
Section 1: 8-K (8-K)

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

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

Date of Report (Date of earliest event reported): March 14, 2018

Stericycle, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-37556
(Commission
File Number)

36-3640402
(IRS Employer
Identification Number)

28161 North Keith Drive
Lake Forest, Illinois 60045
(Address of principal executive offices including zip code)

(847) 367-5910
(Registrant's telephone number, including area code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

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

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

Emerging growth company

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

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

Stericycle, Inc. announced today that the Compensation Committee of its Board of Directors has approved forms of agreement for stock option grants, forms of agreement for restricted stock unit awards, and forms of agreement for performance-based restricted stock unit awards, with respect to the company's 2008, 2011, 2014 and 2017 incentive compensation plans. Copies of the forms of agreement are attached hereto as Exhibits 10.1 – 10.7 and incorporated by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

10.1 [Form of Stock Option Award Agreement under 2008 Incentive Stock Plan](#)

10.2 [Form of Stock Option Award Agreement under 2011 Incentive Stock Plan](#)

10.3 [Form of Stock Option Award Agreement under 2014 Incentive Stock Plan](#)

10.4 [Form of Stock Option Award Agreement under 2017 Long-Term Incentive Plan](#)

10.5 [Form of Restricted Stock Unit Award Agreement under 2017 Long-Term Incentive Plan](#)

10.6 [Form of Performance-Based Restricted Stock Unit Award Agreement under 2017 Long-Term Incentive Plan](#)

10.7 [Form of Performance-Based Restricted Stock Unit Award Agreement \(Business Transformation\) under 2017 Long-Term Incentive Plan](#)

SIGNATURES

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

Dated: March 15, 2018

Stericycle, Inc.

By: /s/ DANIEL V. GINNETTI

Daniel V. Ginnetti
Executive Vice President and Chief Financial Officer

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Section 2: EX-10.1 (EX-10.1)

Exhibit 10.1

Double Trigger
Participants Eligible for
Executive Severance and CIC Plan

Stock Option Award Agreement

(Nonstatutory Stock Option Under
Stericycle, Inc. 2008 Incentive Stock Plan)

Stericycle, Inc., a Delaware corporation (the **Company**), grants to the following employee of the Company or one of its Subsidiaries (**Participant**), as of the following grant date (the **Grant Date**), a nonstatutory stock option (the **Option**) to purchase the following number of shares of the Company's common stock, par value \$.01 per share (the **Option Shares**), at the following purchase price per share (the **Exercise Price**), exercisable in installments in accordance with the following and the other terms and conditions of this Award Agreement:

Participant: %%FIRST_NAME%- %%%LAST_NAME%-%
Grant Date: %%OPTION_DATE,'Month DD, YYYY'-%-%
Number of Option: %%TOTAL_SHARES_GRANTED,'999,999,999'-%-%
Exercise Price: \$\$OPTION_PRICE,'999,999,999.9999'-%-%
Expiration Date: %%EXPIRE_DATE_PERIOD8,'Month DD, YYYY'-%-%
Vesting Schedule:[Insert Appropriate Vesting Schedule]

Terms of Option

1. **Plan.** The Option has been granted under the Stericycle, Inc. 2008 Incentive Stock Plan (the **Plan**), which is incorporated into this Award Agreement by reference. All capitalized terms used in this Award Agreement without being defined have the same meanings attributed to them in the Plan.

2. **Vesting/Exercisability.** The Option shall vest and shall become exercisable with respect to the number of Option Shares subject thereto in accordance with the Vesting Schedule set forth above provided that Participant's Termination Date has not occurred as of the applicable vesting date. Any portion of the Option that is not vested and exercisable as of Participant's Termination Date shall be forfeited and Participant shall have no further rights with respect thereto. In no event shall the Option continue to vest after Participant's Termination Date. Notwithstanding the foregoing:

(a) The Option shall vest and shall become exercisable as to all Option Shares then subject to the Option upon Participant's Termination Date if Participant's Termination Date occurs on account

of death.

(b) The Option is subject to forfeiture and automatic cancellation as provided in the Employee Covenant Agreement referred to in Paragraph 7 of this Award Agreement. In addition, Participant may be required to repay the Company the net proceeds from the sale of any Option Shares as also provided in the Employee Covenant Agreement.

(c) If (i) a Change of Control occurs prior to the date on which the Option is fully vested, (ii) on or within 12 months following the Change of Control (the **Protected**

Period), Participant's Termination Date occurs as a result of a Qualifying Termination (as defined in subparagraph (e)), and (iii) the Release Requirements (as defined in subparagraph (e)) are satisfied as of the date that is 60 days following Participant's Termination Date, then the Option shall become fully vested with respect to all of the Option Shares subject thereto as of the Termination Date (to the extent not already vested).

(d) For purposes of this Award Agreement:

(i) A **Qualifying Termination** means the occurrence of Participant's Termination Date by reason of (I) termination by the Company or a Subsidiary without Cause (as defined below) or (II) termination by Participant for Good Reason (as defined below).

(ii) **Cause** means Participant's termination of employment or other services for (A) gross negligence, (B) personal dishonesty, (C) incompetence, (D) willful misconduct, (E) any breach of fiduciary duty involving personal profit, (F) intentional failure to perform stated duties, (G) the willful violation of any law, rule or regulation (other than traffic violations or similar offenses), (H) the material breach of an employment agreement or any restrictive covenant agreement (or the restrictive covenant provisions of any other plan of the Company or any Subsidiary); or (I) a material violation of a material written policy of the Company or any Subsidiary, violation of which would be grounds for immediate dismissal under applicable Company or Subsidiary policy.

(iii) Participant's Termination Date shall be considered to have terminated for **Good Reason** if (A) without Participant's consent, one or more of the following actions or omissions occurs: (I) a material reduction in Participant's base salary or bonus opportunity as in effect immediately prior to the Change of Control, (II) a material reduction in the level of Participant's incentive plan participation (without replacement of substantially equal value) as in effect immediately prior to the Change of Control, (III) the elimination (without replacement) of a material benefit provided to Participant immediately prior to the Change of Control, (IV) Participant is required to be based at any office or location more than 50 miles from Participant's office or location in effect immediately prior to the Change of Control, (V) any material diminution in Participant's authority, duties or responsibilities as in effect immediately prior to the Change of Control, or (VI) any material breach of this Award Agreement or the Plan by the Company or the Committee, (B) Participant notifies the Company in writing of the event constituting Good Reason within 90 days after the occurrence of such event and within the Protected Period, (C) the Company has not cured the event constituting Good Reason within 30 days following receipt of the notice from Participant, and (D) Participant terminates employment within 5 days following expiration of the cure period. For the avoidance of doubt, a delay in the delivery of a notice of Good Reason or in Participant's termination following the lapse of the cure period shall constitute a waiver of Participant's ability to terminate for Good Reason under this Award Agreement.

(iv) The **Release Requirements** will be satisfied as of any date provided that, as of such date, Participant (A) has timely delivered to the Company a general waiver and release of claims in favor of the Company and related parties (the **Release**) in such form provided by the Company in its sole discretion and with such terms and conditions (which shall include, but are not limited to, non-competition, non-solicitation, confidentiality, and other restrictive covenants, as well as the events that shall result in the forfeiture, recoupment, and/or claw-back of the benefits provided under this Award Agreement and the Plan) as are reasonably acceptable to the Company, (B) Participant does not revoke the Release, and (C) the revocation period related to such Release has expired.

3. **Expiration.** Except as provided by the Committee in accordance with the terms of the Plan, the Option shall expire and shall no longer be exercisable after the Expiration Date. The vested portion of the Option shall expire on the earlier of (a) 90 days after Participant's Termination Date or (b) the latest Expiration Date set forth above; provided, however, that if (I) Participant's Termination Date occurs as a result of Participant's death, the Option shall expire on the earlier of (A) the first anniversary of Participant's death or (B) the latest Expiration Date set forth above and (II) if Participant's Termination Date occurs as a result of Participant's termination by the Company or a Subsidiary for Cause, the Option shall expire on Participant's Termination Date. In any case, the exercisability of the Option may be extended by the Committee, in the Committee's sole discretion, to any date ending on or before the Option's latest Expiration Date.

4. **Manner of Exercise.** The Option may be exercised in respect of a whole number of Option Shares (and only in respect of a whole number) by written notice of exercise to the Committee (or its designee) at the Company's principal executive offices (which are currently located at 28161 North Keith Drive, Lake Forest, Illinois 60045), which is received prior to the Option's Expiration Date, together with (a) full payment of the Exercise Price of the Option Shares in respect of which the Option is exercised and (b) full payment of an amount equal to the Company's federal, state and local withholding tax obligation, if any, in connection with the Option's exercise.

In addition, the exercise of the Option shall be subject to any procedures and policies in effect at the time of exercise that the Committee has adopted to administer the Plan.

5. **Manner of Payment.** Subject to the following provisions, the full Exercise Price for Option Shares purchased upon the exercise of the Option shall be paid at the time of such exercise (except that, in the case of an exercise arrangement approved by the Committee and described below, payment may be made as soon as practicable after the exercise).

Participant's payment of the Exercise Price of the Option Shares in respect of which the Option is exercised shall be satisfied through the surrender of shares of common stock (or other amounts) to which the Participant is otherwise entitled under the Plan (net withholding) unless the Participant elects to pay such Exercise Price in cash or by tendering (including by way of a net exercise), by either actual delivery of shares or by attestation, shares of common stock acceptable to the Committee, and valued at Fair Market Value as of the day of exercise, or in any

combination thereof; provided, however, that shares of Common Stock may not be used to pay any portion of the Exercise Price unless the holder thereof has good title, free and clear of all liens and encumbrances.

Participant may also elect to pay the Exercise Price (and any applicable withholding taxes) upon the exercise of an Option by irrevocably authorizing a third party approved by the Committee to sell shares of Common Stock (or a sufficient portion of the shares) acquired upon exercise of the Option and remit to the Company a sufficient portion of the sale proceeds to pay the entire Exercise Price and any tax withholding resulting from such exercise.

Tax withholding obligations shall also be subject to Paragraph 6 of this Agreement.

6. **Withholding.** This Award and all payments hereunder are subject to withholding of all applicable taxes. Any withholding obligations relating to this Award shall be satisfied through the surrender of shares of Common Stock (or other amounts) to which the Participant is otherwise entitled under the Plan (net withholding) unless the Participant elects to satisfy such withholding (a) through cash payment by the Participant, (b) through the surrender of shares of Common Stock that the Participant already owns, or (c) in accordance with Paragraph 5 hereof. Notwithstanding the foregoing, previously-owned Common Stock that has been held by Participant or Common Stock to which Participant is entitled under the Plan may only be used to satisfy the minimum tax withholding required by applicable law (or other rates that will not have a negative accounting impact). The Company may defer making any payment or delivery of shares pursuant to the Award unless and until the Participant indemnifies the Company to its satisfaction in respect of its withholding obligation.

