pursuant to an employment relationship with such employer. For purposes of the Plan, the employment relationship shall be treated as continuing intact while the individual is on military leave, sick leave or other leave of absence approved by the Company or Designated Subsidiary

that meets the requirements of Treasury Regulation Section 1.421-1(h)(2). Where the period of leave exceeds three (3) months, or such other period specified in Treasury Regulation Section 1.421-1(h)(2), and the individual's right to re-employment is not guaranteed either by statute or by contract, the employment relationship shall be deemed to have terminated on the first day immediately following such three (3)-month period, or such other period specified in Treasury Regulation Section 1.421-1(h)(2).

2.13 "Enrollment Date" shall mean the first date of each Offering Period.

2.14 "Exercise Date" shall mean the last Trading Day of each Offering Period, except as provided in Section 5.3 hereof.

2.15 "Exchange Act" shall mean the U.S. Securities Exchange Act of 1934, as amended.

2.16 "Fair Market Value" shall mean, as of any date, the value of Common Stock determined as follows:

(a) If the Common Stock is (i) listed on any national securities exchange, (including, without limitation, the New York Stock Exchange), (ii) listed on any national market system, or (iii) listed, quoted or traded on any automated quotation system, its Fair Market Value shall be the closing sales price for a share of Common Stock as quoted on such exchange or system for such date or, if there are no sales for a share of Common Stock reported on the date in question, the closing sales price for a share of Stock on the last preceding date for which such quotation exists, as reported in The Wall Street Journal or such other source as the Administrator deems reliable;

(b) If the Common Stock is not listed on a national securities exchange, national market system, or automated quotation system, but the Common Stock is regularly quoted by a recognized securities dealer, its Fair Market Value shall be the mean of the high bid and low asked prices for such date or, if there are no high bid and low asked prices for a share of Common Stock on such date, the high bid and low asked prices for a share of Common Stock on the last preceding date for which such information exists, as reported in The Wall Street Journal or such other source as the Administrator deems reliable; or

(c) If the Common Stock is neither listed on a national securities exchange, national market system, or automated quotation system, nor regularly quoted by a recognized securities dealer, its Fair Market Value shall be established by the Administrator in good faith.

2.17 "Grant Date" shall mean the first Trading Day of an Offering Period.

2.18 "New Exercise Date" shall have such meaning as set forth in Section 5.3(b) hereof.

2.19 "Offering Period" shall mean such period of time commencing on such date(s) as determined by the Administrator, in its sole discretion, and with respect to which Options shall be granted to Participants. The duration and timing of Offering Periods may be established or changed by the Administrator at any time, in its sole discretion; provided, that unless otherwise determined by the Administrator, each Offering Period shall be six (6) months in duration and the first day of each such Offering Period shall be the first Trading Day of such six (6)- month period. Notwithstanding the foregoing, in no event may an Offering Period exceed twenty-seven (27) months.

- 2.20 “Option” shall mean the right to purchase shares of Common Stock pursuant to the Plan during each Offering Period.
- 2.21 “Option Price” shall mean the purchase price of a share of Common Stock hereunder as provided in Section 4.2 hereof.
- 2.22 “Participant” shall mean any Eligible Employee who elects to participate in the Plan.
- 2.23 “Parent” shall mean any entity that is a parent corporation of the Company within the meaning of Section 424 of the Code and the regulations promulgated thereunder.
- 2.24 “Payday” shall mean the regular and recurring established day for payment of Compensation to an Employee of the Company or any Designated Subsidiary.
- 2.25 “Plan” shall have such meaning as set forth in Section 1.1 hereof.
- 2.26 “Plan Account” shall mean a bookkeeping account established and maintained by the Company in the name of each Participant.
- 2.27 “Restricted Period” shall mean the one (1) year period from the Exercise Date.
- 2.28 “Subsidiary” shall mean any entity that is a subsidiary corporation of the Company within the meaning of Section 424 of the Code and the regulations promulgated thereunder. In addition, with respect to any sub-plans adopted under Section 7.1(d) hereof which are designed to be outside the scope of Section 423 of the Code, Subsidiary shall include any corporate or noncorporate entity in which the Company has a direct or indirect equity interest or significant business relationship.
- 2.29 “Trading Day” shall mean a day on which the principal securities exchange, national market system, or automated quotation system on which the Common Stock is listed is open for trading or, if the Common Stock is not listed on a national securities exchange, shall mean a business day, as determined by the Administrator in good faith.
- 2.30 “Withdrawal Election” shall have such meaning as set forth in Section 6.1(a) hereof.

SECTION 3
PARTICIPATION

3.1 Eligibility.

(a) Any Eligible Employee who shall be employed by the Company or a Designated Subsidiary on a given Enrollment Date for an Offering Period shall be eligible to participate in the Plan during such Offering Period, subject to the requirements of Sections 4 and 5 hereof, and the limitations imposed by Section 423(b) of the Code and the regulations promulgated thereunder.

(b) Notwithstanding any provision of the Plan to the contrary, no Eligible Employee shall be granted an Option under the Plan (i) to the extent that, immediately after the grant of the Option, such Eligible Employee (or any other person whose stock would be attributed to such Eligible Employee pursuant to Section 424(d) of the Code) would own stock of the Company or any Parent or any Subsidiary and/or hold outstanding options to purchase stock possessing five percent (5%) or more of the total combined voting power or value of all classes of the stock of the Company or any Parent or any Subsidiary, or (ii) to the extent that his or her rights to purchase stock under all employee stock purchase plans (within the meaning of Section 423 of the Code) of the Company or any Parent or any Subsidiary accrues (within the meaning of Section 423(b)(8) of the Code) at a rate that exceeds twenty five thousand dollars (\$25,000) of the Fair Market Value of such stock (determined at the time the Option is granted) for each calendar year in which such Option is outstanding at any time, as determined in accordance with Section 423 of the Code and the regulations promulgated thereunder.

3.2 Election to Participate; Payroll Deductions.

(a) An Eligible Employee may become a Participant in the Plan only by means of payroll deduction. Each individual who is an Eligible Employee as of an Offering Period's Enrollment Date may elect to participate in such Offering Period and the Plan by properly completing a payroll deduction authorization and submitting it to the Company, in accordance with the enrollment procedures established by the Administrator, in its sole discretion.

(b) Subject to Section 3.1(b) hereof, by submitting a payroll deduction authorization, the Eligible Employee authorizes payroll deductions in an amount (i) equal to at least one percent (1%) of the Participant's Compensation as of each Payday of the Offering Period following the Enrollment Date, but not more than ten percent (10%) of the Participant's Compensation as of each Payday of the Offering Period following the Enrollment Date (or such other maximum percentage as the Committee may establish from time to time before an Offering Period begins); and (ii) that shall be expressed as a whole number percentage. Amounts deducted from a Participant's Compensation with respect to an Offering Period pursuant to this Section 3.2 shall be deducted each Payday through payroll deduction and credited to the Participant's Plan Account.

(c) During an Offering Period, a Participant may decrease (to as low as zero) the amount deducted from such Participant's Compensation, but only once during such Offering Period. To make such a change, the Participant must submit a new payroll deduction authorization authorizing the new rate of payroll deductions at least 10 calendar days before the Exercise Date for such Offering Period. For the avoidance of doubt, a Participant may not increase the amount deducted from such Participant's Compensation during an Offering Period.

(d) Notwithstanding the foregoing, upon the termination of an Offering Period, each Participant in such Offering Period shall automatically participate in the immediately following Offering Period at the same payroll deduction percentage as in effect at the termination of the prior Offering Period, unless such Participant delivers to the Company a different election with respect to the successive Offering Period in accordance with Section 3.2(a) hereof, or unless pursuant to Section 6.2 hereof, such Participant has ceased to be an Eligible Employee.

(e) No payroll deduction authorization shall become binding upon the Company until it has been accepted by the Administrator. Only the Administrator is authorized to accept payroll deduction authorizations and the actions of any person other than the Administrator (subject to the Committee's right to delegate pursuant to Section 7.1(a) hereof) shall be of no effect. The Administrator shall have the right, in its sole discretion, to reject any payroll deduction authorization that (i) does not comply with the requirements of this Plan or the deadlines, forms or procedures developed by the Administrator, or (ii) is submitted by a person who is not an Eligible Employee or whose status as Eligible Employee is suspended or revoked. Such rejection may be effected by not making payroll deductions under this Plan or, if such deductions have been made, by returning, without interest, such amounts to the person for whose benefit such deductions were made. The rejection of a payroll deduction authorization for one or more Offering Periods shall not affect the ability or right of the Administrator to accept or reject a payroll deduction authorization for any subsequent Offering Period.

SECTION 4 **PURCHASE OF SHARES**

4.1 Grant of Option. Each Participant shall be granted an Option with respect to an Offering Period on the applicable Grant Date. Subject to adjustment in accordance with Section 5.3 hereof and the limitations of Section 3.1(b) hereof, the number of shares of Common Stock subject to a Participant's Option shall be determined by dividing (a) such Participant's payroll deductions accumulated prior to such Exercise Date and retained in the Participant's Plan Account on such Exercise Date by (b) the applicable Option Price; provided that in no event shall a Participant be permitted to purchase during each Offering Period more than five hundred (500) shares of Common Stock. The Committee may, for future Offering Periods, increase or decrease, in its sole discretion, the maximum number of shares of Common Stock that a Participant may purchase during such future Offering Periods. Each Option shall expire on the Exercise Date for the applicable Offering Period immediately after the automatic exercise of the Option in accordance with Section 4.3 hereof, unless such Option terminates earlier in accordance with Section 6 hereof.

4.2 Option Price. The "Option Price" per share of Common Stock to be paid by a Participant upon exercise of the Participant's Option on the applicable Exercise Date for an Offering Period shall be equal to eighty five percent (85%) of the lesser of the Fair Market Value of a share of Common Stock on (a) the applicable Grant Date and (b) the applicable Exercise Date; provided that in no event shall the Option Price per share of Common Stock be less than the par value per share of the Common Stock.

4.3 Purchase of Shares.

(a) On the applicable Exercise Date for an Offering Period, each Participant shall automatically and without any action on such Participant's part be deemed to have exercised his or her Option to purchase at the applicable per share Option Price the largest number of whole shares of Common Stock which can be purchased with the amount in the Participant's Plan Account. Any balance less than the per share Option Price that is remaining in the Participant's Plan Account (after exercise of such Participant's Option) as of the Exercise Date shall be carried forward to the next Offering Period, unless the Participant has elected to withdraw from the Plan pursuant to Section 6.1 hereof or, unless pursuant to Section 6.2 hereof, such Participant has ceased to be an Eligible Employee. Any balance not carried forward to the next Offering Period in accordance with the prior sentence promptly shall be refunded to the applicable Participant without interest. For the avoidance of doubt, in no event shall an amount greater than or equal to the per share Option Price as of an Exercise Date be carried forward to the next Offering Period.

(b) As soon as practicable following the applicable Exercise Date, the number of shares of Common Stock purchased by such Participant pursuant to Section 4.3(a) hereof shall be delivered (either in share certificate or book entry form), in the Committee's sole discretion, to either (i) the Participant or (ii) an account established in the Participant's name at a stock brokerage or other financial services firm designated by the Company. If the Company is required to obtain from any commission or agency authority to issue any such shares of Common Stock, the Company shall seek to obtain such authority. Inability of the Company to obtain from any such commission or agency authority which counsel for the Company deems necessary for the lawful issuance of any such shares shall relieve the Company from liability to any Participant except to refund to the Participant such Participant's Plan Account balance, without interest thereon.

(c) If the Company is prevented by applicable securities laws from selling stock as of any date, no purchase shall be made on such date and Options shall remain in effect unless withdrawn and the purchases shall occur as soon as practicable after the Administrator determines that restrictions preventing the sale of stock have been removed or otherwise cease to exist; provided, that such Options shall expire and may not be exercised after the expiration of the twenty-seven (27) month period starting on the Grant Date applicable to such Options.

4.4 Transferability of Rights. An Option granted under the Plan shall not be transferable, other than by will or the applicable laws of descent and distribution and is exercisable during the Participant's lifetime only by the Participant. No option or interest or right to the Option shall be available to pay off any debts, contracts or engagements of the Participant or his or her successors in interest or shall be subject to disposition by pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempt at disposition of the option shall have no effect.

SECTION 5
PROVISIONS RELATING TO COMMON STOCK

5.1 Common Stock Reserved. Subject to adjustment as provided in Section 5.3 hereof, a total of two hundred thousand (200,000) shares of Common Stock shall be made available for sale under the Plan as of the Effective Date. Effective on the Merger, shares of Common Stock equal to the number of shares of Aaron's common stock available for issuance under the Plan immediately before the Merger adjusted in the manner described by Section 5.3, are available for issuance under the Plan. Shares of Common Stock made available for sale under the Plan may be authorized but unissued shares, treasury shares of Common Stock, reacquired shares of Common Stock reserved for issuance under the Plan, or shares of Common Stock acquired on the open market.

5.2 Restrictions on Sale. Any shares of Common Stock purchased under the Plan may not be sold, transferred, or otherwise disposed of by a Participant (or their legal representative or estate, as applicable) for the Restricted Period. The Administrator may, in its sole discretion, place additional restrictions on the sale or transfer of shares of Common Stock purchased under the Plan during any Offering Period (including the designation of a new Restricted Period) by notice to all Participants of the nature of such restrictions given in advance of the commencement of such Offering Period. Any certificate issued for shares of Common Stock or book entry evidencing shares of Common Stock pursuant to Section 7.13 hereof that are restricted, shall, in the sole discretion of the Administrator, contain a legend disclosing the nature and duration of the restriction (including a description of the Restricted Period). Any such restrictions and exceptions determined by the Administrator shall be applicable equally to all shares of Common Stock purchased during the Offering Period for which the restrictions are first applicable. In addition, the Restricted Period and such other restrictions and exceptions applicable to the Common Stock shall remain applicable during subsequent Offering Periods unless otherwise determined by the Administrator. If the Administrator should change or eliminate any restrictions for a subsequent Offering Period, notice of such action shall be given to all Participants, in such time and manner as the Administrator deems appropriate.

5.3 Adjustments Upon Changes in Capitalization, Dissolution, Liquidation, Corporate Transaction.

(a) Changes in Capitalization. In the event that any dividend or other distribution (whether in the form of cash, Common Stock, or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, or exchange of Common Stock or other securities of the Company, or other change in the Company's structure affecting the Common Stock occurs, then in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan, the Committee will, in such manner as it deems equitable, adjust the number of shares and class of Common Stock that may be delivered under the Plan, the Purchase Price per share and the number of shares of Common Stock covered by each outstanding option under the Plan, and the numerical limits of Sections 4.1 and 5.1 hereof.

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the Offering Period then in progress shall be shortened by setting a new Exercise Date (the "New Exercise Date"), and shall terminate immediately prior to the consummation of such proposed dissolution or liquidation, unless provided otherwise by the Committee. The New Exercise Date shall be before the date of the Company's proposed dissolution or liquidation. The Administrator shall notify each Participant in writing, at least ten (10) business days prior to the New Exercise Date, that the Exercise Date for the Participant's Option has been changed to the New Exercise Date and that the Participant's Option shall be exercised automatically on the New Exercise Date, unless prior to such date the Participant has elected to withdraw from the Plan pursuant to Section 6.1 hereof or, pursuant to Section 6.2 hereof, such Participant has ceased to be an Eligible Employee.

