
Section 1: 8-K (FORM 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): 6/08/2018

UMB FINANCIAL CORPORATION
(Exact name of registrant as specified in its charter)

Commission File Number: 001-38481

MO
(State or other jurisdiction
of incorporation)

43-0903811
(IRS Employer
Identification No.)

1010 Grand Blvd., Kansas City, MO 64106
(Address of principal executive offices, including zip code)

(816) 860-7000
(Registrant's telephone number, including area code)

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

As previously reported, on April 24, 2018, UMB Financial Corporation (the “Company”) held its 2018 annual meeting of shareholders where its shareholders approved the UMB Financial Corporation Omnibus Incentive Compensation Plan (the “Plan”). The Plan replaces the UMB Long-Term Incentive Compensation Plan that was last approved by the Company’s shareholders in 2013. The material terms of the Plan are described in “Proposal #4 – Approval of the UMB Financial Corporation Omnibus Incentive Compensation Plan” in the Company’s definitive proxy statement on Schedule 14A filed with the Securities and Exchange Commission on March 13, 2018, which description is hereby incorporated by reference herein. A copy of the Plan is attached hereto as Exhibit 10.1 and is hereby incorporated by reference herein.

On June 8, 2018, the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of the Company, approved a template Performance Share Unit Award Agreement (the “Award Agreement”) for performance share unit awards granted under the Plan. A copy of the template Award Agreement, which the Company expects to use for all Company employees and Company-affiliate employees receiving performance share unit awards under the Plan, including Section 16 officers, is attached as Exhibit 10.2 and is hereby incorporated by reference herein.

The Award Agreement sets a performance period lasting approximately three (3) years over which the performance of the Company will be measured (the “Performance Period”). The performance share units awarded under the Award Agreement (the “PSUs”) will vest only upon achievement of the applicable performance criteria during the Performance Period. The grantee may earn between 0% and 200% of the target PSUs set forth in their Award Agreement (the “Target PSUs”), depending on achievement of the performance criteria. The performance criteria is determined 50% on the achievement of a three-year cumulative core after-tax earnings per share of the Company (“EPS”) target of an amount set by the Committee, and 50% on the realization of a three-year average return on tangible common equity (“ROTCE”) target set by the Committee. The number of the EPS PSUs earned by a grantee is determined by multiplying 50% of the Target PSUs by the PSU percentage assigned to the EPS percentage achieved, with interpolation in between the percentages, up to a maximum of 200% of the target amount. The number of the ROTCE PSUs earned by the grantee is determined by multiplying 50% of the Target PSUs by the PSU percentage assigned to the ROTCE percentage achieved, with interpolation in between the percentages, up to a maximum of 200% of the target amount. As soon as practicable following the vesting, the Company will issue the grantee the number of shares of Company common stock equal to the PSUs vested, rounded down to the nearest whole share. The PSUs may be subject to partial accelerated vesting in the case of termination of employment due to death or disability, or termination of employment without cause or for good reason following a change in control, in each case if and to the extent that the Target PSUs would have vested on the date of such event if such date were the last day of the Performance Period. The specific calculations, percentages, and other applicable terms of the PSUs are described in more detail in the Award Agreement attached as Exhibit 10.2.

On June 8, 2018, the Committee awarded the number of Target PSUs to the Company’s named executive officers as set forth in the table below.

<u>Name</u>	<u>Target PSUs</u>
J. Mariner Kemper	15,016
Ram Shankar	1,351
Michael D. Hagedorn	4,317
Thomas S. Terry	1,220
Kevin M. Macke	1,156

Item 9.01 Financial Statements and Exhibits

Exhibit 10.1 [UMB Financial Corporation Omnibus Incentive Compensation Plan](#)

Exhibit 10.2 [Performance Share Unit Award Agreement](#)

without regard to any liabilities associated with such assets. The foregoing subsections (i) through (iv) shall be interpreted in a manner that is consistent with the Treasury Regulations promulgated pursuant to section 409A of the Code so that all, and only, such transactions or events that could qualify as a “change-in-control event” within the meaning of Treasury Regulation §1.409A-3(i)(5)(i) will be deemed to be a Change-in-Control for purposes of this Plan.