7. **Employee Covenant Agreement.** This Award Agreement and the grant of the Option are subject to Participant's acceptance of and agreement to be bound by the Employee Covenant Agreement which has been provided or made available to Participant with this Award Agreement. The Company would not have granted the Option to Participant without Participant's acceptance of and agreement to be bound by the Employee Covenant Agreement.

8. **Transferability.** The Option may not be transferred, assigned or pledged (whether by operation of law or otherwise), except (i) as provided by will or the applicable laws of intestacy or (ii) in accordance with Section 5.5 of the Plan. The Option shall not be subject to execution, attachment or similar process.

9. **Interpretation/Administration.** This Award Agreement is subject to the terms of the Plan, as the Plan may be amended, but except as required by applicable law, no amendment of the Plan after the Grant Date shall adversely affect Participant's rights in respect of the Option without Participant's consent.

If there is a conflict or inconsistency between this Award Agreement and the Plan, the terms of the Plan shall control. The Committee's interpretation of this Award Agreement and the Plan shall be final and binding.

10. **No Employment Rights.** Nothing in this Award Agreement shall be considered to confer on Participant any right to continue in the employ of the Company or a Subsidiary or to limit the right of the Company or a Subsidiary to terminate Participant's employment.

11. **No Stockholder Rights.** Participant shall not have any rights as a stockholder of the Company in respect of any of the Option Shares unless and until shares of common stock are issued to Participant following the exercise of the Option.

12. **Governing Law.** This Award Agreement shall be governed in accordance with the laws of the State of Illinois.

13. **Binding Effect.** This Award Agreement shall be binding on the Company and Participant and on Participant's heirs, legatees and legal representatives.

14. **Adjustment.** The Option, the number and kind of shares subject to the Option and the Exercise Price per share shall be subject to adjustment by the Committee in accordance with the terms of the Plan.

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Section 3: EX-10.2 (EX-10.2)

Exhibit 10.2

Double Trigger
Participants Eligible for
Executive Severance and CIC Plan

Stock Option Award Agreement

(Nonstatutory Stock Option Under
Stericycle, Inc. 2011 Incentive Stock Plan)

Stericycle, Inc., a Delaware corporation (the **Company**), grants to the following employee of the Company or one of its Subsidiaries (**Participant**), as of the following grant date (the **Grant Date**), a nonstatutory stock option (the **Option**) to purchase the following number of shares of the Company's common stock, par value \$.01 per share (the **Option Shares**), at the following purchase price per share (the **Exercise Price**), exercisable in installments in accordance with the following and the other terms and conditions of this Award Agreement:

Participant: %%FIRST_NAME%- % %%LAST_NAME%-
Grant Date: %%OPTION_DATE,'Month DD, YYYY'%-
Number of Option Shares: %%TOTAL_SHARES_GRANTED,'999,999,999'%-
Exercise Price Per Share: \$\$OPTION_PRICE,'999,999,999.9999'%-
 Vesting Schedule:[Insert Appropriate Vesting Schedule]
Expiration Date: %%EXPIRE_DATE_PERIOD8,'Month DD, YYYY'%-

Terms of Option

1. **Plan.** The Option has been granted under the Stericycle, Inc. 2011 Incentive Stock Plan (the **Plan**), which is incorporated into this Award Agreement by reference. All capitalized terms used in this Award Agreement without being defined have the same meanings attributed to them in the Plan.

2. **Vesting/Exercisability.** The Option shall vest and shall become exercisable with respect to the number of Option Shares subject thereto in accordance with the Vesting Schedule set forth above provided that Participant's Termination Date has not occurred as of the applicable vesting date. Any portion of the Option that is not vested and exercisable as of Participant's Termination Date shall be forfeited and Participant shall have no further rights with respect thereto. In no event shall the Option continue to vest after Participant's Termination Date. Notwithstanding the foregoing:

(a) The Option shall vest and shall become exercisable as to all Option Shares then subject to the Option upon Participant's Termination Date if Participant's Termination Date occurs on account of death.

(b) The Option is subject to forfeiture and automatic cancellation as provided in the Employee Covenant Agreement referred to in Paragraph 7 of this Award Agreement. In addition, Participant may be required to repay the Company the net proceeds from the sale of any Option Shares as also provided in the Employee Covenant Agreement.

(c) If (i) a Change of Control occurs prior to the date on which the Option is fully vested, (ii) on or within 12 months following the Change of Control (the **Protected**

Period), Participant's Termination Date occurs as a result of a Qualifying Termination (as defined in subparagraph (e)), and (iii) the Release Requirements (as defined in subparagraph (e)) are satisfied as of the date that is 60 days following Participant's Termination Date, then the Option shall become fully vested with respect to all of the Option Shares subject thereto as of the Termination Date (to the extent not already vested).

(d) For purposes of this Award Agreement:

(i) A **Qualifying Termination** means the occurrence of Participant's Termination Date by reason of (I) termination by the Company or a Subsidiary without Cause (as defined below) or (II) termination by Participant for Good Reason (as defined below).

(ii) **Cause** means Participant's termination of employment or other services for (A) gross negligence, (B) personal dishonesty, (C) incompetence, (D) willful misconduct, (E) any breach of fiduciary duty involving personal profit, (F) intentional failure to perform stated duties, (G) the willful violation of any law, rule or regulation (other than traffic violations or similar offenses), (H) the material breach of an employment agreement or any restrictive covenant agreement (or the restrictive covenant provisions of any other plan of the Company or any Subsidiary); or (I) a material violation of a material written policy of the Company or any Subsidiary, violation of which would be grounds for immediate dismissal under applicable Company or Subsidiary policy.

(iii) Participant's Termination Date shall be considered to have terminated for **Good Reason** if (A) without Participant's consent, one or more of the following actions or omissions occurs: (I) a material reduction in Participant's base salary or bonus opportunity as in effect immediately prior to the Change of Control, (II) a material reduction in the level of Participant's incentive plan participation (without replacement of substantially equal value) as in effect immediately prior to the Change of Control, (III) the elimination (without replacement) of a material benefit provided to Participant immediately prior to the Change of Control, (IV) Participant is required to be based at any office or location more than 50 miles from Participant's office or location in effect immediately prior to the Change of Control, (V) any material diminution in Participant's authority, duties or responsibilities as in effect immediately prior to the Change of Control, or (VI) any material breach of this Award Agreement or the Plan by the Company or the Committee, (B) Participant notifies the Company in writing of the event constituting Good Reason within 90 days after the occurrence of such event and within the Protected Period, (C) the Company has not cured the event constituting Good Reason within 30 days following receipt of the notice from Participant, and (D) Participant terminates employment within 5 days following expiration of the cure period. For the avoidance of doubt, a delay in the delivery of a notice of Good Reason or in Participant's termination following the lapse of the cure period shall constitute a waiver of Participant's ability to terminate for Good Reason under this Award Agreement.

(iv) The **Release Requirements** will be satisfied as of any date provided that, as of such date, Participant (A) has timely delivered to the Company a general waiver and release of claims in favor of the Company and related parties (the **Release**) in such form provided by the Company in its sole discretion and with such terms and conditions (which shall include, but are not limited to, non-competition, non-solicitation, confidentiality, and other restrictive covenants, as well as the events that shall result in the forfeiture, recoupment, and/or claw-back of the benefits provided under this Award Agreement and the Plan) as are reasonably acceptable to the Company, (B) Participant does not revoke the Release, and (C) the revocation period related to such Release has expired.

3. **Expiration.** Except as provided by the Committee in accordance with the terms of the Plan, the Option shall expire and shall no longer be exercisable after the Expiration Date. The vested portion of the Option shall expire on the earlier of (a) 90 days after Participant's Termination Date or (b) the latest Expiration Date set forth above; provided, however, that if (I) Participant's Termination Date occurs as a result of Participant's death, the Option shall expire on the earlier of (A) the first anniversary of Participant's death or (B) the latest Expiration Date set forth above and (II) if Participant's Termination Date occurs as a result of Participant's termination by the Company or a Subsidiary for Cause, the Option shall expire on Participant's Termination Date. In any case, the exercisability of the Option may be extended by the Committee, in the Committee's sole discretion, to any date ending on or before the Option's latest Expiration Date.

4. **Manner of Exercise.** The Option may be exercised in respect of a whole number of Option Shares (and only in respect of a whole number) by written notice of exercise to the Committee (or its designee) at the Company's principal executive offices (which are currently located at 28161 North Keith Drive, Lake Forest, Illinois 60045), which is received prior to the Option's Expiration Date, together with (a) full payment of the Exercise Price of the Option Shares in respect of which the Option is exercised and (b) full payment of an amount equal to the Company's federal, state and local withholding tax obligation, if any, in connection with the Option's exercise.

In addition, the exercise of the Option shall be subject to any procedures and policies in effect at the time of exercise that the Committee has adopted to administer the Plan.

5. **Manner of Payment.** Subject to the following provisions, the full Exercise Price for Option Shares purchased upon the exercise of the Option shall be paid at the time of such exercise (except that, in the case of an exercise arrangement approved by the Committee and described below, payment may be made as soon as practicable after the exercise).

Participant's payment of the Exercise Price of the Option Shares in respect of which the Option is exercised shall be satisfied through the surrender of shares of common stock (or other amounts) to which the Participant is otherwise entitled under the Plan (net withholding) unless the Participant elects to pay such Exercise Price in cash or by tendering (including by way of a net exercise), by either actual delivery of shares or by attestation, shares of common stock acceptable to the Committee, and valued at Fair Market Value as of the day of exercise, or in any

combination thereof; provided, however, that shares of Common Stock may not be used to pay any portion of the Exercise Price unless the holder thereof has good title, free and clear of all liens and encumbrances.

Participant may also elect to pay the Exercise Price (and any applicable withholding taxes) upon the exercise of an Option by irrevocably authorizing a third party approved by the Committee to sell shares of Common Stock (or a sufficient portion of the shares) acquired upon exercise of the Option and remit to the Company a sufficient portion of the sale proceeds to pay the entire Exercise Price and any tax withholding resulting from such exercise.

Tax withholding obligations shall also be subject to Paragraph 6 of this Agreement.