(c) Corporate Transaction. In the event of the occurrence of a merger, consolidation, acquisition of property or stock, separation, reorganization or other corporate event described in Section 424 of the Code with respect to the Company, each outstanding Option shall be assumed or an equivalent option substituted by the successor corporation or a Parent or Subsidiary of the successor corporation. In the event that the successor corporation refuses to assume or substitute for the Option, any Offering Periods then in progress shall be shortened by setting a New Exercise Date and any Offering Periods then in progress shall end on the New Exercise Date. The New Exercise Date shall be before the date of the Company's proposed sale or merger. The Administrator shall notify each Participant in writing, at least ten (10) business days prior to the New Exercise Date, that the Exercise Date for the Participant's Option has been changed to the New Exercise Date and that the Participant's Option shall be exercised automatically on the New Exercise Date, unless prior to such date the Participant has elected to withdraw from the Plan pursuant to Section 6.1 hereof or, pursuant to Section 6.2 hereof, such Participant has ceased to be an Eligible Employee.

5.4 Insufficient Shares. If the Administrator determines that, on a given Exercise Date, the number of shares of Common Stock with respect to which Options are to be exercised would exceed the number of shares of Common Stock remaining available for sale under the Plan on such Exercise Date, the Administrator shall make a pro rata allocation of the shares of Common Stock available for issuance on such Exercise Date in as uniform a manner as shall be practicable and as the Administrator shall determine in its sole discretion to be equitable among all Participants exercising Options to purchase Common Stock on such Exercise Date, and unless additional shares are authorized for issuance under the Plan, no further Offering Periods shall take place and the Plan shall terminate pursuant to Section 7.5 hereof. If the Plan is so terminated, then the balance of the amount credited to the Participant's Plan Account which has not been applied to the purchase of shares of Common Stock shall be paid to such Participant in one lump sum in cash within thirty (30) calendar days after such Exercise Date, without any interest thereon.

5.5 Rights as Stockholders. With respect to shares of Common Stock subject to an Option, a Participant shall not be deemed to be a stockholder of the Company and shall not have any of the rights or privileges of a stockholder. A Participant shall have the rights and privileges of a stockholder of the Company when, but not until, shares of Common Stock have been delivered to the Participant or deposited in the designated brokerage account following exercise of his or her Option.

SECTION 6

TERMINATION OF PARTICIPATION

6.1 Cessation of Contributions; Voluntary Withdrawal.

(a) A Participant may elect to withdraw from the Plan by delivering written notice of such election to the Company in such form and at such time prior to the Exercise Date for the then-current Offering Period as may be established by the Administrator (a "Withdrawal Election"). A Participant electing to withdraw from the Plan may withdraw all, but not less than all, of the funds then credited to the Participant's Plan Account as of the date on which the Withdrawal Election is received by the Company (or its designee), in which case amounts credited to such Plan Account shall be returned to the Participant in one (1) lump-sum payment in cash within thirty (30) calendar days after such election is received by the Company (or its designee), without any interest thereon, and the Participant shall cease to participate in the Plan and the Participant's Option for such Offering Period shall automatically terminate. Upon receipt of a Withdrawal Election, the Participant's payroll deduction authorization and his or her Option to purchase under the Plan shall terminate. If a Participant withdraws from the Offering Period, payroll deductions will not resume at the beginning of the succeeding Offering Period, unless the Participant re-enrolls in the Plan in accordance with the provisions of Section 3.

(b) A participant's withdrawal from the Plan shall not have any effect upon his or her eligibility to participate in any similar plan which may hereafter be adopted by the Company or in succeeding Offering Periods which commence after the termination of the Offering Period from which the Participant withdraws.

(c) A Participant who ceases contributions to the Plan during any Offering Period shall not be permitted to resume contributions to the Plan during that Offering Period.

6.2 Termination of Eligibility. Upon a Participant's ceasing to be an Eligible Employee, for any reason, such Participant's Option for the applicable Offering Period shall automatically terminate, he or she shall be deemed to have elected to withdraw from the Plan, and such Participant's Plan Account shall be paid to such Participant or, in the case of his or her death, to the person or persons entitled thereto pursuant to applicable law, within thirty (30) calendar days after such cessation of being an Eligible Employee, without any interest thereon.

SECTION 7
GENERAL PROVISIONS

7.1 Administration.

(a) The Plan shall be administered by the Committee, which shall be composed of members of the Board. The Committee may delegate administrative tasks under the Plan to the Administrator to assist in the administration of the Plan, including establishing and maintaining an individual securities account under the Plan for each Participant. Any person to whom the duty to perform an administrative function is delegated shall act on behalf of and shall be responsible to the Committee for such function.

(b) It shall be the duty of the Administrator to conduct the general administration of the Plan in accordance with the provisions of the Plan. The Administrator shall have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To establish Offering Periods;

(ii) To determine when and how Options shall be granted and the provisions and terms of each Offering Period (which need not be identical);

(iii) To select Designated Subsidiaries in accordance with Section 7.2 hereof;

(iv) To develop such forms and procedures as the Administrator in its discretion deems necessary or helpful to the orderly administration of this Plan; and

(v) To construe and interpret the Plan, the terms of any Offering Period and the terms of the Options and to adopt such rules for the administration, interpretation, and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. The Administrator, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan, any Offering Period or any Option, in a manner and to the extent it shall deem necessary or expedient to make the Plan fully effect, subject to Section 423 of the Code and the regulations promulgated thereunder.

(c) The Administrator may adopt rules or procedures relating to the operation and administration of the Plan to accommodate the specific requirements of local laws and procedures. Without limiting the generality of the foregoing, the Administrator is specifically authorized to adopt rules and procedures regarding handling of participation elections, payroll deductions, payment of interest, conversion of local currency, payroll tax, withholding procedures and handling of stock certificates which vary with local requirements. In its sole discretion, the Board may at any time and from time to time exercise any and all rights and duties of the Committee or the Administrator under the Plan.

(d) The Committee may adopt sub-plans applicable to particular Designated Subsidiaries or locations, which sub-plans may be designed to be outside the scope of Section 423 of the Code. The rules of such sub-plans may take precedence over other provisions of this Plan, with the exception of Section 5.1 hereof, but unless otherwise superseded by the terms of such sub-plan, the provisions of this Plan shall govern the operation of such sub-plan.

(e) All expenses and liabilities incurred by the Administrator in connection with the administration of the Plan shall be borne by the Company. The Administrator may, with the approval of the Committee, employ attorneys, consultants, accountants, appraisers, brokers or other persons. The Committee, the Administrator, the Company and its officers and directors shall be entitled to rely upon the advice, opinions or valuations of any such persons. All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon all Participants, the Company and all other interested persons. No member of the Board, the Committee or the Administrator shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or the options, and all members of the Board, the Committee and the Administrator shall be fully protected by the Company in respect to any such action, determination, or interpretation.

(f) All communications from an Eligible Employee to the Administrator under, or in connection with, this Plan shall be deemed to have been filed with the Administrator when actually received in the form specified by the Administrator at the location, or by the person, designated by the Administrator for the receipt of such communications. The Administrator, in its sole discretion, may accept or reject communications not complying with the forms and procedures developed by the Administrator.

(g) In the event that payroll deductions are made or shares of Common Stock are purchased in error, the Administrator shall take such action as the Administrator in its sole discretion deems necessary or appropriate to correct such error as soon as practicable after the Administrator has knowledge of the error.

7.2 Designation of Subsidiary Corporations. The Board or the Committee shall designate from among the Subsidiaries, as determined from time to time, the Subsidiary or Subsidiaries that shall constitute Designated Subsidiaries. The Board or the Committee may designate a Subsidiary, or terminate the designation of a Subsidiary, without the approval of the stockholders of the Company.

7.3 Reports. Individual accounts shall be maintained by the Administrator for each Participant in the Plan. Statements of Plan Accounts shall be given by the Administrator to Participants at least annually, which statements shall set forth the amounts of payroll deductions, the Option Price, the number of shares purchased and the remaining cash balance, if any.

7.4 No Right to Employment. Nothing in the Plan shall be construed to give any person (including any Participant) the right to remain in the employ of the Company, a Parent, or a Subsidiary or to affect the right of the Company, any Parent, or any Subsidiary to terminate the employment of any person (including any Participant) at any time, with or without cause, which right is expressly reserved.

7.5 Amendment and Termination of the Plan.

(a) The Board or the Committee may, in its sole discretion, amend, suspend, or terminate the Plan at any time and for any reason; provided, however, that without approval of the Company's stockholders given within twelve (12) months before or after action by the Board or the Committee, the Plan may not be amended to increase the maximum number of shares of Common Stock subject to the Plan or change the designation or class of Eligible Employees; and provided, further, that without approval of the Company's stockholders, the Plan may not be amended in any manner that would cause the Plan to no longer be an "employee stock purchase plan" within the meaning of Section 423(b) of the Code.

(b) In the event the Administrator determines that the ongoing operation of the Plan may result in unfavorable financial accounting consequences, the Administrator may, to the extent permitted under Section 423 of the Code, in its discretion and, to the extent necessary or desirable, modify or amend the Plan to reduce or eliminate such accounting consequence including, but not limited to:

- (i) altering the Option Price for any Offering Period including an Offering Period underway at the time of the change in Option Price;
- (ii) shortening any Offering Period so that the Offering Period ends on a new Exercise Date, including an Offering Period underway at the time of the Administrator action; and
- (iii) allocating shares of Common Stock.

Such modifications or amendments shall not require stockholder approval or the consent of any Participant.

(c) If the Plan is terminated, the Administrator may elect to terminate all outstanding Offering Periods either immediately or once shares of Common Stock have been purchased on the next Exercise Date (which may, in the sole discretion of the Administrator, be accelerated). If any Offering Period is terminated before its scheduled expiration, all amounts that have not been used to purchase shares of Common Stock will be returned to Participants (without interest, except as otherwise required by law) as soon as administratively practicable.

7.6 Use of Funds; No Interest Paid. All funds received by the Company by reason of purchase of Common Stock under the Plan shall be included in the general funds of the Company free of any trust or other restriction and may be used for any corporate purpose to the extent permitted by applicable law. No interest shall be paid to any Participant or credited under the Plan, except as otherwise required by law.

7.7 Term. No Option may be granted during any period of suspension of the Plan or after termination of the Plan.

7.8 Effect Upon Other Plans. The adoption of the Plan shall not affect any other compensation or incentive plans in effect for the Company, any Parent, or any Subsidiary. Nothing in the Plan shall be construed to limit the right of the Company, any Parent, or any Subsidiary (a) to establish any other forms of incentives or compensation for Employees of the Company or any Parent or any Subsidiary, or (b) to grant or assume Options otherwise than under the Plan in connection with any proper corporate purpose, including, but not by way of limitation, the grant or assumption of Options in connection with the acquisition, by purchase, lease, merger, consolidation or otherwise, of the business, stock or assets of any corporation, firm or association.

7.9 Notice of Disposition of Shares. Each Participant shall give the Company prompt written notice of any disposition or other transfer of any shares of Common Stock, acquired pursuant to the exercise of an Option, if such disposition or transfer is made (a) within two (2) years after the applicable Grant Date or (b) within one (1) year after the transfer of such shares of Common Stock to such Participant upon exercise of such Option. The Company may direct that any certificates evidencing shares acquired pursuant to the Plan refer to such requirement.

7.10 Tax Withholding. The Company or any Parent or any Subsidiary shall be entitled to require payment in cash or deduction from other compensation payable to each Participant of any sums required by federal, state or local tax law to be withheld with respect to any purchase of shares of Common Stock under the Plan or any sale of such shares.

7.11 Governing Law. The Plan and all rights and obligations thereunder shall be construed and enforced in accordance with the laws of the State of Georgia.

7.12 Notices. All notices or other communications by a participant to the Company under or in connection with the Plan shall be deemed to have been duly given when received in the form specified by the Company at the location, or by the person, designated by the Company for the receipt thereof.

7.13 Conditions To Issuance of Shares.

(a) Notwithstanding anything herein to the contrary, the Company shall not be required to issue or deliver any certificates or make any book entries evidencing shares of Common Stock pursuant to the exercise of an Option by a Participant, unless and until the Committee or the Administrator has determined, with advice of counsel, that the issuance of such shares of Common Stock is in compliance with all applicable laws, regulations of governmental authorities and, if applicable, the requirements of any securities exchange, national market system, or automated quotation system on which the shares of Common Stock are listed or traded. In addition to the terms and conditions provided herein, the Committee or the Administrator may require that a Participant make such reasonable covenants, agreements, and representations as the Committee or the Administrator, in its discretion, deems advisable in order to comply with any such laws, regulations, or requirements.

(b) All certificates for shares of Common Stock delivered pursuant to the Plan and all shares of Common Stock issued pursuant to book entry procedures are subject to any stop-transfer orders and other restrictions as the Administrator deems necessary or advisable to comply with federal, state, or foreign securities or other laws, rules and regulations and the rules of any securities exchange, national market system, or automated quotation system on which the shares of Common Stock are listed, quoted, or traded. The Administrator may place legends on any certificate or book entry evidencing shares of Common Stock to reference restrictions applicable to the shares of Common Stock (including the restrictions provided in Section 5.2 hereof).

(c) The Administrator shall have the right to require any Participant to comply with any timing or other restrictions with respect to the settlement, distribution or exercise of any Option, including a window-period limitation, as may be imposed in the sole discretion of the Administrator.

(d) Notwithstanding any other provision of the Plan, unless otherwise determined by the Administrator or required by any applicable law, rule or regulation, the Company may, in lieu of delivering to any Participant certificates evidencing shares of Common Stock issued in connection with any Option, record the issuance of shares of Common Stock in the books of the Company (or, as applicable, its transfer agent or stock plan administrator).

7.14 Equal Rights and Privileges. Except with respect to sub-plans designed to be outside the scope of Section 423 of the Code, all Eligible Employees shall have equal rights and privileges under this Plan to the extent required under Section 423 of the Code or the regulations promulgated thereunder so that this Plan qualifies as an “employee stock purchase plan” within the meaning of Section 423 of the Code or the regulations promulgated thereunder. Any provision of this Plan that is inconsistent with Section 423 of the Code or the regulations promulgated thereunder shall, without further act or amendment by the Company or the Board, be reformed to comply with the equal rights and privileges requirement of Section 423 of the Code or the regulations promulgated thereunder.

7.15 Limitation on Liability. Neither the Company nor any affiliate or anyone acting on the behalf of the Company or an affiliate shall be responsible in whole or in part for any act done in good faith or any good faith omission to act. Without limiting the first sentence, such entities shall not be responsible for any prices at which shares of Stock are purchased or sold, the time at which any purchase or sale is made under this Plan, or the change in value of any class of stock of the Company.

7.16 Plan Document Controls. In the event of any conflict between the provisions of this Plan and any other document or communication, this Plan shall control, and the conflicting provisions of such other document or communication shall be null and void ab initio.

7.17 Severability. In the event any provision of this Plan shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of this Plan, and this Plan shall be construed and enforced as if the illegal or invalid provision had not been included.

IN WITNESS WHEREOF, this Plan is executed as of the date approved by the Board of Directors of the Company, this 16th day of October, 2020.

AARON'S HOLDINGS COMPANY, INC.

By: /s/ Robert W. Kamerschen

Name: Robert W. Kamerschen

Title: Secretary

**FOURTH AMENDMENT TO THE
AARON'S, INC. EMPLOYEES RETIREMENT PLAN**

THIS AMENDMENT to the Aaron's, Inc. Employees Retirement Plan (the "Plan") is made effective October 16, 2020.