2.5 “Code” means the Internal Revenue Code of 1986, as amended from time to time, and all regulations, interpretations, and administrative guidance issued thereunder.

2.6 “Committee” means the Compensation Committee of the Board of Directors or such other committee as the Board of Directors shall appoint from time to time to administer the Plan and to otherwise exercise and perform the authority and functions assigned to the Committee under the terms of the Plan.

2.7 “Common Stock” means the Plan Sponsor’s common stock, or any other security into which the common stock shall be changed pursuant to the adjustment provisions of Article X of the Plan.

2.8 “Company” means UMB Financial Corporation and all of its Subsidiaries, collectively.

2.9 “Deferred Compensation Plan” means any plan, agreement, or arrangement maintained by the Company from time to time that provides opportunities for deferral of compensation.

2.10 “Effective Date” means April 24, 2018, which is the date the Plan is approved by shareholders of the Plan Sponsor, and which follows the adoption of the Plan by the Board of Directors on January 23, 2018.

2.11 “Employment” means the period during which an individual is classified or treated by the Company as an employee or non-employee director of the Company, as applicable.

2.12 “Exchange Act” means the Securities Exchange Act of 1934, as amended.

2.13 “Fair Market Value” means, with respect to a share of Common Stock, as of the applicable date of determination (or if the market is not open for trading on such date, the immediately preceding day on which the market is open for trading), the closing price as reported on the date of determination on the principal securities exchange on which shares of Common Stock are then listed or admitted to trading (or if shares of Common Stock are then principally traded on a national securities exchange, in the reported “composite transactions” for such exchange). In the event that the price of a share of Common Stock shall not be so reported, the Fair Market Value of a share of Common Stock shall be determined by the Committee in its sole discretion.

2.14 “Incentive Award” means one or more Stock Incentive Awards and/or Cash Incentive Awards, collectively.

-
- 2.15 “Option” means a stock option to purchase shares of Common Stock granted to a Participant pursuant to Article VI.
- 2.16 “Other Stock-Based Award” means an award granted to a Participant pursuant to Article VII.
- 2.17 “Participant” means an employee or director of the Company who is eligible to participate in the Plan and to whom one or more Incentive Awards have been granted pursuant to the Plan and have not been fully settled or cancelled and, following the death of any such person, his successors, heirs, executors, and administrators, as the case may be.
- 2.18 “Performance Measures” means such measures as are described in Article IX on which performance goals are based.
- 2.19 “Person” means a “person” as such term is used in section 13(d) and 14(d) of the Exchange Act, including any “group” within the meaning of section 13(d)(3) under the Exchange Act.
- 2.20 “Plan” means the UMB Financial Corporation Omnibus Incentive Compensation Plan, as it may be amended from time to time.
- 2.21 “Plan Sponsor” means UMB Financial Corporation, and any successors thereto.
- 2.22 “Securities Act” means the Securities Act of 1933, as amended.
- 2.23 “Stock Incentive Award” means an Option or Other Stock-Based Award granted pursuant to the terms of the Plan.
- 2.24 “Subsidiary” means any “subsidiary” within the meaning of Rule 405 under the Securities Act.
- 2.25 “Target Award” means target payout amount for an Incentive Award.
- 2.26 “Voting Power” means the number of votes available to be cast (determined by reference to the maximum number of votes entitled to be cast by the holders of Voting Securities, or by the holders of any Voting Securities for which other Voting Securities may be convertible, exercisable, or exchangeable, upon any matter submitted to shareholders where the holders of all Voting Securities vote together as a single class) by the holders of Voting Securities.
- 2.27 “Voting Securities” means any securities or other ownership interests of an entity entitled, or which may be entitled, to matters submitted to Persons holding such securities or other ownership interests in such entity generally (whether or not entitled to vote in the general election of directors), or securities or other ownership interests which are convertible into, or exercisable in exchange for, such Voting Securities, whether or not subject to the passage of time or any contingency.