6. **Withholding.** This Award and all payments hereunder are subject to withholding of all applicable taxes. Any withholding obligations relating to this Award shall be satisfied through the surrender of shares of Common Stock (or other amounts) to which the Participant is otherwise entitled under the Plan (net withholding) unless the Participant elects to satisfy such withholding (a) through cash payment by the Participant, (b) through the surrender of shares of Common Stock that the Participant already owns, or (c) in accordance with Paragraph 5 hereof. Notwithstanding the foregoing, previously-owned Common Stock that has been held by Participant or Common Stock to which Participant is entitled under the Plan may only be used to satisfy the minimum tax withholding required by applicable law (or other rates that will not have a negative accounting impact). The Company may defer making any payment or delivery of shares pursuant to the Award unless and until the Participant indemnifies the Company to its satisfaction in respect of its withholding obligation.

7. **Employee Covenant Agreement.** This Award Agreement and the grant of the Option are subject to Participant's acceptance of and agreement to be bound by the Employee Covenant Agreement which has been provided or made available to Participant with this Award Agreement. The Company would not have granted the Option to Participant without Participant's acceptance of and agreement to be bound by the Employee Covenant Agreement.

8. **Transferability.** The Option may not be transferred, assigned or pledged (whether by operation of law or otherwise), except (i) as provided by will or the applicable laws of intestacy or (ii) in accordance with Section 5.5 of the Plan. The Option shall not be subject to execution, attachment or similar process.

9. **Interpretation/Administration.** This Award Agreement is subject to the terms of the Plan, as the Plan may be amended, but except as required by applicable law, no amendment of the Plan after the Grant Date shall adversely affect Participant's rights in respect of the Option without Participant's consent.

If there is a conflict or inconsistency between this Award Agreement and the Plan, the terms of the Plan shall control. The Committee's interpretation of this Award Agreement and the Plan shall be final and binding.

10. **No Employment Rights.** Nothing in this Award Agreement shall be considered to confer on Participant any right to continue in the employ of the Company or a Subsidiary or to limit the right of the Company or a Subsidiary to terminate Participant's employment.
11. **No Stockholder Rights.** Participant shall not have any rights as a stockholder of the Company in respect of any of the Option Shares unless and until shares of common stock are issued to Participant following the exercise of the Option.
12. **Governing Law.** This Award Agreement shall be governed in accordance with the laws of the State of Illinois.
13. **Binding Effect.** This Award Agreement shall be binding on the Company and Participant and on Participant's heirs, legatees and legal representatives.
14. **Adjustment.** The Option, the number and kind of shares subject to the Option and the Exercise Price per share shall be subject to adjustment by the Committee in accordance with the terms of the Plan.

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Section 4: EX-10.3 (EX-10.3)

Exhibit 10.3

Double Trigger
Participants Eligible for
Executive Severance and CIC Plan

Stock Option Award Agreement

(Nonstatutory Stock Option Under
Stericycle, Inc. 2014 Incentive Stock Plan)

Stericycle, Inc., a Delaware corporation (the **Company**), grants to the following employee of the Company or one of its Subsidiaries (**Participant**), as of the following grant date (the **Grant Date**), a nonstatutory stock option (the **Option**) to purchase the following number of shares of the Company's common stock, par value \$.01 per share (the **Option Shares**), at the following purchase price per share (the **Exercise Price**), exercisable in installments in accordance with the following and the other terms and conditions of this Award Agreement:

Participant:	%%FIRST_NAME%- %LAST_NAME%-%
Grant Date:	%%OPTION_DATE,'Month DD, YYYY'-%-
Number of Option Shares:	%%TOTAL_SHARES_GRANTED,'999,999,999'-%-
Exercise Price Per Share:	\$\$OPTION_PRICE,'999,999,999.9999'-%-
	Vesting Schedule:[Insert Appropriate Vesting Schedule]
Expiration Date:	%%EXPIRE_DATE_PERIOD8,'Month DD, YYYY'-%-

Terms of Option

1. **Plan.** The Option has been granted under the Stericycle, Inc. 2014 Incentive Stock Plan (the **Plan**), which is incorporated into this Award Agreement by reference. All capitalized terms used in this Award Agreement without being defined have the same meanings attributed to them in the Plan.
2. **Vesting/Exercisability.** The Option shall vest and shall become exercisable with respect to the number of Option Shares subject thereto in accordance with the Vesting Schedule set forth above provided that Participant's Termination Date has not occurred as of the applicable vesting date. Any portion of the Option that is not vested and exercisable as of Participant's Termination Date shall be forfeited and Participant shall have no further rights with respect thereto. In no event shall the Option continue to vest after Participant's Termination Date. Notwithstanding the foregoing:

(a) The Option shall vest and shall become exercisable as to all Option Shares then subject to the Option upon Participant's Termination Date if Participant's Termination Date occurs on account of death.

(b) The Option is subject to forfeiture and automatic cancellation as provided in the Employee Covenant Agreement referred to in Paragraph 7 of this Award Agreement. In addition, Participant may be required to repay the Company the net proceeds from the sale of any Option Shares as also provided in the Employee Covenant Agreement.

(c) If (i) a Change of Control occurs prior to the date on which the Option is fully vested, (ii) on or within 12 months following the Change of Control (the **Protected**

Period), Participant's Termination Date occurs as a result of a Qualifying Termination (as defined in subparagraph (e)), and (iii) the Release Requirements (as defined in subparagraph (e)) are satisfied as of the date that is 60 days following Participant's Termination Date, then the Option shall become fully vested with respect to all of the Option Shares subject thereto as of the Termination Date (to the extent not already vested).

(d) For purposes of this Award Agreement:

(i) A **Qualifying Termination** means the occurrence of Participant's Termination Date by reason of (I) termination by the Company or a Subsidiary without Cause (as defined below) or (II) termination by Participant for Good Reason (as defined below).

(ii) **Cause** means Participant's termination of employment or other services for (A) gross negligence, (B) personal dishonesty, (C) incompetence, (D) willful misconduct, (E) any breach of fiduciary duty involving personal profit, (F) intentional failure to perform stated duties, (G) the willful violation of any law, rule or regulation (other than traffic violations or similar offenses), (H) the material breach of an employment agreement or any restrictive covenant agreement (or the restrictive covenant provisions of any other plan of the Company or any Subsidiary); or (I) a material violation of a material written policy of the Company or any Subsidiary, violation of which would be grounds for immediate dismissal under applicable Company or Subsidiary policy.

(iii) Participant's Termination Date shall be considered to have terminated for **Good Reason** if (A) without Participant's consent, one or more of the following actions or omissions occurs: (I) a material reduction in Participant's base salary or bonus opportunity as in effect immediately prior to the Change of Control, (II) a material reduction in the level of Participant's incentive plan participation (without replacement of substantially equal value) as in effect immediately prior to the Change of Control, (III) the elimination (without replacement) of a material benefit provided to Participant immediately prior to the Change of Control, (IV) Participant is required to be based at any office or location more than 50 miles from Participant's office or location in effect immediately prior to the Change of Control, (V) any material diminution in Participant's authority, duties or responsibilities as in effect immediately prior to the Change of Control, or (VI) any material breach of this Award Agreement or the Plan by the Company or the Committee, (B) Participant notifies the Company in writing of the event constituting Good Reason within 90 days after the occurrence of such event and within the Protected Period, (C) the Company has not cured the event constituting Good Reason within 30 days following receipt of the notice from Participant, and (D) Participant terminates employment within 5 days following expiration of the cure period. For the avoidance of doubt, a delay in the delivery of a notice of Good Reason or in Participant's termination following the lapse of the cure period shall constitute a waiver of Participant's ability to terminate for Good Reason under this Award Agreement.

(iv) The **Release Requirements** will be satisfied as of any date provided that, as of such date, Participant (A) has timely delivered to the Company a general waiver and release of claims in favor of the Company and related parties (the **Release**) in such form provided by the Company in its sole discretion and with such terms and conditions (which shall include, but are not limited to, non-competition, non-solicitation, confidentiality, and other restrictive covenants, as well as the events that shall result in the forfeiture, recoupment, and/or claw-back of the benefits provided under this Award Agreement and the Plan) as are reasonably acceptable to the Company, (B) Participant does not revoke the Release, and (C) the revocation period related to such Release has expired.

3. **Expiration.** Except as provided by the Committee in accordance with the terms of the Plan, the Option shall expire and shall no longer be exercisable after the Expiration Date. The vested portion of the Option shall expire on the earlier of (a) 90 days after Participant's Termination Date or (b) the latest Expiration Date set forth above; provided, however, that if (I) Participant's Termination Date occurs as a result of Participant's death, the Option shall expire on the earlier of (A) the first anniversary of Participant's death or (B) the latest Expiration Date set forth above and (II) if Participant's Termination Date occurs as a result of Participant's termination by the Company or a Subsidiary for Cause, the Option shall expire on Participant's Termination Date. In any case, the exercisability of the Option may be extended by the Committee, in the Committee's sole discretion, to any date ending on or before the Option's latest Expiration Date.

4. **Manner of Exercise.** The Option may be exercised in respect of a whole number of Option Shares (and only in respect of a whole number) by written notice of exercise to the Committee (or its designee) at the Company's principal executive offices (which are currently located at 28161 North Keith Drive, Lake Forest, Illinois 60045), which is received prior to the Option's Expiration Date, together with (a) full payment of the Exercise Price of the Option Shares in respect of which the Option is exercised and (b) full payment of an amount equal to the Company's federal, state and local withholding tax obligation, if any, in connection with the Option's exercise.

In addition, the exercise of the Option shall be subject to any procedures and policies in effect at the time of exercise that the Committee has adopted to administer the Plan.

5. **Manner of Payment.** Subject to the following provisions, the full Exercise Price for Option Shares purchased upon the exercise of the Option shall be paid at the time of such exercise (except that, in the case of an exercise arrangement approved by the Committee and described below, payment may be made as soon as practicable after the exercise).

Participant's payment of the Exercise Price of the Option Shares in respect of which the Option is exercised shall be satisfied through the surrender of shares of common stock (or other amounts) to which the Participant is otherwise entitled under the Plan (net withholding) unless the Participant elects to pay such Exercise Price in cash or by tendering (including by way of a net exercise), by either actual delivery of shares or by attestation, shares of common stock acceptable to the Committee, and valued at Fair Market Value as of the day of exercise, or in any

combination thereof; provided, however, that shares of Common Stock may not be used to pay any portion of the Exercise Price unless the holder thereof has good title, free and clear of all liens and encumbrances.