W I T N E S S E T H :

WHEREAS, Aaron's, Inc. previously established and has maintained the Plan for the benefit of eligible employees; and

WHEREAS, sponsorship of the Plan is being transferred from Aaron's, Inc. to Aaron's Holdings Company, Inc.; and

WHEREAS, the company wishes to amend the Plan to reflect the change in the plan sponsor;

NOW, THEREFORE, the Plan is hereby amended as follows:

1. Section 1.17 is amended to read as follows:
1.17 Company Stock means the common stock of the Controlling Company.
2. The sponsor will change from Aaron's, Inc. to Aaron's Holdings Company, Inc., and Section 1.21 is amended to read as follows:
1.21 Controlling Company means Aaron's Holdings Company, Inc., and its successors that adopt the Plan.
3. Schedule A is amended to read as follows:

SCHEDULE A

PARTICIPATING COMPANIES
[see Plan Sections 1.30, 1.57 and 13.3]

Progressive Finance Holdings, LLC
Dent-A-Med, Inc.
Woodhaven Furniture Industries, LLC
Aaron's, Inc.

4. Except as provided herein, the Plan will remain in full force and effect.

(signature on the following page)

IN WITNESS WHEREOF, this Administrative Committee has caused its duly authorized member to execute this Amendment on the date written below.

AARON'S HOLDINGS COMPANY, INC.

By: /s/ Robert W. Kamerschen

Name: Robert W. Kamerschen

Title: Secretary

Date: October 16, 2020

Aaron's, Inc.
Deferred Compensation Plan

As Amended and Restated Effective October 16, 2020

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Purpose

The purpose of this Plan is to provide specified benefits to Directors and a select group of management or highly compensated Employees who contribute materially to the continued growth, development and future business success of Aaron's Holdings Company, Inc., a Georgia corporation, and its subsidiaries, if any, that sponsor this Plan. This Plan shall be unfunded for tax purposes and for purposes of Title I of ERISA.

This Plan is intended to comply with all applicable laws, including Code Section 409A and related Treasury guidance and regulations, and shall be operated and interpreted in accordance with this intention.

ARTICLE 1

Definitions

For the purposes of this Plan, unless otherwise clearly apparent from the context, the following phrases or terms shall have the following indicated meanings:

1.1 Account Balance shall mean, with respect to a Participant, an entry on the records of the Employer equal to the sum of the Participant's Annual Accounts. The Account Balance shall be a bookkeeping entry only and shall be utilized solely as a device for the measurement and determination of the amounts to be paid to a Participant, or his or her designated Beneficiary, pursuant to this Plan.

1.2 Act shall mean the Securities Exchange Act of 1934, as it may be amended from time to time.

1.3 Annual Account shall mean, with respect to a Participant, an entry on the records of the Employer equal to (a) the sum of the Participant's Annual Deferral Amount, Company Contribution Amount, Company Restoration Matching Amount and Restricted Stock Unit Amount for any one Plan Year, plus (b) amounts credited or debited to such amounts pursuant to this Plan, less (c) all distributions made to the Participant or his or her Beneficiary pursuant to this Plan that relate to the Annual Account for such Plan Year. The Annual Account shall be a bookkeeping entry only and shall be utilized solely as a device for the measurement and determination of the amounts to be paid to a Participant, or his or her designated Beneficiary, pursuant to this Plan.

1.4 Annual Deferral Amount shall mean that portion of a Participant's Base Salary, Bonus, LTIP Amounts, Cash Director Fees and Stock Director Fees that a Participant defers in accordance with Article 3 for any one Plan Year, without regard to whether such amounts are withheld and credited during such Plan Year.

1.5 Annual Installment Method shall mean the method used to determine the amount of each payment due to a Participant who has elected to receive a benefit over a period of years in accordance with the applicable provisions of the Plan. The amount of each annual payment due to the Participant shall be calculated by multiplying the balance of the Participant's benefit by a fraction, the numerator of which is one and the denominator of which is the remaining number of annual payments due to the Participant. Shares of Stock distributable from a Participant's Account Balance that are attributable to Stock Director Fees and/or Restricted Stock Units shall be distributable in shares of actual Stock in the same manner previously described, with any fractional shares distributed in cash. The amount of the first annual payment shall be calculated as of the close of business on or around the Participant's Benefit Distribution Date, and the amount of each subsequent annual payment shall be calculated on or around each anniversary of such Benefit Distribution Date. For purposes of this Plan, the right to receive a benefit payment in annual installments shall be treated as the entitlement to a single payment.

1.6 Base Salary shall mean the Participant's base salary relating to services performed during any calendar year, subject to the provisions of Section 3.3 related to the final payroll period of the year. Base Salary shall be calculated before reduction for compensation voluntarily deferred or contributed by the Participant pursuant to all qualified or nonqualified plans of any Employer and shall be calculated to include amounts not otherwise included in the Participant's gross income under Code Sections 125, 402(e)(3), 402(h), or 403(b) pursuant to plans established by any Employer; provided, however, that all such amounts will be included in compensation only to the extent that had there been no such plan, the amount would have been payable in cash to the Employee.

1.7 Beneficiary shall mean one or more persons, trusts, estates or other entities, designated in accordance with Article 9, that are entitled to receive benefits under this Plan upon the death of a Participant.

1.8 Beneficiary Designation Form shall mean the written or electronic form established from time to time by the Committee that a Participant returns to the Committee to designate one or more Beneficiaries.

1.9 Benefit Distribution Date shall mean the date upon which all or an objectively determinable portion of a Participant's vested benefits will become eligible for distribution. Except as otherwise provided in the Plan, a Participant's Benefit Distribution Date shall be determined based on the earliest to occur of an event or scheduled date set forth in Articles 4 through 8, as applicable.

1.10 Board shall mean the board of directors of the Company.

1.11 Bonus shall mean any periodic cash bonus earned by the Participant under a written bonus program covering a performance period of no more than one year. Bonus shall be calculated before reduction for compensation voluntarily deferred or contributed by the Participant pursuant to all qualified or nonqualified plans of the Employer and shall be calculated to include amounts not otherwise included in the Participant's gross income under Code Sections 125, 402(e)(3), 402(h), or 403(b) pursuant to plans established by the Employer; provided, however, that all such amounts will be included in compensation only to the extent that had there been no such plan, the amount would have been payable in cash to the Employee.

1.12 Cash Director Fees shall mean the annual fees payable in cash that are earned by a Director from any Employer, including retainer fees and meetings fees, as compensation for serving on the Board.

1.13 Change in Control shall be deemed to have occurred if:

- (a) the Company consolidates or merges with or into another corporation, or is otherwise reorganized, and the Company is not the surviving corporation in such transaction or if after such transaction any other corporation, association or other person, entity or group of the shareholders thereof own, directly and/or indirectly, more than 50% of the then outstanding shares of Common Stock or more than 50% of the assets of the Company; or
- (b) more than 50% of the then outstanding shares of Common Stock of the Company are, in a single transaction or in a series of related transactions, sold or otherwise transferred to or are acquired by (except as collateral security for a loan) any other corporation, association or other person, entity or group, whether or not any such shareholder or any shareholders included in such group were shareholders of the Company prior to the Change in Control; or
- (c) all or substantially all of the assets of the Company are sold or otherwise transferred to or otherwise acquired by any other corporation, association or other person, entity or group; or
- (d) the occurrence of any other event or circumstance which is not covered by (a) through (c) above which the Committee determines affects control of the Company and constitutes a Change in Control for purposes of the Plan.

1.14 Code shall mean the Internal Revenue Code of 1986, as it may be amended from time to time.

1.15 Committee shall mean the committee described in Article 12.

1.16 Company shall mean Aaron's Holdings Company, Inc., a Georgia corporation, and any successor to all or substantially all of such company's assets or business.

1.17 Company Contribution Amount shall mean, for any one Plan Year, the amount determined in accordance with Section 3.4.

1.18 Company Restoration Matching Amount shall mean, for any one Plan Year, the amount determined in accordance with Section 3.5.

1.19 Director shall mean any non-employee member of the board of directors of any Employer.

1.20 Disability or Disabled shall mean that a Participant is either (a) unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or (b) by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than 3 months under an accident and health plan covering employees of the Participant's Employer. For purposes of this Plan, a Participant shall be deemed Disabled if determined to be totally disabled by the Social Security Administration. A Participant shall also be deemed Disabled if determined to be disabled in accordance with the applicable disability insurance program of such Participant's Employer, provided that the definition of "disability" applied under such disability insurance program complies with the requirements of this Section.

1.21 Election Form shall mean the form, which may be in electronic format, established from time to time by the Committee that a Participant returns to the Committee to make an election under the Plan. An Election Form will apply only to the Plan Year for which it is submitted.

1.22 Employee shall mean a person classified as an employee by the Employer for payroll purposes.

1.23 Employer(s) shall be defined as follows:

- (a) Except as otherwise provided in part (b) of this Section, the term "Employer" shall mean the Company and/or any of its subsidiaries (now in existence or hereafter formed or acquired) that have been selected by the Company to participate in the Plan and have adopted the Plan as a sponsor.
- (b) For the purpose of determining whether a Participant has experienced a Separation from Service, the term "Employer" shall mean:
 - (i) The entity for which the Participant performs services and with respect to which the legally binding right to compensation deferred or contributed under this Plan arises; and

- (ii) All other entities with which the entity described above would be aggregated and treated as a single employer under Code Section 414(b) (controlled group of corporations) and Code Section 414(c) (a group of trades or businesses, whether or not incorporated, under common control), as applicable. In order to identify the group of entities described in the preceding sentence, the Committee shall use an ownership threshold of at least 50% as a substitute for the 80% minimum ownership threshold that appears in, and otherwise must be used when applying, the applicable provisions of (A) Code Section 1563 for determining a controlled group of corporations under Code Section 414(b), and (B) Treas. Reg. §1.414(c)-2 for determining the trades or businesses that are under common control under Code Section 414(c).

1.24 ERISA shall mean the Employee Retirement Income Security Act of 1974, as it may be amended from time to time.

1.25 401(k) Plan shall mean, with respect to an Employer, a plan qualified under Code Section 401(a) that contains a cash or deferral arrangement described in Code Section 401(k), adopted by the Employer, as it may be amended from time to time, or any successor thereto.

1.26 LTIP Amounts shall mean any cash portion of the compensation attributable to a Plan Year that is earned by a Participant under any Employer's incentive program for a performance period greater than one year. LTIP Amounts shall be calculated before reduction for compensation voluntarily deferred or contributed by the Participant pursuant to all qualified or nonqualified plans of the Employer and shall be calculated to include amounts not otherwise included in the Participant's gross income under Code Sections 125, 402(e)(3), 402(h), or 403(b) pursuant to plans established by the Employer; provided, however, that all such amounts will be included in compensation only to the extent that had there been no such plan, the amount would have been payable in cash to the Employee.

1.27 Participant shall mean any Employee or Director (a) who is selected and becomes a participant in the Plan as provided in Article 2, and (b) whose Account Balance has not been completely distributed.

1.28 Performance-Based Compensation shall mean compensation, the entitlement to or amount of which is contingent on the satisfaction of pre-established organizational or individual performance criteria relating to a performance period of at least 12 consecutive months, as determined by the Committee in accordance with Treas. Reg. §1.409A-1(e).

1.29 Plan shall mean the Aaron's, Inc. Deferred Compensation Plan, which shall be evidenced by this instrument, as it may be amended from time to time, and by any other documents that together with this instrument define a Participant's rights to amounts credited to his or her Account Balance.

1.30 Plan Agreement shall mean an agreement, if any, in the form prescribed by or acceptable to the Committee that evidences a Participant's agreement to the terms of the Plan and which may establish additional terms or conditions of Plan participation for a Participant. Unless otherwise determined by the Committee, the most recent Plan Agreement accepted with respect to a Participant shall supersede any prior Plan Agreements for such Participant. Plan Agreements may vary among Participants and may provide additional benefits not set forth in the Plan or limit the benefits otherwise provided under the Plan.

1.31 Plan Year shall mean a period beginning on January 1 of each calendar year and continuing through December 31 of such calendar year. Notwithstanding the foregoing, in the case of the first year in which the Plan is in effect, the term "Plan Year" shall mean the period beginning on July 1, 2009 and ending on December 31, 2009.

1.32 Restricted Stock Unit shall mean the right to receive a share of Company common stock in the future, as awarded to the Participant under any Company stock incentive plan or director compensation program.

1.33 Restricted Stock Unit Account shall mean the aggregate value, measured on any given date, of (i) the number of Restricted Stock Units deferred by a Participant as a result of all Restricted Stock Unit Amounts, plus (ii) the number of additional shares credited to a Participant's Restricted Stock Unit Account as a result of the deemed reinvestment of dividends in accordance with this Plan, less (iii) the number of Restricted Stock Units previously distributed to the Participant or his or her Beneficiary pursuant to this Plan, subject in each case to any adjustments to the number of such shares determined by the Committee with respect to the Stock Unit Fund pursuant to Section 3.8(c).

1.34 Restricted Stock Unit Amount shall mean, with respect to a Participant for any one Plan Year, the number of Restricted Stock Units deferred in accordance with Section 3.6 of this Plan.

1.35 Retirement, Retire(s) or Retired shall mean with respect to a Participant who is an Employee, a Separation from Service on or after the attainment of age 65. Retirement shall not apply to a Participant who is a Director.

1.36 Separation from Service shall mean a termination of services provided by a Participant to his or her Employer, whether voluntarily or involuntarily, other than by reason of death, as determined by the Committee in accordance with Treas. Reg. §1.409A-1(h). In determining whether a Participant has experienced a Separation from Service, the following provisions shall apply:

- (a) For a Participant who provides services to an Employer as an Employee, except as otherwise provided in part (c) of this Section, a Separation from Service shall occur when such Participant has experienced a termination of employment with such Employer. A Participant shall be considered to have experienced a termination of employment when the facts and circumstances indicate that the Participant and his or her Employer reasonably anticipate that either (i) no further services will be performed for the Employer after a certain date, or (ii) that the level of bona fide services the Participant will perform for the Employer after such date (whether as an Employee or as an independent contractor) will permanently decrease to no more than 20% of the average level of bona fide services performed by such Participant (whether as an Employee or an independent contractor) over the immediately preceding 36-month period (or the full period of services to the Employer if the Participant has been providing services to the Employer less than 36 months).

If a Participant is on military leave, sick leave, or other bona fide leave of absence, the employment relationship between the Participant and the Employer shall be treated as continuing intact, provided that the period of such leave does not exceed 6 months, or if longer, so long as the Participant retains a right to reemployment with the Employer under an applicable statute or by contract. If the period of a military leave, sick leave, or other bona fide leave of absence exceeds 6 months and the Participant does not retain a right to reemployment under an applicable statute or by contract, the employment relationship shall be considered to be terminated for purposes of this Plan as of the first day immediately following the end of such 6-month period. In applying the provisions of this paragraph, a leave of absence shall be considered a bona fide leave of absence only if there is a reasonable expectation that the Participant will return to perform services for the Employer.

- (b) For a Participant, if any, who provides services to an Employer as an independent contractor, except as otherwise provided in part (c) of this Section, a Separation from Service shall occur upon the expiration of the contract (or in the case of more than one contract, all contracts) under which services are performed for such Employer, provided that the expiration of such contract(s) is determined by the Committee to constitute a good-faith and complete termination of the contractual relationship between the Participant and such Employer.
- (c) For a Participant, if any, who provides services to an Employer as both an Employee and an independent contractor, a Separation from Service generally shall not occur until the Participant has ceased providing services for such Employer as both an Employee and as an independent contractor, as determined in accordance with the provisions set forth in parts (a) and (b) of this Section, respectively. Similarly, if a Participant either (i) ceases providing services for an Employer as an

independent contractor and begins providing services for such Employer as an Employee, or (ii) ceases providing services for an Employer as an Employee and begins providing services for such Employer as an independent contractor, the Participant will not be considered to have experienced a Separation from Service until the Participant has ceased providing services for such Employer in both capacities, as determined in accordance with the applicable provisions set forth in parts (a) and (b) of this Section.