ARTICLE III.
STOCK SUBJECT TO THE PLAN AND LIMITATIONS ON CASH INCENTIVE AWARDS

3.1 Stock Subject to the Plan

3.1.1 The maximum number of shares of Common Stock that may be covered by Incentive Awards granted under the Plan shall not exceed 1,500,000 shares of Common Stock, plus (i) any shares of Common Stock that, as of the Effective Date, have been reserved but not issued pursuant to any awards granted under the Company's Long-Term Incentive Compensation Plan (As Amended and Restated Effective April 23, 2013) (the "Predecessor Plan"), and (ii) any shares subject to stock options or awards granted under the Predecessor Plan that, on or after the Effective Date, expire or otherwise terminate without having been exercised in full, or are forfeited to the Company due to failure to vest. The number of shares of Common Stock to be added to the Plan pursuant to clause (i) is 1,551,726 and the maximum number of shares of Common Stock to be added to the Plan pursuant to clause (ii) is 2,345,489 (representing 904,830 shares of stock underlying outstanding options and 503,727 shares of restricted stock, calculated at 2.86 shares for each share of restricted stock), such that the maximum aggregate shares of Common Stock that may be issued under this Plan is 5,397,215, the entirety of which may be covered by Options that are designated as "incentive stock options" within the meaning of section 422 of the Code, and the entirety of which is subject to adjustment as provided in Article X and the following provisions of this Article III. Of the shares described, one hundred percent may be delivered in connection with "full-value Awards," meaning Incentive Awards other than Options or stock appreciation rights; provided, however, that any shares granted under Options or stock appreciation rights shall be counted against the share limit on a one-for-one basis and any shares granted as full-value Incentive Awards shall be counted against the share limit as 2.86 shares for every one share subject to such Incentive Award. Shares of Common Stock issued under the Plan may be authorized and unissued shares, treasury shares, shares purchased by the Company in the open market, or any combination of the preceding categories as the Committee determines in its sole discretion.

3.1.2 Contingent on and effective as of the Effective Date of this Plan, no further grants or awards may be made under the Predecessor Plan. Each outstanding grant or award under the Predecessor Plan immediately prior to the Effective Date shall continue to be governed solely by the terms and conditions of the Predecessor Plan and the instruments evidencing such grant or award.

3.1.3 For purposes of paragraph 3.1.1, shares of Common Stock covered by Incentive Awards shall only be counted as used to the extent they are actually issued and delivered to a Participant (or such Participant's permitted transferees as described in the Plan) pursuant to the Plan; provided, however, that if an Incentive Award is settled for cash or if shares of Common Stock are withheld to pay the exercise price of an Option or to satisfy any tax withholding requirement in connection with an Incentive Award, the shares issued (if any) in connection with such settlement, the shares in respect of which the Incentive Award was cash-settled, and the shares withheld, will be deemed delivered for purposes of determining the number of shares of Common Stock that are available for delivery under the Plan. If shares of Common Stock are issued subject to conditions which may result in the forfeiture, cancellation or return of such shares to the Company, any portion of the shares forfeited, cancelled, or returned shall be treated as not issued pursuant to the Plan.

3.1.4 Shares of Common Stock covered by Incentive Awards granted pursuant to the Plan in connection with the assumption, replacement, conversion, or adjustment of outstanding equity-based awards in the context of a corporate acquisition or merger (within the meaning of Nasdaq Listing Rule 5635) shall not count as used under the Plan for purposes of this Article III.

3.2 Non-Employee Director Award Limits

Subject to adjustment as provided in Article X, the maximum value of shares of Common Stock that may be covered by Incentive Awards granted under the Plan to all of the Company's non-employee directors in any calendar year shall not exceed \$1 million (calculated at the time of grant).

ARTICLE IV.
ADMINISTRATION OF THE PLAN

The Plan shall be administered by a Committee of the Board of Directors consisting of two or more persons, each of whom qualifies as a "non-employee director" (within the meaning of Rule 16b-3 promulgated under section 16 of the Exchange Act) and as "independent" as required by Nasdaq or any security exchange on which the Common Stock is listed, in each case if and to the extent required by applicable law or necessary to meet the requirements of such rule, section, or listing requirement at the time of determination. The Committee shall, consistent with the terms of the Plan, from time to time designate those individuals who shall be granted Incentive Awards under the Plan and the amount, type, and other terms and conditions of such Incentive Awards. All of the powers and responsibilities of the Committee under the Plan may be delegated by the Committee, in writing, to any subcommittee thereof, in which case the acts of such subcommittee shall be deemed to be acts of the Committee hereunder. The Committee may also from time to time authorize a subcommittee consisting of one or more members of the Board of Directors (including members who are employees of the Company) or employees of the Company to grant Incentive Awards to persons who are not "executive officers" of the Company (within the meaning of Rule 16a-1 under the Exchange Act), subject to such restrictions and limitations as the Committee may specify and to the requirements of Missouri law.