Participant may also elect to pay the Exercise Price (and any applicable withholding taxes) upon the exercise of an Option by irrevocably authorizing a third party approved by the Committee to sell shares of Common Stock (or a sufficient portion of the shares) acquired upon exercise of the Option and remit to the Company a sufficient portion of the sale proceeds to pay the entire Exercise Price and any tax withholding resulting from such exercise.

Tax withholding obligations shall also be subject to Paragraph 6 of this Agreement.

6. **Withholding.** This Award and all payments hereunder are subject to withholding of all applicable taxes. Any withholding obligations relating to this Award shall be satisfied through the surrender of shares of Common Stock (or other amounts) to which the Participant is otherwise entitled under the Plan (net withholding) unless the Participant elects to satisfy such withholding (a) through cash payment by the Participant, (b) through the surrender of shares of Common Stock that the Participant already owns, or (c) in accordance with Paragraph 5 hereof. Notwithstanding the foregoing, previously-owned Common Stock that has been held by Participant or Common Stock to which Participant is entitled under the Plan may only be used to satisfy the minimum tax withholding required by applicable law (or other rates that will not have a negative accounting impact). The Company may defer making any payment or delivery of shares pursuant to the Award unless and until the Participant indemnifies the Company to its satisfaction in respect of its withholding obligation.

7. **Employee Covenant Agreement.** This Award Agreement and the grant of the Option are subject to Participant's acceptance of and agreement to be bound by the Employee Covenant Agreement which has been provided or made available to Participant with this Award Agreement. The Company would not have granted the Option to Participant without Participant's acceptance of and agreement to be bound by the Employee Covenant Agreement.

8. **Transferability.** The Option may not be transferred, assigned or pledged (whether by operation of law or otherwise), except (i) as provided by will or the applicable laws of intestacy or (ii) in accordance with Section 5.5 of the Plan. The Option shall not be subject to execution, attachment or similar process.

9. **Interpretation/Administration.** This Award Agreement is subject to the terms of the Plan, as the Plan may be amended, but except as required by applicable law, no amendment of the Plan after the Grant Date shall adversely affect Participant's rights in respect of the Option without Participant's consent.

If there is a conflict or inconsistency between this Award Agreement and the Plan, the terms of the Plan shall control. The Committee's interpretation of this Award Agreement and the Plan shall be final and binding.

10. **No Employment Rights.** Nothing in this Award Agreement shall be considered to confer on Participant any right to continue in the employ of the Company or a Subsidiary or to limit the right of the Company or a Subsidiary to terminate Participant's employment.

11. **No Stockholder Rights.** Participant shall not have any rights as a stockholder of the Company in respect of any of the Option Shares unless and until shares of common stock are issued to Participant following the exercise of the Option.

12. **Governing Law.** This Award Agreement shall be governed in accordance with the laws of the State of Illinois.

13. **Binding Effect.** This Award Agreement shall be binding on the Company and Participant and on Participant's heirs, legatees and legal representatives.

14. **Adjustment.** The Option, the number and kind of shares subject to the Option and the Exercise Price per share shall be subject to adjustment by the Committee in accordance with the terms of the Plan.

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Section 5: EX-10.4 (EX-10.4)

Exhibit 10.4

Double Trigger
Participants Eligible for Executive Severance and CIC Plan

Stock Option Award Agreement

(Nonstatutory Stock Option Under
Stericycle, Inc. 2017 Long-Term Incentive Plan)

Stericycle, Inc., a Delaware corporation (the **Company**), grants to the following employee of the Company or one of its Subsidiaries (**Participant**), as of the following grant date (the **Grant Date**), a nonstatutory stock option (the **Option**) to purchase the following number of shares of Common Stock (the **Option Shares**), at the following purchase price per share (the **Exercise Price**), exercisable in installments in accordance with the following and the other terms and conditions of this Award Agreement:

Participant: %%FIRST_NAME%- % %%LAST_NAME%- %
Grant Date: %%OPTION_DATE,'Month DD, YYYY'%- %
Number of Options: %%TOTAL_SHARES_GRANTED,'999,999,999'%- %
Exercise Price: \$\$OPTION_PRICE,'999,999,999.9999'%- %
Expiration Date: %%EXPIRE_DATE_PERIOD8,'Month DD, YYYY'%- %
Vesting Schedule:[Insert Appropriate Vesting Schedule]

Terms of Option

1. **Plan.** The Option has been granted under the Stericycle, Inc. 2017 Long-Term Incentive Plan (the **Plan**), which is incorporated into this Award Agreement by reference. All capitalized terms used in this Award Agreement without being defined have the same meanings attributed to them in the Plan.

2. **Vesting/Exercisability.** The Option shall vest and shall become exercisable with respect to the number of Option Shares subject thereto in accordance with the Vesting Schedule set forth above provided that Participant's Termination Date has not occurred as of the applicable vesting date. Any portion of the Option that is not vested and exercisable as of Participant's Termination Date shall be forfeited and Participant shall have no further rights with respect thereto. In no event shall the Option continue to vest after Participant's Termination Date. Notwithstanding the foregoing:

(a) The Option shall vest and shall become exercisable as to all Option Shares then subject to the Option upon Participant's Termination Date if Participant's Termination Date occurs on account of death.

(b) The Option is subject to forfeiture and automatic cancellation as provided in the Employee Covenant Agreement referred to in Paragraph 7 of this Award Agreement . In addition, Participant may be required to repay the Company the net proceeds from the sale of any Option Shares as also provided in the Employee Covenant Agreement.

(c) If (i) a Change of Control occurs prior to the date on which the Option is fully vested, (ii) on or within 12 months following the Change of Control (the **Protected**

Period), Participant's Termination Date occurs as a result of a Qualifying Termination (as defined in subparagraph (e)), and (iii) the Release Requirements (as defined in subparagraph (e)) are satisfied as of the date that is 60 days following Participant's Termination Date, then the Option shall become fully vested with respect to all of the Option Shares subject thereto as of the Termination Date (to the extent not already vested).

(d) For purposes of this Award Agreement :

(i) A **Qualifying Termination** means the occurrence of Participant's Termination Date by reason of (I) termination by the Company or a Subsidiary without Cause or (II) termination by Participant for Good Reason (as defined below).

(ii) Participant's Termination Date shall be considered to have terminated for **Good Reason** if (A) without Participant's consent, one or more of the following actions or omissions occurs: (I) a material reduction in Participant's base salary or bonus opportunity as in effect immediately prior to the Change of Control, (II) a material reduction in the level of Participant's incentive plan participation (without replacement of substantially equal value) as in effect immediately prior to the Change of Control, (III) the elimination (without replacement) of a material benefit provided to Participant immediately prior to the Change of Control, (IV) Participant is required to be based at any office or location more than 50 miles from Participant's office or location in effect immediately prior to the Change of Control, (V) any material diminution in Participant's authority, duties or responsibilities as in effect immediately prior to the Change of Control, or (VI) any material breach of this Award Agreement or the Plan by the Company or the Committee, (B) Participant notifies the Company in writing of the event constituting Good Reason within 90 days after the occurrence of such event and within the Protected Period, (C) the Company has not cured the event constituting Good Reason within 30 days following receipt of the notice from Participant, and (D) Participant terminates employment within 5 days following expiration of the cure period. For the avoidance of doubt, a delay in the delivery of a notice of Good Reason or in Participant's termination following the lapse of the cure period shall constitute a waiver of Participant's ability to terminate for Good Reason under this Award Agreement .

(iii) The **Release Requirements** will be satisfied as of any date provided that, as of such date, Participant (A) has timely delivered to the Company a general waiver and release of claims in favor of the Company and related parties (the **Release**) in such form provided by the Company in its sole discretion and with such terms and conditions (which shall include, but are not limited to, non-competition, non-solicitation, confidentiality, and other restrictive covenants, as well as the events that shall result in the forfeiture, recoupment, and/or claw-back of the benefits provided under this Award Agreement and the Plan) as are reasonably acceptable to the Company, (B) Participant does not

revoke the Release, and (C) the revocation period related to such Release has expired.

3. **Expiration.** Except as provided by the Committee in accordance with the terms of the Plan, the Option shall expire and shall no longer be exercisable after the Expiration Date.

4. **Manner of Exercise.** The Option may be exercised in respect of a whole number of Option Shares (and only in respect of a whole number) by written notice of exercise to the Committee (or its designee) at the Company's principal executive offices (which are currently located at 28161 North Keith Drive, Lake Forest, Illinois 60045), which is received prior to the Option's Expiration Date, together with (a) full payment of the Exercise Price of the Option Shares in respect of which the Option is exercised and (b) full payment of an amount equal to the Company's federal, state and local withholding tax obligation, if any, in connection with the Option's exercise.

In addition, the exercise of the Option shall be subject to any procedures and policies in effect at the time of exercise that the Committee has adopted to administer the Plan.

5. **Manner of Payment.** Subject to the following provisions, the full Exercise Price for Option Shares purchased upon the exercise of the Option shall be paid at the time of such exercise (except that, in the case of an exercise arrangement approved by the Committee and described below, payment may be made as soon as practicable after the exercise).

Participant's payment of the Exercise Price of the Option Shares in respect of which the Option is exercised shall be satisfied through the surrender of shares of Common Stock (or other amounts) to which the Participant is otherwise entitled under the Plan (net withholding) unless the Participant elects to pay such Exercise Price in cash or by tendering (including by way of a net exercise), by either actual delivery of shares or by attestation, shares of Common Stock acceptable to the Committee, and valued at Fair Market Value as of the day of exercise, or in any combination thereof; provided, however, that shares of Common Stock may not be used to pay any portion of the Exercise Price unless the holder thereof has good title, free and clear of all liens and encumbrances.

Participant may also elect to pay the Exercise Price (and any applicable withholding taxes) upon the exercise of an Option by irrevocably authorizing a third party approved by the Committee to sell shares of Common Stock (or a sufficient portion of the shares) acquired upon exercise of the Option and remit to the Company a sufficient portion of the sale proceeds to pay the entire Exercise Price and any tax withholding resulting from such exercise.

Tax withholding obligations shall also be subject to Paragraph 6 of this Agreement.

6. **Withholding.** This Award and all payments hereunder are subject to withholding of all applicable taxes. Any withholding obligations relating to this Award shall be satisfied through the surrender of shares of Common Stock (or other amounts) to which the Participant is otherwise entitled under the Plan (net withholding) unless the Participant elects to satisfy such withholding (a) through cash payment by the Participant, (b) through the surrender of shares of Common Stock that the Participant already owns, or (c) in accordance with Paragraph 5 hereof.