Notwithstanding the foregoing provisions in this part (c), if a Participant provides services for an Employer as both an Employee and as a member of the Board, to the extent permitted by Treas. Reg. §1.409A-1(h)(5) the services provided by such Participant as a member of the Board shall not be taken into account in determining whether the Participant has experienced a Separation from Service as an Employee.

1.37 Stock shall mean Aaron's Holdings Company, Inc. common stock.

1.38 Stock Director Fees shall mean the annual fees payable in Stock that are earned by a Director from any Employer, including retainer fees and meetings fees, as compensation for serving on the Board.

1.38A Termination Benefit shall have the meaning described in Section 6.1(c).

1.39 Trust shall mean one or more trusts established by the Company in accordance with Article 15.

1.40 Unforeseeable Emergency shall mean a severe financial hardship of the Participant resulting from (a) an illness or accident of the Participant, the Participant's spouse, the Participant's Beneficiary or the Participant's dependent (as defined in Code Section 152 without regard to paragraphs (b)(1), (b)(2) and (d)(1)(b) thereof), (b) a loss of the Participant's property due to casualty, or (c) such other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant, all as determined by the Committee based on the relevant facts and circumstances.

ARTICLE 2

Selection, Enrollment, Eligibility

2.1 Selection by Committee. Participation in the Plan shall be limited to Directors and, as determined by the Committee in its sole discretion, a select group of management or highly compensated Employees. From that group, the Committee shall select, in its sole discretion, those individuals who may actually participate in this Plan.

2.2 Enrollment and Eligibility Requirements.

- (a) As a condition to participation, each Director or selected Employee shall complete, execute and return to the Committee such written or electronic forms and information as the Committee may require, which may include a Plan Agreement, an Election Form and a Beneficiary Designation Form, by the deadline(s) established by the Committee in accordance with the applicable provisions of this Plan. In addition, the Committee shall establish from time to time such other enrollment requirements as it determines, in its sole discretion, are necessary.
- (b) If a Director or an Employee fails to meet all requirements established by the Committee within the period required for a specified Plan Year, that Director or Employee shall not be eligible to participate in the Plan during such Plan Year.

ARTICLE 3

**Deferral Commitments/Company Contribution Amounts/Company Restoration
Matching Amounts/Restricted Stock Unit Amounts/Vesting/Crediting/Taxes**

3.1 Maximum Deferral.

- (a) **Annual Deferral Amount.** For each Plan Year, a Participant may elect to defer, as his or her Annual Deferral Amount, Base Salary, Bonus, LTIP Amounts, and, to the extent permitted by the Committee, Cash Director Fees and/or Stock Director Fees, up to the following maximum percentages for each deferral elected:

<u>Deferral</u>	<u>Maximum Percentage</u>
Base Salary	75%
Bonus	75%
LTIP Amounts	75%
Cash Director Fees	100%
Stock Director Fees	100%

- (b) **Restricted Stock Unit Amount.** If deferrals of Restricted Stock Units are permitted by the Committee, for each grant of Restricted Stock Units, a Participant may elect to defer, as his or her Restricted Stock Unit Amount, Restricted Stock Units in the following maximum percentage:

<u>Deferral</u>	<u>Maximum Percentage</u>
Restricted Stock Units	100%

- (c) **Short Plan Year.** Notwithstanding the foregoing, in the case of (i) the first Plan Year in which the Plan is in effect or (ii) an individual first becoming a Participant after the first day of a Plan Year, then to the extent required by Section 3.2 and Code Section 409A and related Treasury regulations, the maximum amount of the Participant's Base Salary, Bonus, LTIP Amounts, Cash Director Fees or Stock Director Fees that may be deferred by the Participant for the Plan Year shall be determined by applying the percentages set forth in Section 3.1(a) to the portion of such compensation attributable to services performed after the date that the Participant's deferral election is made.

3.2 Timing of Deferral Elections; Effect of Election Form.

- (a) **General Timing Rule for Deferral Elections.** Except as otherwise provided in this Section 3.2, in order for a Participant to make a valid election to defer Base Salary, Bonus, LTIP Amounts, Cash Director Fees and/or Stock Director Fees, the Participant must submit an Election Form on or before the deadline established by the Committee, which in no event shall be later than the December 31st preceding the Plan Year in which such compensation will be earned.

Any deferral election made in accordance with this Section 3.2(a) shall be irrevocable; provided, however, that if the Committee permits or requires Participants to make a deferral election by the deadline described above for an amount that qualifies as Performance-Based Compensation, the Committee may permit a Participant to subsequently change his or her deferral election for such compensation by submitting a new Election Form in accordance with Section 3.2(d) below.

- (b) **Timing of Deferral Elections for Newly Eligible Plan Participants.** A Director or selected Employee who first becomes eligible to participate in the Plan on or after the beginning of a Plan Year, as determined in accordance with Treas. Reg. §1.409A-2(a)(7)(ii) and the "plan aggregation" rules provided in Treas. Reg. §1.409A-1(c)(2), may be permitted by the Committee to make an election to defer (i) Restricted Stock Units that may be initially granted to the Participant under the terms of the applicable Company stock incentive plan or director compensation program subsequent to such election and which are attributable to services to be performed after such election and/or (ii) the portion of Base Salary, Bonus, LTIP Amounts, Cash Director Fees and/or Stock Director Fees attributable to services to be performed after such election, provided that the Participant submits an Election Form on or before the deadline established by the Committee, which in no event shall be later than 30 days after the Participant first becomes eligible to participate in the Plan.

If a deferral election made in accordance with this Section 3.2(b) relates to compensation earned based upon a specified performance period, the amount eligible for deferral shall be equal to (i) the total amount of compensation for the performance period, multiplied by (ii) a fraction, the numerator of which is the number of days remaining in the service period after the Participant's deferral election is made, and the denominator of which is the total number of days in the performance period.

Any deferral election made in accordance with this Section 3.2(b) shall become irrevocable as of the date the election is made, but in no event later than the 30th day after the date the Director or selected Employee becomes eligible to participate in the Plan.

- (c) **Restricted Stock Unit Deferral.** For an election to defer Restricted Stock Units to be valid, (i) an Election Form must be submitted by the Participant with respect to such Restricted Stock Units, and (ii) such Election Form must be timely delivered to the Committee and accepted by the Committee no later than (A) the end of the calendar year preceding the Plan Year during which such Restricted Stock Units are initially granted to the Participant under the terms of the applicable Company stock incentive plan or director compensation program, or (B) such other deadline established by the Committee in accordance with the requirements of Code Section 409A and related Treasury guidance or regulations, including, without limitation, such deadline as may be applicable under Section 3.2(e) below.
- (d) **Timing of Deferral Elections for Performance-Based Compensation.** Subject to the limitations described below, the Committee may determine that an irrevocable deferral election for an amount that qualifies as Performance-Based Compensation may be made by submitting an Election Form on or before the deadline established by the Committee, which in no event shall be later than 6 months before the end of the performance period.

In order for a Participant to be eligible to make a deferral election for Performance-Based Compensation in accordance with the deadline established pursuant to this Section 3.2(d), the Participant must have performed services continuously from the later of (i) the beginning of the performance period for such compensation, or (ii) the date upon which the performance criteria for such compensation are established, through the date upon which the Participant makes the deferral election for such compensation. In no event shall a deferral election submitted under this Section 3.2(d) be permitted to apply to any amount of Performance-Based Compensation that has become readily ascertainable.

- (e) **Timing Rule for Deferral of Compensation Subject to Risk of Forfeiture.** With respect to compensation (i) to which a Participant has a legally binding right to payment in a subsequent year, and (ii) that is subject to a forfeiture condition requiring the Participant's continued services for a period of at least 12 months from the date the Participant obtains the legally binding right, the Committee may determine that an irrevocable deferral election for such compensation may be made by timely delivering an Election Form to the Committee in accordance with its rules and procedures, no later than the 30th day after the Participant obtains the legally binding right to the compensation, provided that the election is made at least 12 months in advance of the earliest date at which the forfeiture condition could lapse, as determined in accordance with Treas. Reg. §1.409A-2(a)(5).

Any deferral election(s) made in accordance with this Section 3.2(e) shall become irrevocable no later than the 30th day after the Participant obtains the legally binding right to the compensation subject to such deferral election(s).

3.3 Withholding and Crediting of Annual Deferral Amounts. The Base Salary portion and the Cash Director Fees portion of the Annual Deferral Amount shall be withheld from the Participant's pay earned during the Plan Year. The Bonus, LTIP Amounts, and/or Stock Director Fees portion of the Annual Deferral Amount shall be withheld at the time the Bonus, LTIP Amounts, or Stock Director Fees are or otherwise would be paid to the Participant, whether or not this occurs during the Plan Year itself. Annual Deferral Amounts shall be credited to the Participant's Annual Account for such Plan Year at the time such amounts would otherwise have been paid to the Participant.

Base Salary that is both (i) attributable solely to services performed during the final payroll period containing the last day of the Plan Year, and (ii) payable in the subsequent Plan Year, will be treated as earned in that subsequent Plan Year; accordingly, Base Salary related to such final payroll period shall be withheld in accordance with the Participant's Base Salary deferral election applicable to such subsequent Plan Year.

3.4 Company Contribution Amount.

- (a) For each Plan Year, an Employer may be required to credit amounts to a Participant's Annual Account in accordance with employment or other agreements entered into between the Participant and the Employer, which amounts shall be part of the Participant's Company Contribution Amount for that Plan Year. Such amounts shall be credited to the Participant's Annual Account for the applicable Plan Year on the date or dates prescribed by such agreements.

- (b) For each Plan Year, an Employer, in its sole discretion, may, but is not required to, credit any amount it desires to any Participant's Annual Account under this Plan, which amount shall be part of the Participant's Company Contribution Amount for that Plan Year. The amount so credited to a Participant may be smaller or larger than the amount credited to any other Participant, and the amount credited to any Participant for a Plan Year may be zero, even though one or more other Participants receive a Company Contribution Amount for that Plan Year. The Company Contribution Amount described in this Section 3.4(b), if any, shall be credited to the Participant's Annual Account for the applicable Plan Year on a date or dates to be determined by the Committee.
- (c) If not otherwise specified in the Participant's employment or other agreement entered into between the Participant and the Employer, the amount (or the method or formula for determining the amount) of a Participant's Company Contribution Amount shall be set forth in writing in one or more documents, which shall be deemed to be incorporated into this Plan in accordance with Section 1.29.

3.5 Company Restoration Matching Amount. A Participant's Company Restoration Matching Amount for any Plan Year shall be an amount determined by the Committee to make up for certain limits applicable to the 401(k) Plan or other qualified plan for such Plan Year, as identified by the Committee, or for such other purposes as determined by the Committee in its sole discretion. The amount so credited to a Participant under this Plan for any Plan Year (a) may be smaller or larger than the amount credited to any other Participant, and (b) may differ from the amount credited to such Participant in the preceding Plan Year. The Participant's Company Restoration Matching Amount, if any, shall be credited to the Participant's Annual Account for the applicable Plan Year on a date or dates to be determined by the Committee. The amount (or the method or formula for determining the amount) of a Participant's Company Restoration Matching Amount shall be set forth in writing in one or more documents, which shall be deemed to be incorporated into this Plan in accordance with Section 1.29.

3.6 Restricted Stock Unit Amount. If permitted by the Committee (and subject to any terms and conditions that may be imposed by the Committee), a Participant may elect to defer Restricted Stock Units under the Plan, which amount shall be for that Participant the Restricted Stock Unit Amount for that Plan Year. Any Restricted Stock Units deferred shall, at the time the Restricted Stock Units would otherwise vest and become transferable to the Participant under the terms of the applicable Company stock incentive plan or director compensation program, but for the election to defer, be reflected on the books of the Company as an unfunded, unsecured promise to deliver to the Participant a specific number of actual shares of Stock in the future.

3.7 Vesting.

- (a) A Participant shall at all times be 100% vested in his or her Restricted Stock Unit Account and the portion of his or her Account Balance attributable to Annual Deferral Amounts, as adjusted pursuant to Section 3.8.
- (b) A Participant shall be vested in the portion of his or her Account Balance attributable to any Company Contribution Amounts, as adjusted pursuant to Section 3.8, in accordance with the vesting schedule(s) set forth in his or her Plan Agreement, employment agreement or any other agreement entered into between the Participant and his or her Employer. If not addressed in such agreements, a Participant shall vest in the portion of his or her Account Balance attributable to any Company Contribution Amounts, as adjusted pursuant to Section 3.8, in accordance with the vesting schedule declared by the Committee in its sole discretion.
- (c) A Participant shall be vested in the portion of his or her Account Balance attributable to any Company Restoration Matching Amounts, as adjusted pursuant to Section 3.8, only to the extent that the Participant would be vested in such amounts under the provisions of the 401(k) Plan, as determined by the Committee in its sole discretion.
- (d) Notwithstanding anything to the contrary contained in this Section 3.7, in the event of a Change in Control, or upon a Participant's Disability, Separation from Service on or after qualifying for Retirement, or death prior to Separation from Service, any amounts that are not vested in accordance with Sections 3.7(b) or 3.7(c) above, shall immediately become 100% vested.

3.8 Crediting/Debiting of Account Balances. In accordance with, and subject to, the rules and procedures that are established from time to time by the Committee, in its sole discretion, amounts shall be credited or debited to a Participant's Account Balance in accordance with the following rules:

- (a) **Measurement Funds.** Subject to the restrictions found in Section 3.8(c) below, the Participant may elect one or more of the measurement funds selected by the Committee, in its sole discretion, which are based on certain mutual funds (the "Measurement Funds"), for the purpose of crediting or debiting investment experience to his or her Account Balance. As necessary, the Committee may, in its sole discretion, discontinue, substitute or add a Measurement Fund.

- (b) **Election of Measurement Funds.** Subject to the restrictions found in Section 3.8(c) below, a Participant, in connection with his or her initial deferral election in accordance with Section 3.2 above, shall elect, on the Election Form, one or more Measurement Fund(s) (as described in Section 3.8(a) above) to be used to determine the amounts to be credited or debited to his or her Account Balance. If a Participant does not elect any of the Measurement Funds as described in the previous sentence, the Participant's Account Balance shall automatically be allocated into the lowest-risk Measurement Fund, as determined by the Committee, in its sole discretion. Subject to the restrictions found in Section 3.8(c) below, the Participant may (but is not required to) elect, by submitting an Election Form to the Committee that is accepted by the Committee, to add or delete one or more Measurement Fund(s) to be used to determine the amounts to be credited or debited to his or her Account Balance, or to change the portion of his or her Account Balance allocated to each previously or newly elected Measurement Fund. If an election is made in accordance with the previous sentence, it shall apply as of the first business day deemed reasonably practicable by the Committee, in its sole discretion, and shall continue thereafter for each subsequent day in which the Participant participates in the Plan, unless changed in accordance with the previous sentence. Notwithstanding the foregoing, the Committee, in its sole discretion, may impose limitations on the frequency with which one or more of the Measurement Funds elected in accordance with this Section 3.8(b) may be added or deleted by such Participant; furthermore, the Committee, in its sole discretion, may impose limitations on the frequency with which the Participant may change the portion of his or her Account Balance allocated to each previously or newly elected Measurement Fund.
- (c) **Stock Unit Fund.**
- (i) The portion of a Participant's Account Balance attributable to the deferral of Stock Director Fees and Restricted Stock Units pursuant to the terms of this Plan will be automatically and irrevocably allocated to the Stock Unit Fund Measurement Fund. Participants may not select any other Measurement Fund to be used to determine the amounts to be credited or debited to the portion of their Account Balance attributable to Stock Director Fees and Restricted Stock Units. Furthermore, no other portion of the Participant's Account Balance can be either initially allocated or re-allocated to the Stock Unit Fund. Amounts allocated to the Stock Unit Fund shall only be distributable in actual shares of Stock, provided that fractional shares may be distributed in cash.