The Committee shall have full discretionary authority to administer the Plan, including discretionary authority to interpret and construe any and all provisions of the Plan and any Award Agreement thereunder, and to adopt, amend, and rescind from time to time such rules and regulations for the administration of the Plan. Decisions of the Committee shall be final, binding, and conclusive on all parties. For the avoidance of doubt, the Committee may exercise all discretion granted to it under the Plan in a non-uniform manner among Participants.

The Committee may delegate the administration of the Plan to one or more officers or employees of the Company, and such administrator(s) may have the authority to execute and distribute Award Agreements, to maintain records relating to Incentive Awards, to process or oversee the issuance of Common Stock under Incentive Awards, to interpret and administer the

terms of Incentive Awards, and to take such other actions as may be necessary or appropriate for the administration of the Plan and of Incentive Awards under the Plan, provided that in no case shall any such administrator be authorized (i) to grant Incentive Awards under the Plan (except in connection with any delegation made by the Committee pursuant to the first paragraph of this Article IV), (ii) to take any action that in the Committee's interpretation is more likely than not to result in the imposition of additional taxation under section 409A of the Code or (iii) to take any action inconsistent with applicable provisions of Missouri law. Any action by any such administrator within the scope of its delegation shall be deemed for all purposes to have been taken by the Committee and, except as otherwise specifically provided, references in this Plan to the Committee shall include any such administrator. The Committee and, to the extent it so provides, any subcommittee, shall have sole authority to determine whether to review any actions and/or interpretations of any such administrator, and if the Committee shall decide to conduct such a review, any such actions and/or interpretations of any such administrator shall be subject to approval, disapproval, or modification by the Committee.

On or after the date of grant of an Incentive Award under the Plan, the Committee may (i) accelerate the date on which any such Incentive Award becomes vested, exercisable, or transferable, as the case may be, but only on account of Change in Control, death or disability, (ii) extend the term of any such Incentive Award, including, without limitation, extending the period following a termination of a Participant's Employment during which any such Incentive Award may remain outstanding, (iii) waive any conditions to the vesting, exercisability, or transferability, as the case may be, of any such Incentive Award or (iv) provide for the payment of dividends or dividend equivalents with respect to any such Incentive Award (which shall not be payable until the underlying Incentive Awards become vested); provided, that the Committee shall not have any such authority to the extent that the grant of such authority would cause any tax to become due under section 409A of the Code. Notwithstanding anything herein to the contrary, the Company shall not reprice any stock option without the approval of the shareholders of the Plan Sponsor, nor shall the Company purchase underwater options for cash. For purposes of the Plan, repricing means any of the following or any other action that has the same effect: (a) lowering the exercise price of an Option or stock appreciation right after it is granted; (b) any other action that is treated as a repricing under the generally accepted accounting principles; or (c) repurchasing for cash or cancelling an Option or stock appreciation right at a time when its exercise price exceeds the fair market value of the underlying stock in exchange for another option, restricted stock, or other equity unless the cancellation and exchange occurs in connection with an adjustment pursuant to Section 10.3.

No member of the Committee shall be liable for any action, omission, or determination relating to the Plan, and the Plan Sponsor shall indemnify and hold harmless each member of the Committee and each other director or employee of the Company to whom any duty or power relating to the administration or interpretation of the Plan has been delegated, against any cost or expense (including counsel fees) or liability (including any sum paid in settlement of a claim with the approval of the Committee) arising out of any action, omission, or determination relating to the Plan, unless, in either case, such action, omission, or determination was taken or made by such member, director, or employee in bad faith and without reasonable belief that it was in the best interests of the Company.

**ARTICLE V.
ELIGIBILITY**

The Persons who shall be eligible to receive Incentive Awards pursuant to the Plan shall be those employees and non-employee directors of the Company whom the Committee shall select from time to time, including officers of the Plan Sponsor, whether or not they are directors. Each Incentive Award granted under the Plan shall be evidenced by an Award Agreement.