Notwithstanding the foregoing, previously-owned Common Stock that has been held by Participant or Common Stock to which Participant is entitled under the Plan may only be used to satisfy the minimum tax withholding required by applicable law (or other rates that will not have a negative accounting impact).

7. **Employee Covenant Agreement.** This Award Agreement and the grant of the Option are subject to Participant's acceptance of and agreement to be bound by the Employee Covenant Agreement which has been provided or made available to Participant with this Award Agreement. The Company would not have granted the Option to Participant without Participant's acceptance of and agreement to be bound by the Employee Covenant Agreement.

8. **Transferability.** The Option may not be transferred, assigned or pledged (whether by operation of law or otherwise), except (i) as provided by will or the applicable laws of intestacy or (ii) in accordance with Section 9.5 of the Plan. The Option shall not be subject to execution, attachment or similar process.

9. **Interpretation/Administration.** This Award Agreement is subject to the terms of the Plan, as the Plan may be amended, but except as required by applicable law, no amendment of the Plan after the Grant Date shall adversely affect Participant's rights in respect of the Option without Participant's consent.

If there is a conflict or inconsistency between this Award Agreement and the Plan, the terms of the Plan shall control. The Committee's interpretation of this Award Agreement and the Plan shall be final and binding.

The authority to manage and control the operation and administration of this Award shall be vested in the Committee, and the Committee shall have all powers with respect to the Award and this Award Agreement as it has with respect to the Plan. Any interpretation of this Award Agreement by the Committee and any decision made by it with respect to the Award or this Award Agreement is final and binding on all persons.

10. **No Employment Rights.** Nothing in this Award Agreement shall be considered to confer on Participant any right to continue in the employ of the Company or a Subsidiary or to limit the right of the Company or a Subsidiary to terminate Participant's employment.

11. **No Stockholder Rights.** Participant shall not have any rights as a stockholder of the Company in respect of any of the Option Shares unless and until shares of Common Stock are issued to Participant following the exercise of the Option.

12. **Governing Law.** This Award Agreement shall be governed in accordance with the laws of the State of Illinois.

13. **Binding Effect.** This Award Agreement shall be binding on the Company and Participant and on Participant's heirs, legatees and legal representatives.

14. **Adjustment.** The Option, the number and kind of shares subject to the Option and the Exercise Price per share shall be subject to adjustment by the Committee in accordance with the terms of the Plan.

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Section 6: EX-10.5 (EX-10.5)

Exhibit 10.5

Participants Eligible for Executive Severance and CIC Plan

Restricted Stock Unit Award

(Stericycle, Inc. 2017 Long-Term Incentive Plan)

Participant: _____

RSU Grant Date: _____

Number of RSUs: _____

Vesting Schedule via as Follows:

THIS RESTRICTED STOCK UNIT AGREEMENT (this "Award Agreement"), dated as of the Grant Date specified above, by and between Stericycle, Inc. (the "Company") and Participant, is entered into pursuant to the Stericycle, Inc. 2017 Long-Term Incentive Plan (as the same may be amended, restated, supplemented and otherwise modified from time to time, the "Plan"). This Award Agreement is subject to the terms and conditions of the Plan.

1. **Defined Terms.** All capitalized terms not otherwise defined in the text of this Award Agreement have the meanings attributed to them in the Plan.

2. **Grant of Restricted Stock Units.** Subject to the terms and conditions of the Plan and this Award Agreement, the Company hereby grants to Participant a Full Value Award under the Plan in the form of restricted stock units ("RSUs"). The RSUs shall vest based on Participant's continued service with the Company and its Subsidiaries as described in Paragraph 3. Each RSU constitutes an unfunded and unsecured promise of the Company to deliver (or cause to be delivered) to Participant a share of Common Stock, or its cash equivalent, subject to the terms and conditions of the Plan and this Award Agreement, and is not an actual share of Common Stock. Prior to settlement, as described in Paragraph 4, RSUs are only bookkeeping entries, either on the Company's own records or on those of E*Trade (or any other record keeper that the Company may use in connection with the administration of the Plan), and Participant shall not have any rights as a stockholder of the Company in respect of his or her RSUs.

3. **Vesting.**

(a) *General Vesting Rules.* This Award shall vest in accordance with the Vesting Schedule set forth above provided that Participant's Termination Date has not occurred as of the applicable Vesting Date. Subject to the terms and conditions of this Award Agreement, the actual number of RSUs that become earned and vested as of a Vesting Date are referred to as "Vested RSUs". All RSUs that become Vested RSUs on a Vesting Date shall be distributed to Participant in accordance with Paragraph 4. Except as otherwise provided by the Committee or this Award Agreement, if Participant's Termination Date occurs for any reason prior to the applicable Vesting Date, then, as of Participant's Termination Date, all then unvested RSUs shall be cancelled and shall be forfeited, none of unvested RSUs shall become Vested RSUs and Participant shall have no rights under or with respect any of the unvested RSUs.

(b) *Special Rules for Death.* Notwithstanding the provisions of subparagraph 3(a), if Participant's Termination Date occurs prior to a Vesting Date on account of Participant's death, then all of the then outstanding unvested RSUs shall immediately vest and the date of Participant's death shall be the "Vesting Date" for such RSUs for purposes of Paragraph 4.

(c) *Employee Covenant Agreement.* This Award is subject to forfeiture and automatic cancellation as provided in the Employee Covenant Agreement referred to in Paragraph 6 of this Award Agreement. In addition, Participant may be required to repay the Company any cash paid in settlement of the Award, and the net proceeds from the sale of any stock issued in settlement of the Award, as also provided in the Employee Covenant Agreement.

(d) *Change of Control.* If (i) a Change of Control occurs prior to a Vesting Date, (ii) on or within 12 months following the Change of Control (the "Protected Period"), Participant's Termination Date occurs as a result of a Qualifying Termination (as defined in subparagraph (e)), and (iii) the Release Requirements (as defined in subparagraph (e)) are satisfied as of the date that is 60 days following Participant's Termination Date, then all of the RSUs then outstanding shall become Vested RSUs and the Termination Date shall be the "Vesting Date" for purposes of Paragraph 4.

(e) For purposes of this Award Agreement:

(i) A "Qualifying Termination" means the occurrence of Participant's Termination Date by reason of (I) termination by the Company or a Subsidiary without Cause or (II) termination by Participant for Good Reason (as defined below).

(ii) Participant's Termination Date shall be considered to have terminated for "Good Reason" if (A) without Participant's consent, one or more of the following actions or omissions occurs: (I) a material reduction in Participant's base salary or bonus opportunity as in effect immediately prior to the Change of Control, (II) a material reduction in the level of Participant's incentive plan participation (without replacement of substantially equal value) as in effect immediately prior to the Change of Control, (III) the elimination (without replacement) of a material benefit provided to Participant immediately prior to the Change of Control, (IV) Participant is required to be based at any office or location more than 50 miles from Participant's office or location in effect immediately prior to the Change of Control, (V) any material diminution in Participant's authority, duties or responsibilities as in effect immediately prior to the Change of Control, or (VI) any material breach of this Award Agreement or the Plan by the Company or the Committee, (B) Participant notifies the Company in writing of the event constituting Good Reason within 90 days after the occurrence of such event and within the Protected Period, (C) the Company has not cured the event constituting Good Reason within 30 days following receipt of the notice from Participant, and (D) Participant terminates employment within 5 days following expiration of the cure period. For the avoidance of doubt, a delay in the delivery of a notice of Good Reason or in Participant's termination

following the lapse of the cure period shall constitute a waiver of Participant's ability to terminate for Good Reason under this Award Agreement.

(iii) The "Release Requirements" will be satisfied as of any date provided that, as of such date, Participant (A) has timely delivered to the Company a general waiver and release of claims in favor of the Company and related parties (the "Release") in such form provided by the Company in its sole discretion and with such terms and conditions (which shall include, but are not limited to, non-competition, non-solicitation, confidentiality, and other restrictive covenants, as well as the events that shall result in the forfeiture, recoupment, and/or claw-back of the benefits provided under this Award Agreement and the Plan) as are reasonably acceptable to the Company, (B) Participant does not revoke the Release, and (C) the revocation period related to such Release has expired.

4. **Settlement.** If any of the RSUs become Vested RSUs, the Award shall be settled with respect to such Vested RSUs as soon as practicable after the applicable Vesting Date, but no later than 45 days after the Vesting Date. Settlement of the Vested RSUs shall be made, in the sole discretion of the Committee, in (a) the form of shares of Common Stock (with one share of Common Stock distributed for each Vested RSU and cash equal in value to any fractional Vested RSU) registered in the name of Participant, (b) a lump sum cash payment equal to the Fair Market Value (determined as of the Vesting Date) of the number of shares of Common Stock determined under subparagraph (a), or (c) a combination of the payment forms described in subparagraphs (a) and (b). Participant shall be entitled to settlement only with respect to Vested RSUs.

5. **Withholding.** This Award and the delivery of shares of the Common Stock or the payment of cash in settlement of the Award pursuant to Paragraph 4 shall be conditioned upon the satisfaction of any applicable withholding tax obligation. Such withholding obligations shall be satisfied through the surrender of shares of Common Stock (or other amounts) to which the Participant is otherwise entitled under the Plan (net withholding) unless the Participant elects to satisfy such withholding (a) through cash payment by the Participant or (b) through the surrender of shares of Common Stock that the Participant already owns. Notwithstanding the foregoing, previously-owned Common Stock that has been held by Participant or Common Stock to which Participant is entitled under the Plan may only be used to satisfy the minimum tax withholding required by applicable law (or other rates that will not have a negative accounting impact).

6. **Employee Covenant Agreement.** This Award Agreement and the grant of RSUs to Participant are subject to Participant's acceptance of and agreement to be bound by the Employee Covenant Agreement which has been provided or made available to Participant with this Award Agreement. The Company would not have granted the Award to Participant without Participant's acceptance of and agreement to be bound by the Employee Covenant Agreement.

7. **Transferability.** None of the RSUs may be transferred, assigned or pledged (whether by operation of law or otherwise), except (i) as provided by will or the applicable laws

of intestacy or (ii) in accordance with Section 9.5 of the Plan. The Award shall not be subject to execution, attachment or similar process.

8. **Interpretation/Administration.** This Award Agreement is subject to the terms of the Plan, as the Plan may be amended, but except as required by applicable law, no amendment of the Plan after the Grant Date shall adversely affect Participant's rights in respect of the RSUs without Participant's consent.

If there is a conflict or inconsistency between this Award Agreement and the Plan, the terms of the Plan shall control. The Committee's interpretation of this Award Agreement and the Plan shall be final and binding.