- (ii) Any stock dividends, cash dividends or other non-cash dividends that would have been payable on the Stock credited to a Participant's Account Balance shall be credited to the Participant's Account Balance in the form of additional shares of Stock and shall automatically and irrevocably be deemed to be re-invested in the Stock Unit Fund until such amounts are distributed to the Participant. The number of shares credited to the Participant for a particular stock dividend shall be equal to (A) the number of shares of Stock credited to the Participant's Account Balance as of the payment date for such dividend in respect of each share of Stock, multiplied by (B) the number of additional whole or fractional shares of Stock actually paid as a dividend in respect of each share of Stock. The number of shares credited to the Participant for a particular cash dividend or other non-cash dividend shall be equal to (A) the number of shares of Stock credited to the Participant's Account Balance as of the payment date for such dividend in respect of each share of Stock, multiplied by (B) the fair market value of the dividend, divided by (C) the fair market value of the Stock on the payment date for such dividend.
- (iii) The number of shares of Stock credited to the Participant's Account Balance may be adjusted by the Committee, in its sole discretion, to prevent dilution or enlargement of a Participant's rights with respect to the portion of his or her Account Balance allocated to the Stock Unit Fund in the event of any reorganization, reclassification, stock split, or other unusual corporate transaction or event which affects the value of the Stock, provided that any such adjustment shall be made taking into account any crediting of shares of Stock to the Participant under Section 3.8.
- (iv) For purposes of this Section 3.8(c), the fair market value of the Stock shall be determined by the Committee in its sole discretion.
- (v) Notwithstanding the preceding provisions of this Section, the Committee may at any time alter the effective date of any investment or allocation involving the Stock Unit Fund pursuant to Section 12.1 (relating to safeguards against insider trading). The Committee may also, to the extent necessary to ensure compliance with Rule 16b-3(f) of the Act, arrange for tracking of any such transaction defined in Rule 16b-3(b)(1) of the Act and bar any such transaction to the extent it would not be exempt under Rule 16b-3(f). The Company may also impose blackout periods pursuant to the requirements of the Sarbanes-Oxley Act of 2002 whenever the Company determines that circumstances warrant. Further, the Company may impose quarterly blackout periods on insider trading in the Stock Unit Fund as needed (as determined by the Company), timed to coincide with the release of the Company's quarterly earnings reports. The commencement and termination of these blackout periods in each quarter, the parties to which they apply and the activities they restrict shall be as set forth in the official insider trading policy promulgated by the Company from time to time.

- (d) **Proportionate Allocation.** In making any election described in Section 3.8(b) above, the Participant shall specify on the Election Form, in increments of one percent (1%), the percentage of his or her Account Balance or Measurement Fund, as applicable, to be allocated/reallocated.
- (e) **Crediting or Debiting Method.** The performance of each Measurement Fund (either positive or negative) will be determined on a daily basis based on the manner in which such Participant's Account Balance has been hypothetically allocated among the Measurement Funds by the Participant.
- (f) **No Actual Investment.** Notwithstanding any other provision of this Plan that may be interpreted to the contrary, the Measurement Funds are to be used for measurement purposes only, and a Participant's election of any such Measurement Fund, the allocation of his or her Account Balance thereto, the calculation of additional amounts and the crediting or debiting of such amounts to a Participant's Account Balance shall not be considered or construed in any manner as an actual investment of his or her Account Balance in any such Measurement Fund. In the event that the Company or the Trustee (as that term is defined in the Trust), in its own discretion, decides to invest funds in any or all of the investments on which the Measurement Funds are based, no Participant shall have any rights in or to such investments themselves. Without limiting the foregoing, a Participant's Account Balance shall at all times be a bookkeeping entry only and shall not represent any investment made on his or her behalf by the Company or the Trust; the Participant shall at all times remain an unsecured creditor of the Company.

3.9 FICA and Other Taxes.

- (a) **Annual Deferral Amounts.** For each Plan Year in which an Annual Deferral Amount is being withheld from a Participant, the Participant's Employer(s) shall withhold from that portion of the Participant's Base Salary, Bonus and/or LTIP Amounts that is not being deferred, in a manner determined by the Employer(s), the Participant's share of FICA and other employment taxes on such Annual Deferral Amount. If necessary, the Committee may reduce the Annual Deferral Amount in order to comply with this Section 3.9.

- (b) **Company Restoration Matching Amounts and Company Contribution Amounts.** When a Participant becomes vested in a portion of his or her Account Balance attributable to any Company Restoration Matching Amounts and/or Company Contribution Amounts, the Participant's Employer(s) shall withhold from that portion of the Participant's Base Salary, Bonus and/or LTIP Amounts that is not deferred, in a manner determined by the Employer(s), the Participant's share of FICA and other employment taxes on such amounts. If necessary, the Committee may reduce the vested portion of the Participant's Company Restoration Matching Amount or Company Contribution Amount, as applicable, in order to comply with this Section 3.9.
- (c) **Restricted Stock Unit Amounts.** For each Plan Year in which a Restricted Stock Unit Amount is being first withheld from an Employee Participant, the Participant's Employer(s) shall withhold from that portion of the Participant's compensation not being deferred, in a manner determined by the Employer(s), the Participant's share of FICA and other employment taxes on such Restricted Stock Unit Amount. If necessary, the Committee may reduce the Restricted Stock Unit Amount in order to comply with this Section 3.9.
- (d) **Distributions.** The Participant's Employer(s), or the trustee of the Trust, shall withhold from any payments made to a Participant under this Plan all federal, state and local income, employment and other taxes required to be withheld by the Employer(s), or the trustee of the Trust, in connection with such payments, in amounts and in a manner to be determined in the sole discretion of the Employer(s) and the trustee of the Trust.

ARTICLE 4
Scheduled Distribution; Unforeseeable Emergencies

4.1 Scheduled Distributions. To the extent permitted by the Committee, in connection with each election to defer an Annual Deferral Amount, a Participant may elect to receive all or a portion of such Annual Deferral Amount, as adjusted pursuant to Section 3.8, in the form of a lump sum payment, calculated as of the close of business on or around the Benefit Distribution Date designated by the Participant in accordance with this Section (a "Scheduled Distribution"). The Benefit Distribution Date for the amount subject to a Scheduled Distribution election shall be the first day of any Plan Year designated by the Participant as permitted on an Election Form approved by the Committee.

4.2 Postponing Scheduled Distributions. A Participant may elect to postpone a Scheduled Distribution described in Section 4.1 above, and have such amount paid out upon an allowable alternative Benefit Distribution Date designated in accordance with this Section 4.2. In order to make such an election, the Participant must submit an Election Form to the Committee in accordance with the following criteria:

- (a) The election of the new Benefit Distribution Date shall have no effect until at least 12 months after the date on which the election is made;
- (b) The new Benefit Distribution Date selected by the Participant for such Scheduled Distribution must be the first day of a Plan Year that is no sooner than 5 years after the previously designated Benefit Distribution Date; and
- (c) The election must be made at least 12 months prior to the Participant's previously designated Benefit Distribution Date for such Scheduled Distribution.

For purposes of applying the provisions of this Section 4.2, a Participant's election to postpone a Scheduled Distribution shall not be considered to be made until the date on which the election becomes irrevocable. Such an election shall become irrevocable no later than the date that is 12 months prior to the Participant's previously designated Benefit Distribution Date for such Scheduled Distribution.

4.3 Other Benefits Take Precedence Over Scheduled Distributions. Should an event occur prior to any Benefit Distribution Date designated for a Scheduled Distribution that would trigger a benefit under Articles 5 through 8, as applicable, all amounts subject to a Scheduled Distribution election shall be paid in accordance with the other applicable provisions of the Plan and not in accordance with this Article 4.

4.4 Unforeseeable Emergencies.

- (a) If a Participant experiences an Unforeseeable Emergency prior to the occurrence of a distribution event described in Articles 5 through 8, as applicable, the Participant may petition the Committee to receive a partial or full payout from the Plan. The payout, if any, from the Plan shall not exceed the lesser of (i) the Participant's vested Account Balance, excluding the portion of the Account Balance attributable to the Restricted Stock Unit Account, calculated as of the close of business on or around the Benefit Distribution Date for such payout, as determined by the Committee in accordance with provisions set forth below, or (ii) the amount necessary to satisfy the Unforeseeable Emergency, plus amounts necessary to pay Federal, state, or local income taxes or penalties reasonably anticipated as a result of the distribution. A Participant shall not be eligible to receive a payout from the Plan to the extent that the Unforeseeable Emergency is or may be relieved (A) through reimbursement or compensation by insurance or otherwise, (B) by liquidation of the Participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship or (C) by cessation of deferrals under this Plan.

If the Committee, in its sole discretion, approves a Participant's petition for payout from the Plan, the Participant's Benefit Distribution Date for such payout shall be the date on which such Committee approval occurs. In addition, in the event of such approval the Participant's outstanding deferral elections under the Plan shall be cancelled.

- (b) A Participant's deferral elections under this Plan shall also be cancelled to the extent the Committee determines that such action is required for the Participant to obtain a hardship distribution from an Employer's 401(k) Plan pursuant to Treas. Reg. §1.401(k)-1(d)(3).

ARTICLE 5
Retirement Benefit

5.1 Retirement Benefit. If a Participant experiences a Separation from Service that qualifies as a Retirement, the Participant shall be eligible to receive his or her vested Account Balance in either a lump sum or annual installment payments, as elected by the Participant in accordance with Section 5.2 (the "Retirement Benefit"). A Participant's Retirement Benefit shall be calculated as of the close of business on or around the applicable Benefit Distribution Date for such benefit, which shall be the first day after the end of the 6-month period immediately following the date on which the Participant experiences such Separation from Service; provided, however, if a Participant changes the form of distribution for one or more Annual Accounts in accordance with Section 5.2(b), the Benefit Distribution Date for the Annual Account(s) subject to such change shall be determined in accordance with Section 5.2(b).

5.2 Payment of Retirement Benefit.

- (a) In connection with a Participant's election to defer an Annual Deferral Amount, the Participant shall elect the form of Retirement Benefit in which his or her Annual Account for such Plan Year will be paid. The Participant may elect to receive the Retirement Benefit for each Annual Account in the form of a lump sum payment or pursuant to an Annual Installment Method of 5, 10 or 15 years. If a Participant does not make any election with respect to the Retirement Benefit for an Annual Account, then the Participant shall be deemed to have elected to receive such Annual Account as a lump sum.
- (b) A Participant may change the form of Retirement Benefit payment for an Annual Account by submitting an Election Form to the Committee in accordance with the following criteria:
 - (i) The election shall not take effect until 12 months after the date on which the election is made;

- (ii) The new Benefit Distribution Date for such Annual Account shall be 5 years after the Benefit Distribution Date that would otherwise have been applicable to such Annual Account; and
- (iii) The election must be made at least 12 months prior to the Benefit Distribution Date that would otherwise have been applicable to such Annual Account.

For purposes of applying the provisions of this Section 5.2(b), a Participant's election to change the form of Retirement Benefit payment for an Annual Account shall not be considered to be made until the date on which the election becomes irrevocable. Such an election shall become irrevocable no later than the date that is 12 months prior to the Benefit Distribution Date that would otherwise have been applicable to such Annual Account. Subject to the requirements of this Section 5.2(b), the Election Form most recently accepted by the Committee that has become effective for an Annual Account shall govern the form of payout of such Annual Account.

- (c) The lump sum payment shall be made, or installment payments shall commence, upon the applicable Benefit Distribution Date. Remaining installments, if any, shall continue in accordance with the Participant's election for each Annual Account and shall be paid upon each anniversary of the Benefit Distribution Date.

5.3 Retirement Not Applicable For Years After 2019. Notwithstanding anything in the Plan to the contrary, (i) the provisions of this Article will not apply to Annual Accounts attributable to amounts earned in Plan Years beginning on or after January 1, 2020; and (ii) the provisions of Section 6.3 will apply to distributions upon Retirement.

ARTICLE 6

Termination Benefit

6.1 Termination Benefit.

- (a) Benefits from Years Before 2020. Subject to Section 6.3, if a Participant experiences a Separation from Service that does not qualify as a Retirement, the Participant will receive his or her vested benefit from Annual Accounts attributable to amounts earned in Plan Years beginning before January 1, 2020, in the form of a lump sum payment or annual installment payments, as elected by Participant in accordance with Section 6.2.

- (b) Benefits from Years After 2019. Subject to Section 6.3, if a Participant experiences a Separation from Service (whether or not it qualifies as Retirement), the Participant will receive his or her vested benefit from Annual Accounts attributable to amounts earned in Plan Years beginning on or after January 1, 2020, in the form of a lump sum payment or annual installment payments, as elected by the Participant in accordance with Section 6.2.
- (c) Termination Benefit Defined. A benefit payable pursuant to this Article will be referred to herein as the "Termination Benefit".
- (d) Timing of Termination Benefits. A Participant's Termination Benefit will be calculated as of the close of business on or around the Benefit Distribution Date for such benefit, which will be the first day after the end of the 6-month period immediately following the date on which the Participant experiences such Separation from Service.

6.2 Payment of Termination Benefit.

- (a) Election of Payment Form. Subject to Section 6.3, to the extent permitted by the Committee, in connection with a Participant's election to defer an Annual Deferral Amount, the Participant may elect the form of Termination Benefit in which his or her Annual Account for such Plan Year will be paid. The Participant may elect to receive the Termination Benefit for each Annual Account in the form of (i) a lump sum payment, or (ii) pursuant to an Annual Installment Method of 5 years (for Plan Years before 2020) or an Annual Installment Method of either 5, 10 or 15 years (for Plan Years beginning on or after January 1, 2020). If a Participant does not make any election with respect to the Termination Benefit for an Annual Account, then the Participant will be deemed to have elected to receive such Annual Account as a lump sum.
- (b) Modification of Payment Form. A Participant may change the form of Termination Benefit payment for an Annual Account attributable to amounts earned in a Plan Year beginning on or after January 1, 2020, by submitting an Election Form to the Committee in accordance with the following criteria:
 - (i) The election will not take effect until 12 months after the date on which the election is made;
 - (ii) The new Benefit Distribution Date for such Annual Account will be 5 years after the Benefit Distribution Date that would otherwise have been applicable to such Annual Account; and

- (iii) The election must be made at least 12 months prior to the Benefit Distribution Date that would otherwise have been applicable to such Annual Account.

For purposes of applying the provisions of this Section 6.2(b), a Participant's election to change the form of Termination Benefit payment for an Annual Account will not be considered to be made until the date on which the election becomes irrevocable. Such an election will become irrevocable no later than the date that is 12 months prior to the Benefit Distribution Date that would otherwise have been applicable to such Annual Account. Subject to the requirements of this Section 6.2(b), the Election Form most recently accepted by the Committee that has become effective for an Annual Account will govern the form of payout of such Annual Account.

- (c) Timing of Payments. The lump sum payment will be made, or installment payments will commence, upon the Participant's Benefit Distribution Date. Remaining installments, if any, will be paid upon each anniversary of the Participant's Benefit Distribution Date.