**ARTICLE VI.
OPTIONS**

The Committee may from time to time grant Options on such terms as it shall determine, subject to the terms and conditions set forth in the Plan. The Award Agreement shall clearly identify such Option as either an “incentive stock option” within the meaning of section 422 of the Code or as a non-qualified stock option.

6.1 Exercise Price

The exercise price per share of Common Stock covered by any Option shall be not less than one hundred percent of the Fair Market Value of a share of Common Stock on the date on which such Option is granted, other than assumptions in accordance with a corporate acquisition or merger as described in Section 3.1.

6.2 Term and Exercise of Options

6.2.1 Each Option shall become vested and exercisable on such date or dates, during such period and for such number of shares of Common Stock as shall be determined by the Committee on or after the date such Option is granted; provided, however that no Option shall be exercisable after the expiration of ten years from the date such Option is granted; and, provided, further, that each Option shall be subject to earlier termination, expiration, or cancellation as provided in the Plan or the Award Agreement.

6.2.2 Each Option shall be exercisable in whole or in part; provided, however that no partial exercise of an Option shall be for an aggregate exercise price of less than \$1,000. The partial exercise of an Option shall not cause the expiration, termination, or cancellation of the remaining portion thereof.

6.2.3 An Option shall be exercised by such methods and procedures as the Committee determines from time to time, including without limitation through net physical settlement or other method of cashless exercise.

6.2.4 An Option may be subject to Performance Measures and/or service-based conditions.

6.3 Special Rules for Incentive Stock Options

6.3.1 The aggregate Fair Market Value of shares of Common Stock with respect to which “incentive stock options” (within the meaning of section 422 of the Code) are exercisable for the first time by a Participant during any calendar year under the Plan and any other stock option plan of the Plan Sponsor or any of its “subsidiaries” (within the meaning of section 424 of the Code) shall not exceed \$100,000. Such Fair Market Value shall be determined as of the date on which each such stock option is granted. In the event that the aggregate Fair Market Value of shares of Common Stock with respect to such incentive stock options exceeds \$100,000, then incentive stock options granted hereunder to such Participant shall, to the extent and in the order required by regulations promulgated under the Code (or any other authority having the force of regulations), automatically be deemed to be non-qualified stock options, but all other terms and provisions of such stock options shall remain unchanged. In the absence of such regulations (and authority), or in the event such regulations (or authority) require or permit a designation of the Options which shall cease to constitute incentive stock options, incentive stock options granted hereunder shall, to the extent of such excess and in the order in which they were granted, automatically be deemed to be non-qualified stock options, but all other terms and provisions of such stock options shall remain unchanged.

6.3.2 Incentive stock options may only be granted to individuals who are employees of the Company. No incentive stock option may be granted to an individual if, at the time of the proposed grant, such individual owns stock possessing more than ten percent of the total combined Voting Power of all classes of stock of the Plan Sponsor or any of its “subsidiaries” (within the meaning of section 424 of the Code), unless (i) the exercise price of such incentive stock option is at least 110 percent of the Fair Market Value of a share of Common Stock at the time such incentive stock option is granted and (ii) such incentive stock option is not exercisable after the expiration of five years from the date such incentive stock option is granted.

ARTICLE VII. OTHER STOCK-BASED AWARDS

7.1 In General

The Committee may from time to time grant equity-based or equity-related awards not otherwise described herein in such amounts and on such terms as it shall determine, subject to the terms and conditions set forth in the Plan. Without limiting the generality of the preceding sentence, each such Other Stock-Based Award may (i) involve the transfer of actual shares of Common Stock to Participants, either at the time of grant or thereafter, or payment in cash or otherwise of amounts based on the value of shares of Common Stock, (ii) be subject to Performance Measures and/or service-based conditions, (iii) be in the form of stock appreciation rights, phantom stock, restricted stock, restricted stock units, performance shares, deferred share units, or share-denominated performance units, and (iv) be designed to comply with applicable laws of jurisdictions other than the United States; provided, that each Other Stock-Based Award shall be denominated in, or shall have a value determined by reference to, a number of shares of Common Stock that is specified at the time of the grant of such Incentive Award.