The authority to manage and control the operation and administration of this Award shall be vested in the Committee, and the Committee shall have all powers with respect to the Award and this Award Agreement as it has with respect to the Plan. Any interpretation of this Award Agreement by the Committee and any decision made by it with respect to the Award or this Award Agreement is final and binding on all persons.

9. **No Employment Rights.** Nothing in this Award Agreement shall be considered to confer on Participant any right to continue in the employ of the Company or a Subsidiary or to limit the right of the Company or a Subsidiary to terminate Participant's employment.

10. **No Stockholder Rights.** Participant shall not have any rights as a stockholder of the Company in respect of any of RSUs unless and until this Award vests and is settled in shares of Common Stock.

11. **Governing Law.** This Award Agreement shall be governed in accordance with the laws of the State of Illinois.

12. **Binding Effect.** This Award Agreement shall be binding on the Company and Participant and on Participant's heirs, legatees and legal representatives.

13. **Effective Date.** This Award shall not become effective until Participant's acceptance of this Award and agreement to be bound by the Employee Covenant Agreement. Upon such acceptance and agreement, this Award shall become effective, retroactive to the Grant Date, without the necessity of further action by either the Company or Participant. If, within 90 days of the Grant Date, this Award is not accepted and/or if the Employee Covenant Agreement is not signed and returned to the Company, the Award shall be forfeited and cancelled and Participant shall have no further rights under or with respect thereto.

14. **Adjustment.** This Award, and the shares of Common Stock subject hereto, shall be subject to adjustment by the Committee in accordance with the terms of the Plan.

15. **Code Section 409A.** It is intended that any amounts payable or benefits provided under this Award Agreement shall either be exempt from or comply with Section 409A of the Code and all regulations, guidance and other interpretive authority issued thereunder ("Code Section 409A") so as not to subject Participant to payment of any additional tax, penalty or interest imposed under Code Section 409A and any ambiguities herein shall be interpreted to so

comply. Neither the Company nor any of the Subsidiaries, however, makes any representation regarding the tax consequences of this Award. Notwithstanding any other provision of this Award Agreement to the contrary, if any payment or benefit hereunder is subject to Code Section 409A, and if such payment or benefit is to be paid or provided on account of Participant's Termination Date (or other separation from service or termination of employment):

(a) _____ and if Participant is a specified employee (within the meaning of section 409A(a)(2)(B) of the Code) and if any such payment or benefit is required to be made or provided prior to the first day of the seventh month following Participant's separation from service or termination of employment, such payment or benefit shall be delayed until the first day of the seventh month following Participant's separation from service; and

(b) _____ the determination as to whether Participant has had a termination of employment (or separation from service) shall be made in accordance with the provisions of Code Section 409A and the guidance issued thereunder without application of any alternative levels of reductions of bona fide services permitted thereunder.

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Section 7: EX-10.6 (EX-10.6)

Exhibit 10.6

Participants Eligible for Executive Severance and CIC Plan

Performance-Based Restricted Stock Unit Award

(Stericycle, Inc. 2017 Long-Term Incentive Plan)

Participant: _____

PSU Grant Date: _____

Number of PSU shares: _____

Performance Period: January 1, 2018 through December 31, 2021 _____

Performance Year: Each calendar year during the Performance Period

THIS PERFORMANCE-BASED RESTRICTED STOCK UNIT AGREEMENT (this "Award Agreement"), dated as of the Grant Date specified above, by and between Stericycle, Inc. (the "Company") and Participant, is entered into pursuant to the Stericycle, Inc. 2017 Long-Term Incentive Plan (as the same may be amended, restated, supplemented and otherwise modified from time to time, the "Plan"). This Award Agreement is subject to the terms and conditions of the Plan.

1. **Defined Terms.** All capitalized terms not otherwise defined in the text of this Award Agreement have the meanings attributed to them in the Plan.

2. **Grant of Performance Restricted Stock Units.** Subject to the terms and conditions of the Plan and this Award Agreement, the Company hereby grants to Participant a Full Value Award under the Plan in the form of performance-based restricted stock units ("Performance Stock Units"). The Performance Stock Units shall vest based on (a) Participant's continued service with the Company and its Subsidiaries and (b) satisfaction of Performance Targets, as described in Paragraph 3. Each Performance Stock Unit constitutes an unfunded and unsecured promise of the Company to deliver (or cause to be delivered) to Participant a share of Common Stock, or its cash equivalent, subject to the terms and conditions of the Plan and this Award Agreement, and is not an actual share of Common Stock. Prior to settlement, as described in Paragraph 4, Performance Stock Units are only bookkeeping entries, either on the Company's own records or on those of E*Trade (or any other record keeper that the Company may use in connection with the administration of the Plan), and Participant shall not have any rights as a stockholder of the Company in respect of his or her Performance Stock Units.

3. **Vesting.**

(a) *Performance Targets.* For each Performance Year during the Performance Period, the Compensation

Committee of the Stericycle Board of Directors (“the Committee”) shall establish performance targets (“Performance Targets”) that shall apply to such Performance Year. The Performance Targets shall be established within the first 90 days of the Performance Year and at a time when the outcome as to the Performance Targets is substantially uncertain. The Performance Targets for the 2018 Performance Year are set forth in Appendix A (which is incorporated into and forms a part of this Award Agreement). The

Performance Targets for Performance Years after 2018 shall be established by the Committee in accordance with this subparagraph (a) and shall be added to (or as a Supplement to) Appendix A for such Performance Year in such form as the Committee determines.

- (b) *General Vesting Rules.* A maximum of one third of the Performance Stock Units may become earned and vested on each of the first, second and third anniversary of the Grant Date (each a “Vesting Date” for the Performance Year ending immediately prior to the applicable anniversary of the Grant Date) provided that Participant’s Termination Date has not occurred as of the applicable Vesting Date. Subject to the terms and conditions of this Award Agreement, the actual number of Performance Stock Units that become earned and vested as of a Vesting Date (“Vested Performance Stock Units”) shall be determined in accordance with Appendix A based on satisfaction of the Performance Targets for the Performance Year. All Performance Stock Units that become Vested Performance Stock Units on a Vesting Date shall be distributed to Participant in accordance with Paragraph 4. Except as otherwise provided by the Committee or this Award Agreement, if Participant’s Termination Date occurs for any reason prior to the applicable Vesting Date for a Performance Year, then, as of Participant’s Termination Date, all then unvested Performance Stock Units shall be cancelled and shall be forfeited, none of unvested Performance Stock Units shall become Vested Performance Stock Units and Participant shall have no rights under or with respect any of the unvested Performance Stock Units.
- (c) *Special Rules for Death.* Notwithstanding the provisions of subparagraph 3(b), if Participant’s Termination Date occurs prior to a Vesting Date on account of Participant’s death, then all of the then outstanding unvested Performance Stock Units shall become Vested Performance Stock Units, without regard to satisfaction of the Performance Targets, and the date of Participant’s death shall be the “Vesting Date” for such Performance Stock Units for purposes of Paragraph 4.
- (d) *Employee Covenant Agreement.* This Award is subject to forfeiture and automatic cancellation as provided in the Employee Covenant Agreement referred to in Paragraph 6 of this Award Agreement. In addition, Participant may be required to repay the Company any cash paid in settlement of the Award, and the net proceeds from the sale of any stock issued in settlement of the Award, as also provided in the Employee Covenant Agreement.
- (e) *Change of Control.* If (i) a Change of Control occurs prior to a Vesting Date, (ii) on or within 12 months following the Change of Control (the “Protected Period”), Participant’s Termination Date occurs as a result of a Qualifying Termination (as defined in subparagraph (e)), and (iii) the Release Requirements (as defined in subparagraph (e)) are satisfied as of the date that is 60 days following Participant’s Termination Date, then all of the Performance Stock Units then outstanding shall become Vested Performance Stock Units at the target level of

performance and the Termination Date shall be the “Vesting Date” for purposes of Paragraph 4.

(f) For purposes of this Award Agreement:

(i) A “Qualifying Termination” means the occurrence of Participant’s Termination Date by reason of (I) termination by the Company or a Subsidiary without Cause or (II) termination by Participant for Good Reason (as defined below).

(ii) Participant’s Termination Date shall be considered to have terminated for “Good Reason” if (A) without Participant’s consent, one or more of the following actions or omissions occurs: (I) a material reduction in Participant’s base salary or bonus opportunity as in effect immediately prior to the Change of Control, (II) a material reduction in the level of Participant’s incentive plan participation (without replacement of substantially equal value) as in effect immediately prior to the Change of Control, (III) the elimination (without replacement) of a material benefit provided to Participant immediately prior to the Change of Control, (IV) Participant is required to be based at any office or location more than 50 miles from Participant’s office or location in effect immediately prior to the Change of Control, (V) any material diminution in Participant’s authority, duties or responsibilities as in effect immediately prior to the Change of Control, or (VI) any material breach of this Award Agreement or the Plan by the Company or the Committee, (B) Participant notifies the Company in writing of the event constituting Good Reason within 90 days after the occurrence of such event and within the Protected Period, (C) the Company has not cured the event constituting Good Reason within 30 days following receipt of the notice from Participant, and (D) Participant terminates employment within 5 days following expiration of the cure period. For the avoidance of doubt, a delay in the delivery of a notice of Good Reason or in Participant’s termination following the lapse of the cure period shall constitute a waiver of Participant’s ability to terminate for Good Reason under this Award Agreement.

(iii) The “Release Requirements” will be satisfied as of any date provided that, as of such date, Participant (A) has timely delivered to the Company a general waiver and release of claims in favor of the Company and related parties (the “Release”) in such form provided by the Company in its sole discretion and with such terms and conditions (which shall include, but are not limited to, non-competition, non-solicitation, confidentiality, and other restrictive covenants, as well as the events that shall result in the forfeiture, recoupment, and/or claw-back of the benefits provided under this Award Agreement and the Plan) as are reasonably acceptable to the Company, (B) Participant does not revoke the Release, and (C) the revocation period related to such Release has expired.

4. **Settlement.** If any of the Performance Stock Units become Vested Performance Stock Units, the Award shall be settled with respect to such Vested Performance Stock Units as

soon as practicable after the applicable Vesting Date but no later than 45 days after the Vesting Date. Settlement of the Vested Performance Stock Units shall be made, in the sole discretion of the Committee, in (a) the form of shares of Common Stock (with one share of Common Stock distributed for each Vested Performance Stock Unit and cash equal in value to any fractional Vested Performance Stock Unit) registered in the name of Participant, (b) a lump sum cash payment equal to the Fair Market Value (determined as of the Vesting Date) of the number of shares of Common Stock determined under subparagraph (a), or (c) a combination of the payment forms described in subparagraphs (a) and (b). Participant shall be entitled to settlement only with respect to Vested Performance Stock Units.

