



VBC HOLDING CORP INC.

STOCK OWNERSHIP GUIDELINES

(EFFECTIVE AS OF JAN 9, 2023)

VBC Holding Corp Inc. (the “**Company**”) believes that in order to further align the interests of the Company’s “executive officers” (within the meaning of Rule 3b-7 of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”)) (“**Executive Officers**”) and the non-employee members of the Company’s Board of Directors (the “**Board**,” and such non-employee members, “**directors**”) with those of its stockholders, its Executive Officers and directors should have a financial stake in the Company. These stock ownership guidelines (the “**Guidelines**”) were adopted as of January 9, 2023 (the “**Effective Date**”). Such Executive Officers and directors are required to own the following minimum number of shares:

- Executive Officers: the lesser of (x) 15,000 shares and (y) shares with a value equivalent to one million five hundred thousand dollars (\$1,500,000); or
- Directors: the lesser of (x) 5,000 shares and (y) shares with a value equivalent to five hundred thousand dollars (\$500,000).

Notwithstanding the foregoing, it is acknowledged that Fredrick D. Scott, through holdings by affiliated entities, currently has stock ownership significantly in excess of the above-enumerated minimum ownership thresholds. Accordingly, if Mr. Scott’s stock holdings, including holdings by affiliated entities, were in the future to fall below 1% of the Company’s total outstanding capital stock, the Compensation, Nominating & Governance Committee of the Board (the “**Committee**”) will reassess appropriate stock ownership requirements applicable to Mr. Scott in his capacity as an Executive Officer.

The minimum number of shares required to be held by an Executive Officer or director is referred to herein as such Executive Officer’s or director’s “**Target Ownership**.” Each Executive Officer is required to meet and thereafter maintain his or her Target Ownership within five years of becoming an Executive Officer (or, if later, five years following the Effective Date). Each director is required to meet and thereafter maintain his or her Target Ownership within five years of becoming a director (or, if later, five years following the Effective Date); provided that each director serving as of the Effective Date shall be subject to the Guideline of holding the lesser of (x) 2,500 shares and (y) shares with a value equivalent to two hundred and fifty thousand dollars (\$250,000) within five years of becoming a director (or, if later, five years following the Effective Date). The Committee will reassess such Target Ownership requirements every five years following the Effective Date, taking into account the Company’s stock price levels and other factors as appropriate.

Notwithstanding the foregoing, a director or Executive Officer who met his or her Target Ownership by the applicable deadline set forth above, but whose ownership drops below the Target Ownership due to circumstances beyond his or her control (e.g., significant declines in the Company’s stock price) (“**Extenuating Circumstances**”), will be deemed to be in compliance with the Guidelines *provided* that such director or Executive Officer (x) shall cause any trading plan established pursuant to SEC Rule 10b5-1 (a “**10b5-1 Trading Plan**”) that he or she adopts or modifies after such time to sell no more than 50% of his or her Future Shares (as defined below)



until such time as the director or Executive Officer again meets his or her Target Ownership, and (y) shall not otherwise dispose of more than 50% of his or her Future Shares until such time as the director or Executive Officer again meets his or her Target Ownership. For the avoidance of doubt, the foregoing requirements shall not apply to sales executed pursuant to a 10b5-1 Trading Plan that was in effect prior to the time such director's or Executive Officer's ownership dropped below the Target Ownership due to Extenuating Circumstances, unless the director or Executive Officer modifies such 10b5-1 Trading Plan after such time. "**Future Shares**" refers to shares acquired by the director or Executive Officer (excluding any shares withheld by the Company for purposes of satisfying applicable tax obligations) following such time his or her ownership dropped below the Target Ownership due to Extenuating Circumstances. In determining compliance with the Guidelines, the Committee may also evaluate whether exceptions to the Guidelines should be made for a particular Executive Officer or director who would incur a hardship by complying with the Guidelines, including, but not limited to, allowing Executive Officers and directors additional time to comply with or regain compliance, and/or suspending ownership requirements in the event of significant declines in the Company's stock price.

Only shares of the Company's Class A Common Stock ("**Class A Common Stock**") (or shares convertible into Class A Common Stock) that are beneficially owned (as defined under Rule 13d-3 of the Exchange Act) by an individual in the following forms will be considered in determining whether an individual's Target Ownership has been met:

- Shares owned directly by the individual or his or her immediate family members residing in the same household;
- Shares held in a trust for the benefit of the individual or his or her immediate family members residing in the same household; and
- Shares owned by a partnership, limited liability company or other entity to the extent of the individual's interest therein (or the interest therein of his or her immediate family members residing in the same household), but only if the individual has or shares power to vote or dispose of the shares.

In addition, vested and unexercised "in-the-money" stock options, vested performance stock units or restricted stock units, shares acquired through the Company's Equity Incentive Plan or other equity-based compensation plans, and shares owned in a 401(k) account, will be considered in determining whether an individual's Target Ownership has been met. For purposes of these Guidelines, unvested restricted stock, restricted stock units and performance stock units and unvested stock options will not be considered when determining whether an individual's Target Ownership has been met.

Except as otherwise expressly noted herein, the Guidelines shall be administered by the Company's Corporate Secretary. The Corporate Secretary shall have the authority to construe and interpret the Guidelines and make all other determinations necessary or advisable for the administration of the Guidelines in furtherance of the intent of the Committee.

The Committee reserves the right to modify or amend the Guidelines at any time.