6.3 Small Balance Cashouts.

- (a) Generally. Except as provided in subsection (c) below, if at any time a Participant's vested Account Balance does not exceed the applicable dollar amount under Code Section 402(g)(1)(B), the Committee may elect, in its sole discretion, to pay the Participant's entire vested Account Balance in an immediate single-sum payment. For purposes of determining the amount in a Participant's vested Account Balance in order to apply this provision, any deferrals of compensation under this or any other nonqualified deferred compensation plan maintained by the Company, or any entity that would be considered a single employer with the Company under Code Sections 414(b) or (c), that is an "account balance plan" subject to Code Section 409A will be considered as part of the Participant's vested Account Balance hereunder.
- (b) Documentation of Determination. Any exercise of the Committee's discretion pursuant to subsection (a) will be evidenced in writing no later than the date of the distribution.
- (c) Six Month Delay. Notwithstanding the foregoing, no payment under this Section made on account of a Participant's Separation from Service will be made within 6 months after the date the Participant Separates from Service.

ARTICLE 7
Disability Benefit

7.1 Disability Benefit. If a Participant becomes Disabled prior to the occurrence of a distribution event described in Articles 5 or 6, as applicable, the Participant shall receive his or her vested Account Balance in the form of a lump sum payment (the "Disability Benefit"). The Disability Benefit shall be calculated as of the close of business on or around the Participant's Benefit Distribution Date for such benefit, which shall be the date on which the Participant becomes Disabled.

7.2 Payment of Disability Benefit. The Disability Benefit shall be paid to the Participant upon the Participant's Benefit Distribution Date.

ARTICLE 8
Death Benefit

8.1 Death Benefit. In the event of a Participant's death prior to the complete distribution of his or her vested Account Balance, the Participant's Beneficiary(ies) shall receive the Participant's unpaid vested Account Balance in a lump sum payment (the "Death Benefit"). The Death Benefit shall be calculated as of the close of business on or around the Benefit Distribution Date for such benefit, which shall be the date of the Participant's death.

8.2 Payment of Death Benefit. The Death Benefit shall be paid to the Participant's Beneficiary(ies) upon the Participant's Benefit Distribution Date.

ARTICLE 9
Beneficiary Designation

9.1 Beneficiary. Each Participant shall have the right, at any time, to designate his or her Beneficiary(ies) (both primary as well as contingent) to receive any benefits payable under the Plan to a beneficiary upon the death of a Participant. The Beneficiary designated under this Plan may be the same as or different from the Beneficiary designation under any other plan of an Employer in which the Participant participates.

9.2 Beneficiary Designation; Change. A Participant shall designate his or her Beneficiary by completing the Beneficiary Designation Form, and returning it to the Committee or its designated agent. A Participant shall have the right to change a Beneficiary by completing and otherwise complying with the terms of the Beneficiary Designation Form and the Committee's rules and procedures, as in effect from time to time. Upon the acceptance by the Committee of a new Beneficiary Designation Form, all Beneficiary designations previously filed shall be canceled. The Committee shall be entitled to rely on the last Beneficiary Designation Form filed by the Participant and accepted by the Committee prior to his or her death.

9.3 Acknowledgment. No designation or change in designation of a Beneficiary shall be effective until received and acknowledged by the Committee or its designated agent.

9.4 No Beneficiary Designation. If a Participant fails to designate a Beneficiary as provided in Sections 9.1, 9.2 and 9.3 above, or if all designated Beneficiaries predecease the Participant or die prior to complete distribution of the Participant's benefits, then the Participant's designated Beneficiary shall be deemed to be his or her surviving spouse. If the Participant has no surviving spouse, the benefits remaining under the Plan to be paid to a Beneficiary shall be payable to the executor or personal representative of the Participant's estate.

9.5 Discharge of Obligations. The payment of benefits under the Plan to a Beneficiary shall fully and completely discharge all Employers and the Committee from all further obligations under this Plan with respect to the Participant, and that Participant's Plan Agreement, if any, shall terminate upon such full payment of benefits.

ARTICLE 10

Leave of Absence

10.1 Paid Leave of Absence. If a Participant is authorized by the Participant's Employer to take a paid leave of absence from the employment of the Employer, and such leave of absence does not constitute a Separation from Service, (a) the Participant shall continue to be considered eligible for the benefits provided under the Plan, and (b) the Annual Deferral Amount and any previously elected deferrals of Restricted Stock Units shall continue to be withheld during such paid leave of absence in accordance with Section 3.2.

10.2 Unpaid Leave of Absence. If a Participant is authorized by the Participant's Employer to take an unpaid leave of absence from the employment of the Employer for any reason, and such leave of absence does not constitute a Separation from Service, such Participant shall continue to be eligible for the benefits provided under the Plan. During the unpaid leave of absence, the Participant shall not be allowed to make any additional deferral elections. However, if the Participant returns to employment, the Participant may elect to defer an Annual Deferral Amount and Restricted Stock Unit Amount for the Plan Year following his or her return to employment and for every Plan Year thereafter while a Participant in the Plan, provided such deferral elections are otherwise allowed and an Election Form is delivered to and accepted by the Committee for each such election in accordance with Section 3.2 above.

ARTICLE 11

Termination of Plan, Amendment or Modification

11.1 Termination of Plan. The Company expects the Plan to be continued indefinitely, but reserves the right to terminate the Plan at any time by action of its Board of Directors. If the Plan is terminated, the value of the vested Account Balances shall be paid to Participants and Beneficiaries in a single lump-sum cash payment on the earliest date permissible under Code Section 409A.

11.2 Amendment. The Company may, at any time, amend or modify the Plan in whole or in part. Notwithstanding the foregoing, (a) no amendment or modification shall be effective to decrease the value of a Participant's vested Account Balance in existence at the time the amendment or modification is made, and (b) no amendment or modification of this Section 11.2 or Section 12.2 of the Plan shall be effective.

11.3 Plan Agreement. Despite the provisions of Sections 11.1, if a Participant's Plan Agreement contains benefits or limitations that are not in this Plan document, the Employer may only amend or terminate such provisions with the written consent of the Participant.

11.4 Effect of Payment. The full payment of the Participant's vested Account Balance in accordance with the applicable provisions of the Plan shall completely discharge all obligations to a Participant and his or her designated Beneficiaries under this Plan, and the Participant's Plan Agreement, if any, shall terminate.

ARTICLE 12 **Administration**

12.1 Committee Duties. Except as otherwise provided in this Article 12, this Plan shall be administered by a Committee, which shall consist of the Board, or such committee as the Board shall appoint. Members of the Committee may be Participants under this Plan. The Committee shall also have the discretion and authority to (a) make, amend, interpret, and enforce all appropriate rules and regulations for the administration of this Plan, and (b) decide or resolve any and all questions, including benefit entitlement determinations and interpretations of this Plan, as may arise in connection with the Plan. Any individual serving on the Committee who is a Participant shall not vote or act on any matter relating solely to himself or herself. When making a determination or calculation, the Committee shall be entitled to rely on information furnished by a Participant or the Company.

Notwithstanding any other provision of the Plan except provisions relating to compliance with Code Section 409A, the Committee may take any action it deems is necessary to assure compliance with any policy of the Company respecting insider trading as may be in effect from time to time. Such actions may include altering the effective date of intra-fund transfers or the distribution date of Annual Accounts, to the extent permitted under Code Section 409A. Any such actions shall alter the normal operation of the Plan to the minimum extent necessary.

12.2 Administration Upon Change In Control. Within 120 days following a Change in Control, the individuals who comprised the Committee immediately prior to the Change in Control (whether or not such individuals are members of the Committee following the Change in Control) may, by written consent of the majority of such individuals, appoint an independent third party administrator (the "Administrator") to perform any or all of the Committee's duties described in Section 12.1 above, including without limitation, the power to determine any questions arising in connection with the administration or interpretation of the Plan, and the power to make benefit entitlement determinations. Upon and after the effective date of such appointment, (a) the Company must pay all reasonable administrative expenses and fees of the Administrator, and (b) the Administrator may only be terminated with the written consent of the majority of Participants with an Account Balance in the Plan as of the date of such proposed termination.

12.3 Agents. In the administration of this Plan, the Committee or the Administrator, as applicable, may, from time to time, employ agents and delegate to them such administrative duties as it sees fit (including acting through a duly appointed representative) and may from time to time consult with counsel.

12.4 Binding Effect of Decisions. The decision or action of the Committee or Administrator, as applicable, with respect to any question arising out of or in connection with the administration, interpretation and application of the Plan and the rules and regulations promulgated hereunder shall be final and conclusive and binding upon all persons having any interest in the Plan.

12.5 Indemnity of Committee. The Employer shall indemnify and hold harmless the members of the Committee, any Employee to whom the duties of the Committee may be delegated, and the Administrator against any and all claims, losses, damages, expenses or liabilities arising from any action or failure to act with respect to this Plan, except in the case of willful misconduct by the Committee, any of its members, any such Employee or the Administrator.

12.6 Employer Information. To enable the Committee and/or Administrator to perform its functions, the Company shall supply full and timely information to the Committee and/or Administrator, as the case may be, on all matters relating to the Plan, the Trust, the Participants and their Beneficiaries, the Account Balances of the Participants, the compensation of its Participants, the date and circumstances of the Separation from Service, Disability or death of its Participants, and such other pertinent information as the Committee or Administrator may reasonably require.

12.7 Section 16 Compliance.

- (a) This Plan is intended to be a formula plan for purposes of Section 16 of the Act. Accordingly, in the case of a deferral or other action under the Plan that constitutes a transaction that could be covered by Rule 16b-3(d) or (e), if it were approved by the Company's Board or Compensation Committee ("Board Approval"), it is intended that the Plan shall be administered by delegates of the Compensation Committee, in the case of a Participant who is subject to Section 16 of the Act, in a manner that will permit the Board Approval of the Plan to avoid any additional Board Approval of specific transactions to the maximum possible extent.

- (b) This Subsection shall govern the distribution of a deferral that (i) is wholly or partly invested in the Stock Unit Fund at the time the deferral would be valued to determine the amount of cash to be distributed to a Participant, (ii) either was the subject of a revised payment election or was not covered by an agreement, made at the time of the Participant's original deferral election, that any investments in the Stock Unit Fund would, once made, remain in that fund until distribution of the deferral, and (iii) is made to a Participant who is subject to Section 16 of the Act at the time the interest in the Stock Unit Fund would be liquidated in connection with the distribution, and (iv) if paid at the time the distribution would be made without regard to this subsection, could result in a violation of Section 16 of the Act because there is an opposite way transaction that would be matched with the liquidation of the Participant's interest in the Stock Unit Fund (either as a discretionary transaction (within the meaning of Rule 16b-3(b)(1)) or as a regular transaction, as applicable) (a "Covered Distribution"). In the case of a Covered Distribution, if the liquidation of the Participant's interest in the Stock Unit Fund in connection with the distribution has not received Board approval by the time the distribution would be made if it were not a Covered Distribution, or if it is a discretionary transaction, then the actual distribution to the Participant shall be delayed only until the earlier of:
- (i) In the case of a transaction that is not a discretionary transaction, Board Approval of the liquidation of the Participant's interest in the Stock Unit Fund in connection with the distribution, and
 - (ii) The date the distribution would no longer violate Section 16 of the Act, *e.g.*, when the Participant is no longer subject to Section 16 of the Act, when the Annual Account related to the distribution is no longer invested in the Stock Unit Fund or when the time between the liquidation and an opposite way transaction is sufficient.

ARTICLE 13
Other Benefits and Agreements

13.1 Coordination with Other Benefits. The benefits provided for a Participant and Participant's Beneficiary under the Plan are in addition to any other benefits available to such Participant under any other plan or program for employees of the Participant's Employer. The Plan shall supplement and shall not supersede, modify or amend any other such plan or program except as may otherwise be expressly provided.

ARTICLE 14
Claims Procedures

14.1 Presentation of Claim. Any Participant or Beneficiary of a deceased Participant (such Participant or Beneficiary being referred to below as a "Claimant") may deliver to the Committee a written claim for a determination with respect to the amounts distributable to such Claimant from the Plan, eligibility for Plan participation, or any other question or issue regarding such Claimant's rights under the Plan (referred to herein as a "claim"). If such a claim relates to the contents of a notice received by the Claimant, the claim must be made within 60 days after such notice was received by the Claimant. All other claims must be made within 180 days of the date on which the event that caused the claim to arise occurred. The claim must state with particularity the determination desired by the Claimant. Additionally, upon denial of an appeal pursuant to this Article, a Claimant shall have 180 days within which to bring suit against the Plan or Employers for any claim related to such denied appeal; any such suit initiated after such 180-day period shall be precluded.

14.2 Notification of Decision. The Committee shall consider a Claimant's claim within a reasonable time, but no later than 90 days after receiving the claim. If the Committee determines that special circumstances require an extension of time for processing the claim, written notice of the extension shall be furnished to the Claimant prior to the termination of the initial 90 day period. In no event shall such extension exceed a period of 90 days from the end of the initial period. The extension notice shall indicate the special circumstances requiring an extension of time and the date by which the Committee expects to render the benefit determination. The Committee shall notify the Claimant in writing:

- (a) that the Claimant's requested determination has been made, and that the claim has been allowed in full; or
- (b) that the Committee has reached a conclusion contrary, in whole or in part, to the Claimant's requested determination, and such notice must set forth in a manner calculated to be understood by the Claimant:
 - (i) the specific reason(s) for the denial of the claim, or any part of it;
 - (ii) specific reference(s) to pertinent provisions of the Plan upon which such denial was based;
 - (iii) a description of any additional material or information necessary for the Claimant to perfect the claim, and an explanation of why such material or information is necessary;

- (iv) an explanation of the claim review procedure set forth in Section 14.3 below; and
- (v) a statement of the Claimant's right to bring a civil action under ERISA Section 502(a) following an adverse benefit determination on review.

14.3 Review of a Denied Claim. On or before 60 days after receiving a notice from the Committee that a claim has been denied, in whole or in part, a Claimant (or the Claimant's duly authorized representative) may file with the Committee a written request for a review of the denial of the claim. The Claimant (or the Claimant's duly authorized representative):

- (a) may, upon request and free of charge, have reasonable access to, and copies of all documents, records and other information relevant (as defined in applicable ERISA regulations) to the claim for benefits;
- (b) may submit written comments or other documents; and/or
- (c) may request a hearing, which the Committee, in its sole discretion, may grant.

14.4 Decision on Review. The Committee shall render its decision on review promptly, and no later than 60 days after the Committee receives the Claimant's written request for a review of the denial of the claim. If the Committee determines that special circumstances require an extension of time for processing the claim, written notice of the extension shall be furnished to the Claimant prior to the termination of the initial 60 day period. In no event shall such extension exceed a period of 60 days from the end of the initial period. The extension notice shall indicate the special circumstances requiring an extension of time and the date by which the Committee expects to render its determination. In rendering its decision, the Committee shall take into account all comments, documents, records and other information submitted by the Claimant relating to the claim, without regard to whether such information was submitted or considered in the initial determination. The decision must be written in a manner calculated to be understood by the Claimant, and it must contain:

- (a) specific reasons for the decision;
 - (b) specific reference(s) to the pertinent Plan provisions upon which the decision was based;
 - (c) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records and other information relevant (as defined in applicable ERISA regulations) to the Claimant's claim for benefits; and
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- (d) a statement of the Claimant's right to bring a civil action under ERISA Section 502(a).