5. **Withholding.** This Award and the delivery of shares of the Common Stock or the payment of cash in settlement of the Award pursuant to Paragraph 4 shall be conditioned upon the satisfaction of any applicable withholding tax obligation. Such withholding obligations shall be satisfied through the surrender of shares of Common Stock (or other amounts) to which the Participant is otherwise entitled under the Plan (net withholding) unless the Participant elects to satisfy such withholding (a) through cash payment by the Participant or (b) through the surrender of shares of Common Stock that the Participant already owns. Notwithstanding the foregoing, previously-owned Common Stock that has been held by Participant or Common Stock to which Participant is entitled under the Plan may only be used to satisfy the minimum tax withholding required by applicable law (or other rates that will not have a negative accounting impact).

6. **Employee Covenant Agreement.** This Award Agreement and the grant of Performance Stock Units to Participant are subject to Participant's acceptance of and agreement to be bound by the Employee Covenant Agreement which has been provided or made available to Participant with this Award Agreement. The Company would not have granted the Award to Participant without Participant's acceptance of and agreement to be bound by the Employee Covenant Agreement.

7. **Transferability.** None of the Performance Stock Units may be transferred, assigned or pledged (whether by operation of law or otherwise), except (i) as provided by will or the applicable laws of intestacy or (ii) in accordance with Section 9.5 of the Plan. The Award shall not be subject to execution, attachment or similar process.

8. **Interpretation/Administration.** This Award Agreement is subject to the terms of the Plan, as the Plan may be amended, but except as required by applicable law, no amendment of the Plan after the Grant Date shall adversely affect Participant's rights in respect of the Performance Stock Units without Participant's consent.

If there is a conflict or inconsistency between this Award Agreement and the Plan, the terms of the Plan shall control. The Committee's interpretation of this Award Agreement and the Plan shall be final and binding.

The authority to manage and control the operation and administration of this Award shall be vested in the Committee, and the Committee shall have all powers with respect to the Award and this Award Agreement as it has with respect to the Plan. Any interpretation of this Award Agreement by the Committee and any decision made by it with respect to the Award or this

Award Agreement is final and binding on all persons.

9. **No Employment Rights.** Nothing in this Award shall be considered to confer on Participant any right to continue in the employ of the Company or a Subsidiary or to limit the right of the Company or a Subsidiary to terminate Participant's employment.

10. **No Stockholder Rights.** Participant shall not have any rights as a stockholder of the Company in respect of any of Performance Stock Units unless and until this Award vests and is settled in shares of Common Stock.

11. **Governing Law.** This Award Agreement shall be governed in accordance with the laws of the State of Illinois.

12. **Binding Effect.** This Award Agreement shall be binding on the Company and Participant and on Participant's heirs, legatees and legal representatives.

13. **Effective Date.** This Award shall not become effective until Participant's acceptance of this Award and agreement to be bound by the Employee Covenant Agreement. Upon such acceptance and agreement, this Award shall become effective, retroactive to the Grant Date, without the necessity of further action by either the Company or Participant. If, within 90 days of the Grant Date, this Award is not accepted and/or if the Employee Covenant Agreement is not signed and returned to the Company, the Award shall be forfeited and cancelled and Participant shall have no further rights under or with respect thereto.

14. **Adjustment.** This Award, and the shares of Common Stock subject hereto, shall be subject to adjustment by the Committee in accordance with the terms of the Plan.

15. **Code Section 409A.** It is intended that any amounts payable or benefits provided under this Award Agreement shall either be exempt from or comply with Section 409A of the Code and all regulations, guidance and other interpretive authority issued thereunder ("Code Section 409A") so as not to subject Participant to payment of any additional tax, penalty or interest imposed under Code Section 409A and any ambiguities herein shall be interpreted to so comply. Neither the Company nor any of the Subsidiaries, however, makes any representation regarding the tax consequences of this Award. Notwithstanding any other provision of this Award Agreement to the contrary, if any payment or benefit hereunder is subject to Code Section 409A, and if such payment or benefit is to be paid or provided on account of Participant's Termination Date (or other separation from service or termination of employment):

- (a) and if Participant is a specified employee (within the meaning of section 409A(a)(2)(B) of the Code) and if any such payment or benefit is required to be made or provided prior to the first day of the seventh month following Participant's separation from service or termination of employment, such payment or benefit shall be delayed until the first day of the seventh month following Participant's separation from service; and
- (b) the determination as to whether Participant has had a termination of employment (or separation from service) shall be made in accordance with the provisions of

Code Section 409A and the guidance issued thereunder without application of any alternative levels of reductions of bona fide services permitted thereunder.

APPENDIX A

Performance Targets

Calculation of Vested Performance Stock Units

Performance Goal—2018 Performance Year

The Performance Goal for the 2018 Performance Year is the Company's non-GAAP earnings per diluted share ("EPS").

Calculation of Vested Performance Units for 2018 Performance Year

Target EPS performance for the 2018 Performance Year is \$4.65 ("Target EPS").

No Performance Stock Units shall become Vested Performance Stock Units for the 2018 Performance Year unless EPS, as certified by the Committee, equals or exceeds 95% of the Target EPS (i.e., only if EPS equals or exceeds \$4.4175).

If EPS for the 2018 Performance Year equals or exceeds 95% of the Target EPS for the 2018 Performance Year, then, subject to the other terms and conditions of the Award Agreement and the Plan (including the continuing employment requirements), the percentage of the Performance Stock Units that shall vest for the 2018 Performance Year as of the Vesting Date for that Performance Year shall be determined in accordance with the following chart.

Executive Performance Shares	
Target EPS	
4.65	
% of Target EPS*	Amount to Vest
>98%	100%
97%	75%
96%	50%
95%	25%
<95%	0%

* % of Target EPS achieved will be rounded to the nearest tenth of a percent and the amount to vest within each point on the grid shall be interpolated on a linear basis.

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Section 8: EX-10.7 (EX-10.7)

Exhibit 10.7

Participants Eligible for Executive
Severance and CIC Plan—Business Transformation 2018

Performance-Based Restricted Stock Unit Award

(Stericycle, Inc. 2017 Long-Term Incentive Plan)

Participant:

PSU Grant Date:

Number of PSU shares:

Performance Period: January 1, 2018 through December 31, 2022

Performance Year: Each calendar year during the Performance Period

THIS PERFORMANCE-BASED RESTRICTED STOCK UNIT AGREEMENT (this “Award Agreement”), dated as of the Grant Date specified above, by and between Stericycle, Inc. (the “Company”) and Participant, is entered into pursuant to the Stericycle, Inc. 2017 Long-Term Incentive Plan (as the same may be amended, restated, supplemented and otherwise modified from time to time, the “Plan”). This Award Agreement is subject to the terms and conditions of the Plan.

1. **Defined Terms.** All capitalized terms not otherwise defined in the text of this Award Agreement have the meanings attributed to them in the Plan.

2. **Grant of Performance Restricted Stock Units.** Subject to the terms and conditions of the Plan and this Award Agreement, the Company hereby grants to Participant a Full Value Award under the Plan in the form of performance-based restricted stock units (“Performance Stock Units”). The Performance Stock Units shall vest based on (a) Participant’s continued service with the Company and its Subsidiaries and (b) satisfaction of Performance Targets, as described in Paragraph 3. Each Performance Stock Unit constitutes an unfunded and unsecured promise of the Company to deliver (or cause to be delivered) to Participant a share of Common Stock, or its cash equivalent, subject to the terms and conditions of the Plan and this Award Agreement, and is not an actual share of Common Stock. Prior to settlement, as described in Paragraph 4, Performance Stock Units are only bookkeeping entries, either on the Company’s own records or on those of E*Trade (or any other record keeper that the Company may use in connection with the administration of the Plan), and Participant shall not have any rights as a stockholder of the Company in respect of his or her Performance Stock Units.

3. **Vesting.**

- (a) *Performance Targets.* For each Performance Year during the Performance Period, the Compensation Committee of the Stericycle Board of Directors (“the Committee”) shall establish performance targets (“Performance Targets”) that shall apply to such Performance Year. The Performance Targets shall be established within the first 90 days of the Performance Year and at a time when the outcome as to the Performance Targets is substantially uncertain. The Performance Targets for the 2018 Performance Year are set forth in Appendix A (which is incorporated into and forms a part of this Award Agreement). The Performance Targets for Performance Years after 2018 shall be established by the Committee in accordance with this subparagraph (a) and shall be added to (or as a Supplement to) Appendix A for such Performance Year in such form as the Committee determines.
- (b) *General Vesting Rules.* A maximum of 25% of the Performance Stock Units may become earned and vested on each of the first, second, third and fourth anniversary of the Grant Date (each a “Vesting Date” for the Performance Year ending immediately prior to the applicable anniversary of the Grant Date) provided that Participant’s Termination Date has not occurred as of the

applicable Vesting Date. Subject to the terms and conditions of this Award Agreement, the actual number of Performance Stock Units that become earned and vested as of a Vesting Date (“Vested Performance Stock Units”) shall be determined in accordance with Appendix A based on satisfaction of the Performance Targets for the Performance Year. All Performance Stock Units that become Vested Performance Stock Units on a Vesting Date shall be distributed to Participant in accordance with Paragraph 4. Except as otherwise provided by the Committee or this Award Agreement, if Participant’s Termination Date occurs for any reason prior to the applicable Vesting Date for a Performance Year, then, as of Participant’s Termination Date, all then unvested Performance Stock Units shall be cancelled and shall be forfeited, none of unvested Performance Stock Units shall become Vested Performance Stock Units and Participant shall have no rights under or with respect any of the unvested Performance Stock Units.