ARTICLE VIII.
CASH INCENTIVE AWARDS

The Committee may from time to time grant Cash Incentive Awards on such terms as it shall determine, subject to the terms and conditions set forth in the Plan. Cash Incentive Awards may be settled in cash or in other property, including shares of Common Stock, provided that the term “Cash Incentive Award” shall exclude any Option or Other Stock-Based Award.

ARTICLE IX.
PERFORMANCE-BASED COMPENSATION

9.1 Committee Discretion

The Committee has discretion to make all or a portion of any Incentive Award conditioned on the achievement of Performance Measures. The Committee may, in its discretion, reduce or eliminate, or increase, the amount payable to any Participant with respect to the Incentive Award, based on such factors as the Committee may deem relevant. The Committee may exercise such discretion in a non-uniform manner among Participants.

9.2 Performance Measures

The Performance Measures utilized by the Committee in making Incentive Awards may be either objective or subjective business criteria, and include but are not limited to the following: market price of the Common Stock, net earnings, earnings before or after any or all of interest, taxes, depreciation, and amortization, net income (including, net income or operating income), cash flow (including, operating cash flow, free cash flow, and cash flow return on capital), cash position, cash valued added, customer satisfaction or growth measures, revenues (including net revenues, net revenue growth or gross revenue), enterprise value, financial return ratios, market performance, margins (including gross margins or operating margins), productivity or efficiency ratios, costs, profits (including net profits, net operating profits, gross profit, gross profit growth, and profit returns or margins), earnings per share, stock price, working capital turnover and targets, total shareholder return, economic value added or other value added measurements, return on assets, return on capital or invested capital, return on equity, return on sales, new product innovation, product release schedules or ship targets, product cost reduction, and budget and expense management.

A Performance Measure (i) may relate to the performance of the Participant, the Company, a Subsidiary, any business group, business unit, or other subdivision of the Company, or any combination of the foregoing, as the Committee deems appropriate and (ii) may be expressed as an amount, as an increase or decrease over a specified period, as a relative comparison to the performance of a group of comparator companies or a published or special index, or any other measure of the selected performance criteria, as the Committee deems appropriate. The measurement of any Performance Measure may, in the Committee’s discretion, exclude the impact (positive and/or negative) of unusual and/or infrequently occurring items or expenses; charges for restructurings; discontinued operations; acquisitions or divestitures; the cumulative effect of changes in accounting treatment; changes in tax laws, accounting standards or principles or other laws or regulatory rules affecting reporting results; any impact of

impairment of tangible or intangible assets; any impact of the issuance or repurchase of equity securities and/or other changes in the number of outstanding shares of any class of the Company's equity securities; any gain, loss, income, or expense attributable to acquisitions or dispositions of stock or assets; stock-based compensation expense; asset write-downs, in-process research and development expense; gain or loss from all or certain claims and/or litigation and insurance recoveries; foreign exchange gains and losses; any impact of changes in foreign exchange rates and any changes in currency; a change in the Company's fiscal year; and any other items, each determined in accordance with United States generally accepted accounting principles and as identified in the Company's audited financial statements, including the notes thereto.

ARTICLE X.
ADJUSTMENT UPON CERTAIN CHANGES

Subject to any action by the shareholders of the Plan Sponsor required by law, applicable tax rules or the rules of any exchange on which shares of common stock of the Plan Sponsor are listed for trading:

10.1 Shares Available for Grants

In the event of any change in the number of shares of Common Stock outstanding by reason of any stock dividend or split, recapitalization, merger, consolidation, combination, or exchange of shares or similar corporate change, the maximum aggregate number or type of shares of Common Stock with respect to which the Committee may grant Incentive Awards, the maximum number of shares of Common Stock that may be covered by Options that are designated as "incentive stock options" within the meaning of section 422 of the Code and the maximum aggregate number of shares of Common Stock with respect to which the Committee may grant Incentive Awards to any individual Participant in any year and to any non-employee director shall be appropriately adjusted or substituted by the Committee. In the event of any change in the type or number of shares of Common Stock of the Plan Sponsor outstanding by reason of any other event or transaction, the Committee shall, to the extent deemed appropriate by the Committee, make such adjustments to the type or number of shares of Common Stock with respect to which Incentive Awards may be granted.