14.5 Claims Based on an Independent Determination of Disability.

- (a) Initial Claims. With respect to a claim for benefits under the Plan based on Disability (other than (i) approval for payment of benefits, directly or indirectly, under any long-term disability plan maintained by the Employer, or (ii) eligibility for Social Security disability benefits), the Committee shall furnish to the Claimant written notice of the disposition of a claim within 45 days after the application therefor is filed; provided, if matters beyond the control of the Committee require an extension of time for processing the claim, the Committee shall furnish written notice of the extension to the Claimant prior to the end of the initial 45-day period, and such extension shall not exceed one additional, consecutive 30-day period; and, provided further, if matters beyond the control of the Committee require an additional extension of time for processing the claim, the Committee shall furnish written notice of the second extension to the Claimant prior to the end of the initial 30-day extension period, and such extension shall not exceed an additional, consecutive 30-day period. Notice of any extension under this subsection shall specifically explain the standards on which entitlement to a benefit is based, the unresolved issues that prevent a decision on the claim, and the additional information needed to resolve those issues. In the event the claim is denied, the notice of the disposition of the claim shall provide the specific reasons for the denial, cites of the pertinent provisions of the Plan, an explanation as to how the Claimant can perfect the claim and/or submit the claim for review (where applicable), and a statement of the Claimant's right to bring a civil action under ERISA Section 502(a) following an adverse determination on review.
- (b) Appeals. With respect to an appeal of a denial of benefits under the Plan based on Disability (other than (i) approval for payment of benefits, directly or indirectly, under any long-term disability plan maintained by the Employer, or (ii) eligibility for Social Security disability benefits), the Claimant or his duly authorized representative may review pertinent documents related to the Plan and in the Committee's possession in order to prepare the appeal. The form containing the request for review, together with a written statement of the Claimant's position, must be filed with the Committee no later than 180 days after receipt of the written notification of denial of a claim provided for in subsection (a). The Committee's decision shall be made within 45 days following the filing of the request for review and shall be communicated in writing to the Claimant; provided, if special circumstances require an extension of time for processing the appeal, the Committee shall furnish written notice to the Claimant prior to the end of the initial

45-day period, and such an extension shall not exceed one additional 45-day period. The Committee's review shall not afford deference to the initial adverse benefit determination and shall be conducted by an individual who is neither the individual who made the adverse benefit determination that is the subject of the appeal, nor the subordinate of such individual. In deciding an appeal of any adverse benefit determination that is based in whole or in part on a medical judgment, the Committee shall consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment and who is neither an individual who was consulted in connection with the adverse benefit determination that is the subject of the appeal, nor the subordinate of any such individual. If unfavorable, the notice of decision shall explain the reason or reasons for denial, indicate the provisions of the Plan or other documents used to arrive at the decision, state the Claimant's right to bring a civil action under ERISA Section 502(a), and identify all medical or vocational experts whose advice was obtained by the Committee in connection with a Claimant's adverse benefit determination.

14.6 Legal Action. A Claimant's compliance with the foregoing provisions of this Article 14 is a mandatory prerequisite to a Claimant's right to commence any legal action with respect to any claim for benefits under this Plan.

ARTICLE 15

Trust

15.1 Establishment of the Trust. In order to provide assets from which to fulfill its obligations to the Participants and their Beneficiaries under the Plan, the Company may establish a trust by a trust agreement with a third party, the trustee, to which the Employer may, in its discretion, contribute cash or other property, including securities issued by the Company, to provide for the benefit payments under the Plan (the "Trust").

15.2 Interrelationship of the Plan and the Trust. The provisions of the Plan and any Plan Agreement shall govern the rights of a Participant to receive distributions pursuant to the Plan. The provisions of the Trust shall govern the rights of the Employer, Participants and the creditors of the Employer to the assets transferred to the Trust. The Employer shall at all times remain liable to carry out its obligations under the Plan.

15.3 Distributions From the Trust. The Employer's obligations under the Plan may be satisfied with Trust assets distributed pursuant to the terms of the Trust, and any such distribution shall reduce the Employer's obligations under this Plan.

ARTICLE 16
Miscellaneous

16.1 Status of Plan. The Plan is intended to be a plan that is not qualified within the meaning of Code Section 401(a) and that “is unfunded and is maintained by an employer primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees” within the meaning of ERISA Sections 201(2), 301(a)(3) and 401(a)(1). The Plan shall be administered and interpreted (a) to the extent possible in a manner consistent with the intent described in the preceding sentence, and (b) in accordance with Code Section 409A and related Treasury guidance and regulations.

16.2 Unsecured General Creditor. Participants and their Beneficiaries, heirs, successors and assigns shall have no legal or equitable rights, interests or claims in any property or assets of an Employer. For purposes of the payment of benefits under this Plan, any and all of an Employer’s assets shall be, and remain, the general, unpledged unrestricted assets of the Employer. An Employer’s obligation under the Plan shall be merely that of an unfunded and unsecured promise to pay money in the future.

16.3 Employer’s Liability. An Employer’s liability for the payment of benefits shall be defined only by the Plan and any Plan Agreement, as entered into between the Employer and a Participant. An Employer shall have no obligation to a Participant under the Plan except as expressly provided in the Plan and his or her Plan Agreement.

16.4 Nonassignability. Neither a Participant nor any other person shall have any right to commute, sell, assign, transfer, pledge, anticipate, mortgage or otherwise encumber, transfer, hypothecate, alienate or convey in advance of actual receipt, the amounts, if any, payable hereunder, or any part thereof, which are, and all rights to which are expressly declared to be, unassignable and non-transferable. No part of the amounts payable shall, prior to actual payment, be subject to seizure, attachment, garnishment or sequestration for the payment of any debts, judgments, alimony or separate maintenance owed by a Participant or any other person, be transferable by operation of law in the event of a Participant’s or any other person’s bankruptcy or insolvency or be transferable to a spouse as a result of a property settlement or otherwise, including but not limited to a domestic relations order.

16.5 Not a Contract of Employment. The terms and conditions of this Plan shall not be deemed to constitute a contract of employment between the Employer and the Participant. Such employment is hereby acknowledged to be an “at will” employment relationship that can be terminated at any time for any reason, or no reason, with or without cause, and with or without notice, unless expressly provided in a written employment agreement. Nothing in this Plan shall be deemed to give a Participant the right to be retained in the service of the Employer, either as an Employee or a Director, or to interfere with the right of the Employer to discipline or discharge the Participant at any time.

16.6 Furnishing Information. A Participant or his or her Beneficiary will cooperate with the Committee by furnishing any and all information requested by the Committee and take such other actions as may be requested in order to facilitate the administration of the Plan and the payments of benefits hereunder, including but not limited to taking such physical examinations as the Committee may deem necessary.

16.7 Terms. Whenever any words are used herein in the masculine, they shall be construed as though they were in the feminine in all cases where they would so apply; and whenever any words are used herein in the singular or in the plural, they shall be construed as though they were used in the plural or the singular, as the case may be, in all cases where they would so apply.

16.8 Captions. The captions of the articles, sections and paragraphs of this Plan are for convenience only and shall not control or affect the meaning or construction of any of its provisions.

16.9 Governing Law. Subject to ERISA, the provisions of this Plan shall be construed and interpreted according to the internal laws of the State of Georgia without regard to its conflicts of laws principles.

16.10 Notice. Any notice or filing required or permitted to be given to the Committee under this Plan shall be sufficient if in writing and hand-delivered, or sent by registered or certified mail, to the address below:

Aaron's Holdings Company, Inc. Benefit Plan Committee
Attn: Benefits Department
400 Galleria Pkwy SE
Suite 300
Atlanta, GA 30339

Such notice shall be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification.

Any notice or filing required or permitted to be given to a Participant under this Plan shall be sufficient if in writing and hand-delivered, or sent by mail, to the last known address of the Participant.

16.11 Successors. The provisions of this Plan shall bind and inure to the benefit of the Participant's Employer and its successors and assigns and the Participant and the Participant's designated Beneficiaries.

16.12 Spouse's Interest. The interest in the benefits hereunder of a spouse of a Participant who has predeceased the Participant shall automatically pass to the Participant and shall not be transferable by such spouse in any manner, including but not limited to such spouse's will, nor shall such interest pass under the laws of intestate succession.

16.13 Validity. In case any provision of this Plan shall be illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining parts hereof, but this Plan shall be construed and enforced as if such illegal or invalid provision had never been inserted herein.

16.14 Incompetent. If the Committee determines in its discretion that a benefit under this Plan is to be paid to a minor, a person declared incompetent or to a person incapable of handling the disposition of that person's property, the Committee may direct payment of such benefit to the guardian, legal representative or person having the care and custody of such minor, incompetent or incapable person. The Committee may require proof of minority, incompetence, incapacity or guardianship, as it may deem appropriate prior to distribution of the benefit. Any payment of a benefit shall be a payment for the account of the Participant and the Participant's Beneficiary, as the case may be, and shall be a complete discharge of any liability under the Plan for such payment amount.

16.15 Distribution in the Event of Income Inclusion Under Code Section 409A. If any portion of a Participant's Account Balance under this Plan is required to be included in income by the Participant prior to receipt due to a failure of this Plan to comply with the requirements of Code Section 409A and related Treasury regulations, the Committee may determine that such Participant shall receive a distribution from the Plan in an amount equal to the lesser of (i) the portion of his or her Account Balance required to be included in income as a result of the failure of the Plan to comply with the requirements of Code Section 409A and related Treasury regulations, or (ii) the unpaid vested Account Balance.

16.16 Deduction Limitation on Benefit Payments. If the Employer reasonably anticipates that the Employer's deduction with respect to any distribution from this Plan would be limited or eliminated by application of Code Section 162(m), then to the extent permitted by Treas. Reg. §1.409A-2(b)(7)(i), payment shall be delayed as deemed necessary to ensure that the entire amount of any distribution from this Plan is deductible. Any amounts for which distribution is delayed pursuant to this Section shall continue to be adjusted in accordance with Section 3.8. The delayed amounts (as so adjusted) shall be distributed to the Participant (or his or her Beneficiary in the event of the Participant's death) at the earliest date the Employer reasonably anticipates that the deduction of the payment of the amount will not be limited or eliminated by application of Code Section 162(m).

IN WITNESS WHEREOF, the Company has signed this Plan restatement as of October 16, 2020.

Aaron's Holding Company, Inc.

By: /s/ Robert W. Kamerschen

Name: Robert W. Kamerschen

Title: Secretary

AARON’S, INC.
AMENDED AND RESTATED
COMPENSATION PLAN FOR NON-EMPLOYEE DIRECTORS
2020 AMENDMENT AND RESTATEMENT

Effective October 16, 2020

1. Purpose and General Provisions.

1.1 Establishment of Plan. Aaron’s, Inc., a Georgia corporation (“Aaron’s”), previously established a compensation plan known as the Aaron’s, Inc. Amended and Restated Compensation Plan for Non-Employee Directors (the “Aaron’s Plan”). Effective on the closing of the transactions contemplated by the Agreement and Plan of Merger, dated May 1, 2020, among Aaron’s, Aaron’s Holdings Company, Inc. (“Holdings”) and Aaron’s Merger Sub, Inc. (the “Merger”), Aaron’s shall become a wholly owned subsidiary of Holdings. Effective on the Merger, responsibility for the Aaron’s Plan, including administration of the Aaron’s Plan, shall be assumed by Holdings. The Board of Directors of Holdings (the “Board”) hereby amends and restates the Aaron’s Plan as set forth in this document, as the Aaron’s, Inc. Amended and Restated Compensation Plan for Non-Employee Directors, 2020 Amendment and Restatement (the “Plan”) to provide that future compensation payable under the Plan shall be paid by Holdings and equity or equity-based awards hereunder, if any, shall relate to the common stock of Holdings.

1.2 Purpose. The purpose of the Plan is to attract and retain highly-qualified individuals who are not employed by the Company or any of its subsidiaries or affiliates to serve on the Company’s Board of Directors and to provide such directors with rewards that motivate superior oversight and protection of the Company’s business. This Plan aligns the interests of the non-employee directors with the long-term interests of the Company’s shareholders by providing that a significant part of such directors’ compensation is directly linked to the value of the Company’s common stock.

2. Definitions.

“**Affiliate**” means a corporation or other entity that, directly or through one or more intermediaries, controls, is controlled by or is under common control with, the Company.

“**Annual Retainer**” means the annual fee payable by the Company to a Non-Employee Director with respect to his or her service as a member of the Board as in effect from time to time and as indicated in the attached Appendix I.

“**Audit Committee**” means the Audit Committee of the Board.

“**Board**” means the Board of Directors of the Company, as constituted from time to time.

“**Chair**” means a Non-Employee Director occupying the seat of authority with respect to the Board or a Committee.

“Chair Annual Retainer” or **“Chair Quarterly Retainer”** means the annual or quarterly fee payable by the Company to a Chair with respect to his or her service as a Chair as in effect from time to time and as indicated in the attached [Appendix I](#).

“Code” means the Internal Revenue Code of 1986, as it may be amended from time to time. Any reference to a section of the Code shall be deemed to include a reference to any regulations promulgated thereunder.

“Committee” means a standing committee of the Board.

“Committee Chair” means the Non-Employee Director serving as the Chair of a Committee.

“Common Stock” means the “common stock” of the Company as defined in the Equity and Incentive Plan.

“Company” means Aaron’s Holdings Company, Inc., a Georgia corporation, including its successors and assigns.

“Compensation Committee” means the Compensation Committee of the Board.

“Effective Date” shall mean October 16, 2020, the date the Plan, as amended and restated herein, was adopted by the Board. The 2019 Plan was originally effective May 8, 2019.

“Equity and Incentive Plan” means the Aaron’s, Inc. Amended and Restated 2015 Equity and Incentive Plan, 2020 Amendment and Restatement, as it may be amended from time to time.

“Fair Market Value” means “fair market value” as defined in the Equity and Incentive Plan.

“Lead Director” means a Non-Employee Director occupying the seat of authority with respect to the Board.

“Lead Director Annual Retainer” or **“Lead Director Quarterly Retainer”** means the annual or quarterly fee payable by the Company to a Lead Director with respect to his or her service as a Lead Director as in effect from time to time and as indicated in the attached [Appendix I](#).

“Nominating and Corporate Governance Committee” means the Nominating and Corporate Governance Committee of the Board.

“Non-Employee Director” means a member of the Board who is not an officer or employee of the Company or any of its subsidiaries or Affiliates.

“Plan” means this Aaron’s, Inc. Amended and Restated Compensation Plan for Non-Employee Directors, 2020 Amendment and Restatement, as set forth herein, as it may be amended from time to time.

“Quarterly Payment Dates” has the meaning set forth in Section 5.2 of this Plan.

“Quarterly Retainer” means the quarterly fee payable by the Company to a Non-Employee Director with respect to his or her service as a member of the Board as in effect from time to time and as indicated in the attached Appendix I.

“RSU” has the meaning set forth in the Equity and Incentive Plan.

“Section 409A” means Section 409A of the Code and all authoritative interpretive guidance issued thereunder.

3. Administration. This Plan shall be administered by the Compensation Committee which shall have the authority to construe and interpret this Plan, prescribe, amend and rescind rules relating to this Plan’s administration and take any other actions necessary or desirable for the administration of this Plan. The Compensation Committee may correct any defect or supply any omission or reconcile any inconsistency or ambiguity in this Plan. The decisions of the Compensation Committee shall be final and binding on all persons. All expenses of administering this Plan shall be borne by the Company.

4. Eligibility. Each Non-Employee Director shall be eligible to receive the compensation provided hereunder. For the avoidance of doubt, Directors who are also employees of the Company or any of its subsidiaries or affiliates do not receive additional compensation for service as a director and shall not be eligible to participate in this Plan.

5. Non-Employee Director Compensation.

5.1 Annual Retainers.

(a) Each Non-Employee Director who is elected or appointed to the Board shall receive an Annual Retainer (or Chair Annual Retainer, or Lead Director Annual Retainer, if any) for the Board term that commences on election or appointment at such meeting. The amount of the Annual Retainer shall be determined by the Board from time to time and be set forth in the attached Appendix I. The amount of a Chair Annual Retainer or Lead Director Annual Retainer (if any) may be different from the Annual Retainers for other Non-Employee Directors, as determined by the Board from time to time.