- (c) *Special Rules for Death.* Notwithstanding the provisions of subparagraph 3(b), if Participant’s Termination Date occurs prior to a Vesting Date on account of Participant’s death, then all of the then outstanding unvested Performance Stock Units shall become Vested Performance Stock Units, without regard to satisfaction of the Performance Targets, and the date of Participant’s death shall be the “Vesting Date” for such Performance Stock Units for purposes of Paragraph 4.
- (d) *Employee Covenant Agreement.* This Award is subject to forfeiture and automatic cancellation as provided in the Employee Covenant Agreement referred to in Paragraph 6 of this Award Agreement. In addition, Participant may be required to repay the Company any cash paid in settlement of the Award, and the net proceeds from the sale of any stock issued in settlement of the Award, as also provided in the Employee Covenant Agreement.
- (e) *Change of Control.* If (i) a Change of Control occurs prior to a Vesting Date, (ii) on or within 12 months following the Change of Control (the “Protected Period”), Participant’s Termination Date occurs as a result of a Qualifying Termination (as defined in subparagraph (e)), and (iii) the Release Requirements (as defined in subparagraph (e)) are satisfied as of the date that is 60 days following Participant’s Termination Date, then all of the Performance Stock Units then outstanding shall become Vested Performance Stock Units at the target level of performance and the Termination Date shall be the “Vesting Date” for purposes of Paragraph 4.

(f) For purposes of this Award Agreement:

(i) A “Qualifying Termination” means the occurrence of Participant’s Termination Date by reason of (I) termination by the Company or a Subsidiary without Cause or (II) termination by Participant for Good Reason (as defined below).

(ii) Participant’s Termination Date shall be considered to have terminated for “Good Reason” if (A) without Participant’s consent, one or more of the following actions or omissions occurs: (I) a material reduction in Participant’s base salary or bonus opportunity as in effect immediately prior to the Change of Control, (II) a material reduction in the level of Participant’s incentive plan participation (without replacement of substantially equal value) as in effect immediately prior to the Change of Control, (III) the elimination (without replacement) of a material benefit provided to Participant immediately prior to the Change of Control, (IV) Participant is required to be based at any office or location more than 50 miles from Participant’s office or location in effect immediately prior to the Change of Control, (V) any material diminution in Participant’s authority, duties or responsibilities as in effect immediately prior to the Change of Control, or (VI) any material breach of this Award Agreement or the Plan by the Company or the Committee, (B) Participant notifies the Company in writing of the event constituting Good Reason within 90 days after the occurrence of such event and within the Protected Period, (C) the Company has not cured the event constituting Good Reason within 30 days following receipt of the notice from Participant, and (D) Participant terminates employment within 5 days following expiration of the cure period. For the avoidance of doubt, a delay in the delivery of a notice of Good Reason or in Participant’s termination following the lapse of the cure

period shall constitute a waiver of Participant's ability to terminate for Good Reason under this Award Agreement.

(iii) The "Release Requirements" will be satisfied as of any date provided that, as of such date, Participant (A) has timely delivered to the Company a general waiver and release of claims in favor of the Company and related parties (the "Release") in such form provided by the Company in its sole discretion and with such terms and conditions (which shall include, but are not limited to, non-competition, non-solicitation, confidentiality, and other restrictive covenants, as well as the events that shall result in the forfeiture, recoupment, and/or claw-back of the benefits provided under this Award Agreement and the Plan) as are reasonably acceptable to the Company, (B) Participant does not revoke the Release, and (C) the revocation period related to such Release has expired.

4. **Settlement.** If any of the Performance Stock Units become Vested Performance Stock Units, the Award shall be settled with respect to such Vested Performance Stock Units as soon as practicable after the applicable Vesting Date but no later than 45 days after the Vesting Date. Settlement of the Vested Performance Stock Units shall be made, in the sole discretion of the Committee, in (a) the form of shares of Common Stock (with one share of Common Stock distributed for each Vested Performance Stock Unit and cash equal in value to any fractional Vested Performance Stock Unit) registered in the name of Participant, (b) a lump sum cash payment equal to the Fair Market Value (determined as of the Vesting Date) of the number of shares of Common Stock determined under subparagraph (a), or (c) a combination of the payment forms described in subparagraphs (a) and (b). Participant shall be entitled to settlement only with respect to Vested Performance Stock Units.

5. **Withholding.** This Award and the delivery of shares of the Common Stock or the payment of cash in settlement of the Award pursuant to Paragraph 4 shall be conditioned upon the satisfaction of any applicable withholding tax obligation. Such withholding obligations shall be satisfied through the surrender of shares of Common Stock (or other amounts) to which the Participant is otherwise entitled under the Plan (net withholding) unless the Participant elects to satisfy such withholding (a) through cash payment by the Participant or (b) through the surrender of shares of Common Stock that the Participant already owns. Notwithstanding the foregoing, previously-owned Common Stock that has been held by Participant or Common Stock to which Participant is entitled under the Plan may only be used to satisfy the minimum tax withholding required by applicable law (or other rates that will not have a negative accounting impact).

6. **Employee Covenant Agreement.** This Award Agreement and the grant of Performance Stock Units to Participant are subject to Participant's acceptance of and agreement to be bound by the Employee Covenant Agreement which has been provided or made available to Participant with this Award Agreement. The Company would not have granted the Award to Participant without Participant's acceptance of and agreement to be bound by the Employee Covenant Agreement.

7. **Transferability.** None of the Performance Stock Units may be transferred, assigned or pledged (whether by operation of law or otherwise), except (i) as provided by will or the applicable laws of intestacy or (ii) in accordance with Section 9.5 of the Plan. The Award shall not be subject to execution, attachment or similar process.

8. **Interpretation/Administration.** This Award Agreement is subject to the terms of the Plan, as the Plan may be amended, but except as required by applicable law, no amendment of the Plan after the Grant Date shall adversely affect Participant's rights in respect of the Performance Stock Units without Participant's consent.

If there is a conflict or inconsistency between this Award Agreement and the Plan, the terms of the Plan shall control. The Committee's interpretation of this Award Agreement and the Plan shall be final and binding.

The authority to manage and control the operation and administration of this Award shall be vested in the Committee, and the Committee shall have all powers with respect to the Award and this Award Agreement as it has with respect to the Plan. Any interpretation of this Award Agreement by the Committee and any decision made by it

with respect to the Award or this Award Agreement is final and binding on all persons.

9. **No Employment Rights.** Nothing in this Award shall be considered to confer on Participant any right to continue in the employ of the Company or a Subsidiary or to limit the right of the Company or a Subsidiary to terminate Participant's employment.

10. **No Stockholder Rights.** Participant shall not have any rights as a stockholder of the Company in respect of any of Performance Stock Units unless and until this Award vests and is settled in shares of Common Stock.

11. **Governing Law.** This Award Agreement shall be governed in accordance with the laws of the State of Illinois.

12. **Binding Effect.** This Award Agreement shall be binding on the Company and Participant and on Participant's heirs, legatees and legal representatives.

13. **Effective Date.** This Award shall not become effective until Participant's acceptance of this Award and agreement to be bound by the Employee Covenant Agreement. Upon such acceptance and agreement, this Award shall become effective, retroactive to the Grant Date, without the necessity of further action by either the Company or Participant. If, within 90 days of the Grant Date, this Award is not accepted and/or if the Employee Covenant Agreement is not signed and returned to the Company, the Award shall be forfeited and cancelled and Participant shall have no further rights under or with respect thereto.

14. **Adjustment.** This Award, and the shares of Common Stock subject hereto, shall be subject to adjustment by the Committee in accordance with the terms of the Plan.

15. **Code Section 409A.** It is intended that any amounts payable or benefits provided under this Award Agreement shall either be exempt from or comply with Section 409A of the Code and all regulations, guidance and other interpretive authority issued thereunder ("Code Section 409A") so as not to subject Participant to payment of any additional tax, penalty or interest imposed under Code Section 409A and any ambiguities herein shall be interpreted to so comply. Neither the Company nor any of the Subsidiaries, however, makes any representation regarding the tax consequences of this Award. Notwithstanding any other provision of this Award Agreement to the contrary, if any payment or benefit hereunder is subject to Code Section 409A, and if such payment or benefit is to be paid or provided on account of Participant's Termination Date (or other separation from service or termination of employment):

- (a) and if Participant is a specified employee (within the meaning of section 409A(a)(2)(B) of the Code) and if any such payment or benefit is required to be made or provided prior to the first day of the seventh month following Participant's separation from service or termination of employment, such payment or benefit shall be delayed until the first day of the seventh month following Participant's separation from service; and
- (b) the determination as to whether Participant has had a termination of employment (or separation from service) shall be made in accordance with the provisions of Code Section 409A and the guidance issued thereunder without application of any alternative levels of reductions of bona fide services permitted thereunder.

APPENDIX A

Performance Targets

Calculation of Vested Performance Stock Units

The Performance Targets for the 2018 Performance Year shall be as follows:

EBITDA TARGET:

Up to 50% of the Performance Stock Units that would otherwise vest under the Award Agreement based on satisfaction of Performance Targets for the 2018 Performance Year shall vest based on EBITDA performance determined as follows:

EBITDA TARGET WITHOUT BONUS ⁽¹⁾	PERCENT ACHIEVEMENT ^{(2) (3)}	AMOUNT TO VEST
\$834,000,000	100%	100%
\$825,660,000	99%	99%
\$817,320,000	98%	98%
\$808,980,000	97%	90%
\$800,640,000	96%	75%
\$792,300,000	95%	60%
\$783,960,000	94%	45%
\$775,620,000	93%	30%
\$767,280,000	92%	25%
\$758,940,000	91%	15%
\$750,600,000	90%	10%
Less than \$750,600,000 BELOW RANGE	0%	0%

(1) EBITDA goal of \$834,000,000 is above the Board budget of \$800,000,000 because bonus impact is excluded

(2) Achievement to be rounded to the nearest tenth of a percentage and the payout table to be applied accordingly; performance within each point in the grid shall be interpolated on a linear basis.

(3) Management reserves the right to make adjustments for fluctuations in paper or foreign exchange.

SAVINGS ACHIEVEMENT TARGET:

Up to 50% of the Performance Stock Units that would otherwise vest under the Award Agreement based on satisfaction of Performance Targets for the 2018 Performance Year shall vest based on Savings Achievement performance determined as follows:

SAVINGS TARGET	PERCENT ACHIEVEMENT ⁽¹⁾ ⁽²⁾	AMOUNT TO VEST
\$125,000,000	100%	100%
\$123,750,000	99%	99%
\$122,500,000	98%	98%
\$121,250,000	97%	90%
\$120,000,000	96%	75%
\$118,750,000	95%	60%
\$117,500,000	94%	45%
\$116,250,000	93%	30%
\$115,000,000	92%	25%
\$113,750,000	91%	15%
\$112,500,000	90%	10%
Less than \$112,500,000 BELOW RANGE	0%	0%

- (1) Achievement to be rounded to the nearest tenth of a percentage and the payout table to be applied accordingly; performance within each point in the grid shall be interpolated on a linear basis.
- (2) Management reserves the right to make adjustments for fluctuations in paper or foreign exchange.