10.2 Increase or Decrease in Issued Shares Without Consideration

In the event of any increase or decrease in the number of issued shares of Common Stock resulting from a subdivision or consolidation of shares of Common Stock or the payment of a stock dividend (but only on the shares of Common Stock), or any other increase or decrease in the number of such shares effected without receipt or payment of consideration by the Company, the Committee shall, to the extent deemed appropriate by the Committee, adjust the type or number of shares of Common Stock subject to each outstanding Incentive Award and the exercise price per share of Common Stock of each such Incentive Award.

10.3 Certain Mergers and Other Transactions

In the event of any merger, consolidation, or similar transaction as a result of which the holders of shares of Common Stock receive consideration consisting exclusively of securities of

the surviving corporation in such transaction, the Committee shall, to the extent deemed appropriate by the Committee, adjust each Incentive Award outstanding on the date of such merger or consolidation so that it pertains and applies to the securities which a holder of the number of shares of Common Stock subject to such Incentive Award would have received in such merger or consolidation.

In the event of (i) a dissolution or liquidation of the Plan Sponsor, (ii) a sale of all or substantially all of the Company's assets (on a consolidated basis), (iii) a merger, consolidation or similar transaction involving the Plan Sponsor in which the holders of shares of Common Stock receive securities and/or other property, including cash, other than shares of the surviving corporation in such transaction, the Committee shall, to the extent deemed appropriate by the Committee, have the power to:

10.3.1 cancel, effective immediately prior to the occurrence of such event, each Incentive Award (whether or not then exercisable or vested), and, in full consideration of such cancellation, pay to the Participant to whom such Incentive Award was granted an amount in cash, for each share of Common Stock subject to such Incentive Award, equal to the value, as determined by the Committee, of such Incentive Award, provided that with respect to any outstanding Option such value shall be equal to the excess of (A) the value, as determined by the Committee, of the property (including cash) received by the holder of a share of Common Stock as a result of such event over (B) the exercise price of such Option; or

10.3.2 provide for the exchange of each Incentive Award (whether or not then exercisable or vested) for an Incentive Award with respect to (A) some or all of the property which a holder of the number of shares of Common Stock subject to such Incentive Award would have received in such transaction or (B) securities of the acquiror or surviving entity and, incident thereto, make an equitable adjustment as determined by the Committee in the exercise price of the Incentive Award, or the number of shares or amount of property subject to the Incentive Award or provide for a payment (in cash or other property) to the Participant to whom such Incentive Award was granted in partial consideration for the exchange of the Incentive Award.

10.4 Other Changes

In the event of any change in the capitalization of the Plan Sponsor, corporate change, corporate transaction, or other event other than those specifically referred to in Sections 10.1, 10.2 or 10.3, the Committee shall, to the extent deemed appropriate by the Committee, make such adjustments in the number and class of shares subject to Incentive Awards outstanding on the date on which such change occurs and in such other terms of such Incentive Awards as the Committee deems appropriate.

10.5 Cash Incentive Awards

In the event of any transaction or event described in this Article X, including without limitation any corporate change referred to in Section 10.5 hereof, the Committee shall, to the extent deemed appropriate by the Committee, make such adjustments in the terms and conditions of any Cash Incentive Award as the Committee deems appropriate.

10.6 No Other Rights

Except as expressly provided in the Plan or any Award Agreement, no Participant shall have any rights by reason of any subdivision or consolidation of shares of stock of any class, the payment of any dividends or dividend equivalents, any increase or decrease in the number of shares of stock of any class or any dissolution, liquidation, merger, or consolidation of the Plan Sponsor or any other corporation. Except as expressly provided in the Plan, no issuance by the Plan Sponsor of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number of shares or amount of other property subject to, or the terms related to, any Incentive Award.

10.7 Savings Clause

No provision of this Article X shall be given effect to the extent that such provision would cause any tax to become due under section 409A of the Code.