(b) Annual Retainers (including, for purposes of this Section 5.1, Chair Annual Retainers, or Lead Director Annual Retainers, if any) shall be paid as set forth in the attached Appendix I. To the extent any Annual Retainers are payable in shares of Common Stock of the Company, the number of shares of Common Stock paid shall be determined by dividing the dollar amount of the Annual Retainer(s) by the Fair Market Value of a share of the Common Stock on the business day immediately preceding the payment date, rounded down to the nearest whole share. The vesting schedule(s) for such Annual Retainer(s) shall also be set forth in the attached Appendix I.

5.2 Quarterly Retainers.

(a) Each Non-Employee Director who is elected or appointed to the Board at an annual meeting of shareholders shall receive a Quarterly Retainer for the quarter in which such Non-Employee Director is elected or appointed. The amount of the Quarterly Retainer shall be determined by the Board from time to time as set forth in the attached Appendix I.

(b) Each Non-Employee Director who is appointed as a Chair or a Lead Director shall receive a Chair Quarterly Retainer or Lead Director Quarterly Retainer, as applicable, for the quarter in which such Non-Employee Director begins service in such capacity. The amount of a Chair Quarterly Retainer or Lead Director Quarterly Retainer, as applicable, may be different from the Quarterly Retainers for other Non-Employee Directors, as determined by the Board from time to time.

(c) Except as otherwise provided herein, each Quarterly Retainer (including each Chair Quarterly Retainer or Lead Director Quarterly Retainer, as applicable) shall be paid in cash, in arrears, on the 10th business day after the end of each calendar quarter ("**Quarterly Payment Dates**").

(d) Each Non-Employee Director may elect to have the Company pay all or a portion of his or her Quarterly Retainer(s) (and any Chair Quarterly Retainer or Lead Director Quarterly Retainer, as applicable), in Common Stock, in lieu of cash by submitting the form of election as set forth in the attached Appendix II. The number of shares of Common Stock paid to each electing Non-Employee Director shall be determined by dividing the dollar amount of the Quarterly Retainer(s) (and/or any Chair Quarterly Retainer or Lead Director Quarterly Retainer, as applicable) by the Fair Market Value of a share of Common Stock on the business day immediately preceding the Quarterly Payment Date, rounded down to the nearest whole share, and shall be paid/issued on the same schedule as Quarterly Retainers (and any Chair Quarterly Retainer or Lead Director Quarterly Retainer, as applicable) paid in cash. Any election by a Non-Employee Director to receive or not receive his or her Quarterly Retainer(s) in Common Stock must be made prior to the quarter for which cash payment or Common Stock issuance is desired, or as may be determined by the Compensation Committee from time to time. Any election must comply with all rules established from time to time by the Board, including any insider trading policy or other similar policy.

6. Equity Compensation. Grants of equity awards made under this Plan shall be made under the Equity and Incentive Plan as in effect from time to time, subject to all of the applicable terms and conditions thereof, and only to the extent that shares of Common Stock remain available for issuance under the Equity and Incentive Plan. This Plan does not constitute a separate source of Common Stock for the payment of equity compensation hereunder. The terms of the Equity and Incentive Plan are fully incorporated into this Plan with respect to any equity compensation paid hereunder. In the event of any inconsistency between the Equity and Incentive Plan and this Plan with respect to equity compensation, the terms of the Equity and Incentive Plan shall control. Common stock issued pursuant to this Plan shall be fully vested and unrestricted Common stock.

7. Total Compensation Limit. Notwithstanding any other provisions of this Plan, in no event shall the aggregate dollar value of: (i) the Annual Retainer, as measured by its Fair Market Value; (ii) all Quarterly Retainers; (iii) all Chair Quarterly Retainers; and (iv) any other form of cash compensation, and/or other grants of RSUs or other types of equity made under the Equity and Incentive Plan or otherwise, earned by any Non-Employee Director in any fiscal year of the Company exceed Seven Hundred Fifty Thousand Dollars (\$750,000). Reimbursement of expenses incurred by Non-Employee Directors in connection with carrying out their duties as a Non-Employee Director of the Company shall not be included in the determination of whether the compensation earned by any Non-Employee Director exceeds the aforementioned limit on Non-Employee Director compensation.

8. General Provisions.

8.1 Pro-Rata Payments. A Non-Employee Director who is appointed or elected to the Board after the annual meeting of shareholders shall receive a pro-rated portion of the Annual Retainer and Quarterly Retainer for the Board term based on the number of complete days of the calendar year and calendar quarter during which the Non-Employee Director serves as a member of the Board, unless otherwise determined by the Board.

8.2 No Fractional Shares of Common Stock. Notwithstanding any provision herein to the contrary, in no case shall any fractional shares of Common Stock be issued pursuant to this Plan. To the extent any fractional share of Common Stock would otherwise be issued pursuant to this Plan, such fractional share shall be rounded down to the nearest whole share.

8.3 Unfunded Obligations. The amounts to be paid to Non-Employee Directors under this Plan are unfunded obligations of the Company. The Company is not required to segregate any monies or other assets from its general funds with respect to these obligations. Non-Employee Directors shall not have any preference or security interest in any assets of the Company other than as a general unsecured creditor.

8.4 No Right to Continued Board Membership. Neither this Plan nor any compensation paid hereunder will confer on any Non-Employee Director the right to continue to serve as a member of the Board or in any other capacity.

8.5 Non-Assignment. Any and all rights of a Non-Employee Director respecting payments under this Plan may not be assigned, transferred, pledged or encumbered in any manner, other than by will or the laws of descent and distribution, and any attempt to do so shall be void.

8.6 Successors and Assigns. This Plan shall be binding on the Company and its successors and assigns.

8.7 Entire Plan. This Plan, together with the Equity and Incentive Plan, constitutes the entire plan with respect to the subject matter hereof and supersedes all prior plans with respect to the subject matter hereof.

8.8 Compliance with Law. The obligations of the Company with respect to payments under this Plan are subject to compliance with all applicable laws and regulations.

8.9 Term of Plan. This Plan shall become effective on the Effective Date and will remain in effect until it is revised or terminated by further action of the Board.

8.10 Termination and Amendment. The Board may at any time amend or modify this Plan in whole or in part. Notwithstanding the foregoing, no amendment or termination of this Plan may impair the right of a Non-Employee Director to receive any amounts accrued hereunder prior to the effective date of such amendment or termination.

8.11 Applicable Law. The law of the State of Georgia shall govern all questions concerning the construction, validity and interpretation of this Plan, without regard to such state's conflict of law rules.

8.12 Section 409A. This Plan is intended to comply with the requirements of Section 409A, to the extent applicable, and shall be interpreted accordingly. Notwithstanding the foregoing, the Company makes no representations or covenants that any compensation paid or awarded under this Plan will comply with Section 409A.

8.13 Withholding. To the extent required by applicable Federal, state or local law, a Non-Employee Director must make arrangements satisfactory to the Company for the payment of any withholding or similar tax obligations that arise in connection with this Plan.

8.14 Severability. If any provision of this Plan shall for any reason be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, and this Plan shall be construed as if such invalid or unenforceable provision were omitted.

8.15 Headings. The headings of sections herein are included solely for convenience and shall not affect the meaning of any of the provisions of this Plan.

[Signature page follows]

IN WITNESS WHEREOF, this Plan is executed as of October 16, 2020, the date the Board approved this Plan, to be effective as of that same date.

AARON'S HOLDINGS COMPANY, INC.

By: /s/ Robert W. Kamerschen

Name: Robert W. Kamerschen

Title: Secretary

Appendix I

**Aaron's, Inc. Amended and Restated Compensation Plan for
Non-Employee Directors, 2020 Amendment and Restatement**

<u>Description</u>	<u>Amount</u>	<u>Comment</u>
Annual Retainer - RSU	\$125,000	Granted on the date of the annual meeting of shareholders and vests on one-year anniversary of date of grant; provided, that, where the annual meeting of shareholders for the then-current year is held later than the date on which that meeting was held in the prior year, the Board shall have the discretion to make the vesting date for the RSUs granted to Non-Employee Directors on the date of the annual meeting of shareholders held in the then-current year be the two-year anniversary of the date on which the annual meeting of shareholders was held in the prior year. ¹
Quarterly Retainer - Cash	\$18,750	Can make election to receive shares of fully vested Common Stock as set forth in Section 5.2(d) of the Plan. With respect to any Non-Employee Director who begins or ends her or his service on the Board after the beginning but prior to the end of a calendar quarter, the amount of the Quarterly Retainer paid to that Non-Employee Director for that calendar quarter shall be the product of: (1) the full amount of the Quarterly Retainer in effect at that time; multiplied by: (2) a fraction, the numerator of which shall be the number of days during that calendar quarter that she or he served as a Non-Employee Director, and the denominator of which shall be the total number of days in that calendar quarter.

¹ Pro rata accelerated vesting upon termination of Board service. New directors who join the Board on a date other than the date of the annual meeting of shareholders will receive a full equity award if they join the Board on a date that is less than seven months after the date of the most recent annual meeting of shareholders. The amount of equity granted to any new director who joins the Board on a date that is seven months or more after the date of the most recent annual meeting of shareholders will be determined by the Board in its discretion.

Compensation for Chairs

<u>Description</u>	<u>Amount ²</u>	<u>Comment</u>
Board Chair - Quarterly Cash Retainer	\$25,000	Amount is in addition to the quarterly cash retainer received by non-employee directors of \$18,750 set forth above. Can make election to receive shares of fully vested Common Stock as set forth in Section 5.2(d) of the Plan.
Audit Committee Chair - Quarterly Cash Retainer	\$5,000	Amount is in addition to the quarterly cash retainer received by non-employee directors of \$18,750 set forth above. Can make election to receive shares of fully vested Common Stock as set forth in Section 5.2(d) of the Plan.
Compensation Committee Chair - Quarterly Cash Retainer	\$3,750	Amount is in addition to the quarterly cash retainer received by non-employee directors of \$18,750 set forth above. Can make election to receive shares of fully vested Common Stock as set forth in Section 5.2(d) of the Plan.
Nominating and Corporate Governance Committee Chair - Quarterly Cash Retainer	\$2,500	Amount is in addition to the quarterly cash retainer received by non-employee directors of \$18,750 set forth above. Can make election to receive shares of fully vested Common Stock as set forth in Section 5.2(d) of the Plan.

- ² Where a Non-Employee Director becomes the Chair of the Board or any Board Committee after the beginning but prior to the end of a calendar quarter, the amount of the Chair Quarterly Retainer paid to that Non-Employee Director for that calendar quarter shall be the product of: (1) the full amount of the Chair Quarterly Retainer in effect at that time; multiplied by: (2) a fraction, the numerator of which shall be the number of days during that calendar quarter that the Non-Employee Director served as the Chair of the Board or the Board Committee to which the Non-Employee Director has been appointed, and the denominator of which shall be the total number of days in that calendar quarter.

Appendix II

AARON'S, INC. AMENDED AND RESTATED
COMPENSATION PLAN FOR NON-EMPLOYEE DIRECTORS
2020 AMENDMENT AND RESTATEMENT

**Election to Receive Shares in Lieu of Cash
for quarterly retainers**

To be effective for the 2016 term of the Board ("**Board Term**"), commencing January 1, 2016 and any future Board Term as provided below.

Election to Receive Shares

Pursuant to Section 5.2(d) of the Aaron's, Inc. Amended and Restated Compensation Plan for Non-Employee Directors, 2020 Amendment and Restatement (the "**Plan**"), I hereby elect to receive all or a portion of my Quarterly Retainers (and all or a portion of my Chair Quarterly Retainer or Lead Director Quarterly Retainer, as applicable) (collectively, "**Cash Fees**") as further set forth below in shares of the Company's common stock ("**Shares**") in lieu of cash in accordance with this election and the Plan. Capitalized terms used but not defined herein shall have the meanings set forth in the Plan.

Quarterly Retainer Election

I hereby elect to receive _____% of the Quarterly Retainer(s) (and any Chair Quarterly Retainer or Lead Director Quarterly Retainer, as applicable) due to me on each Quarterly Payment Date in Shares having an equivalent value.

Type of Shares Issued

Shares issued in lieu of Cash Fees shall be fully vested and unrestricted shares of the Company's common stock issued pursuant to this Plan and the Aaron's, Inc. Amended and Restated 2015 Equity Incentive Plan, 2020 Amendment and Restatement ("**Equity and Incentive Plan**"), as in effect from time to time. Notwithstanding the foregoing, if there are not sufficient Shares available under the Equity and Incentive Plan for any reason, the Cash Fees will be paid in cash.

Number of Shares

The number of Shares paid shall be determined by dividing the dollar amount of the Cash Fees subject to the election by the Fair Market Value of a Share on the business day immediately preceding the payment date, rounded down to the nearest whole Share. Pursuant to Sections 5.2(d) and 8.2 of the Plan, the Company shall not issue any fractional Shares.

Duration of Election

I understand that this election will continue in effect (including future Board terms) until I timely submit a new election form modifying or revoking this election.

Withholding

I understand and agree that the Company may take such action as it deems necessary or appropriate to satisfy any obligations it may have to withhold federal, state or local income or other taxes incurred by reason of payments made pursuant to this Plan.

Acknowledgement

I acknowledge receipt of a copy of the Plan and acknowledge and agree that this election is made pursuant to the Plan and is subject to all of the terms and conditions thereof.

I acknowledge that the Shares issued to me are also subject to the applicable terms and conditions of the Equity and Incentive Plan as in effect from time to time and acknowledge receipt of a copy of the Equity and Incentive Plan.

Signature of Non-Employee Director: _____

Printed Name: _____

Date: _____

RETURN COMPLETED FORM TO:

Accepted by Plan Administrator: _____

Printed Name: _____

Date: _____

**AMENDMENT TO
AARON RENTS, INC.
2001 STOCK OPTION AND INCENTIVE AWARD PLAN**

THIS AMENDMENT ("Amendment") to the Aaron Rents, Inc. 2001 Stock Option and Incentive Award Plan, which was most recently amended and restated effective as of February 24, 2009 (the "Plan") is hereby made and entered into Aaron's Holdings Company, Inc. ("Holdings"), effective as of October 16, 2020.

WITNESSETH:

WHEREAS, effective on the closing of the transactions contemplated by the Agreement and Plan of Merger, dated May 1, 2020, among the Aaron's, Inc. ("Aaron's"), Holdings and Aaron's Merger Sub, Inc. (the "Merger"), responsibility for the Plan, including administration of the Plan and payment of all outstanding awards under the Plan, will be assumed by Holdings;

WHEREAS, Holdings desires to amend the Plan to provide that all awards granted under the Plan outstanding as of the date of the Merger and payable in Aaron's common stock shall be paid in shares of Holdings common stock, subject to equitable adjustments under Section 4.3 of the Plan, and governed by the terms of the respective award agreements and by the Plan; and

WHEREAS, Holdings has reserved the right to amend the Plan in accordance with Section 13.1 of the Plan.

NOW, THEREFORE, BE IT RESOLVED, that the Plan is hereby amended as follows effective as of October 16, 2020:

1. The Plan is amended to replace all references to "Aaron Rents, Inc." with "Aaron's Holdings Company, Inc." such that references to "Company" shall refer to Holdings and references to "Shares" shall refer to the common stock of Holdings.
2. Except as specifically amended herein, the provisions of the Plan shall remain in full force and effect.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, this Amendment has been duly executed on behalf of Holdings on this 16th day of October 2020, to be effective as of October 16, 2020.

AARON'S HOLDINGS COMPANY, INC.

By: /s/ Robert W. Kamerschen

Name: Robert W. Kamerschen

Title: Secretary