ARTICLE XI. CHANGE-IN-CONTROL; TERMINATION OF EMPLOYMENT; MINIMUM VESTING

11.1 Change-in-Control

11.1.1 Incentive Award Assumed or Substituted. Unless otherwise provided in an Award Agreement or a Participant's effective negotiated employment, change-in-control, severance, or other similar agreement, in the event of a Change-in-Control of the Company in which the successor company assumes or substitutes for an Incentive Award (or in which the Company is the ultimate parent corporation and continues the Award), if a Participant's employment with such successor company (or the Company) or a subsidiary thereof terminates without cause or for good reason within twenty-four months following such Change-in-Control (or such other period set forth in the Award Agreement, including prior thereto if applicable) and under the circumstances specified in the Award Agreement: (i) Options and stock appreciation rights outstanding as of the date of such termination of employment will immediately vest, become fully exercisable, and may thereafter be exercised for twenty-four months (or the period of time set forth in the Award Agreement, but in no event beyond the end of the regularly scheduled term of such Incentive Award), and (ii) the restrictions, limitations, and other conditions applicable to any Other Stock-Based Awards or any other Incentive Award shall lapse, and such Other Stock-Based Awards or such other Incentive Awards shall become free of all restrictions, limitations, and conditions and become fully vested and transferable to the full extent of the original grant (however, unless otherwise provided in the Award Agreement, such Other Stock-Based Awards or other Incentive Awards will not be settled or payable until the time established for settlement or payment in the applicable Award Agreement). For purposes of the Plan, unless otherwise provided in the Award Agreement, the terms "cause" and "good reason" shall have the meaning provided in a Participant's effective negotiated employment, change-in-control, severance, or other similar agreement, and if none, "cause" shall mean: (a) Participant's refusal to perform, or repeated failure to undertake good faith efforts to perform, the duties or responsibilities reasonably assigned to Participant; (b) Participant's engagement in willful gross misconduct or willful gross negligence in the course of carrying out his or her duties that results in material economic or reputational harm to the Company; or (c) Participant's

conviction of or plea of guilty or nolo contendere to a felony; and “good reason” shall mean any of the following that has not been approved in writing in advance by Participant: (x) a material diminution of Participant’s titles, duties, responsibilities; (y) a material reduction in Participant’s base salary, annual cash bonus opportunity, or annual long-term incentive award opportunity, or failure to pay earned compensation; or (z) relocation of the Company’s offices.

11.1.2 Incentive Award Not Assumed or Substituted. Unless otherwise provided in an Award Agreement, in the event of a Change in Control of the Company to the extent the successor company does not assume or substitute for an Incentive Award (or in which the Company is the ultimate parent corporation and does not continue the Incentive Award), then immediately prior to the Change in Control: (i) those Options and stock appreciation rights outstanding as of the date of the Change in Control that are not assumed or substituted for (or continued) shall immediately vest and become fully exercisable, and (ii) the restrictions, other limitations and other conditions applicable to any Other Stock-Based Awards or any other Awards that are not assumed or substituted for (or continued) shall lapse, and such Other Stock-Based Awards or such other Awards shall become free of all restrictions, limitations, and conditions and become fully vested and transferable to the full extent of the original grant, and unless otherwise provided in the Award Agreement, such Other Stock-Based Awards or other Incentive Awards will be settled or paid upon the effective date of the Change in Control.

11.2 Termination of Employment

11.2.1 For Incentive Awards that are subject to section 409A of the Code, termination of Employment shall mean a separation from service within the meaning of section 409A of the Code. For Incentive Awards that are exempt from section 409A of the Code: (i) termination of Employment shall mean a separation from service within the meaning of section 409A of the Code, (ii) the Committee shall determine whether an authorized leave of absence or absence in military or government service shall constitute termination of Employment; (iii) Employment shall be deemed to have terminated for all purposes of the Plan if such Person is employed by or provides services to a Person that is a Subsidiary of the Company and such Person ceases to be a Subsidiary of the Company, unless the Committee determines otherwise; and (iv) a Participant who ceases to be an employee of the Company but continues or simultaneously commences service as a director of the Company shall be deemed to have terminated Employment for purposes of the Plan.

11.2.2 The Award Agreement shall specify the consequences with respect to Incentive Awards of the termination of Employment of the Participant holding the Incentive Awards, which consequences may include the ability to exercise Options and stock appreciation rights for a period of 30 days following the Participant’s involuntary termination due to elimination of position.

11.3 Minimum Vesting. Each Incentive Award shall have a minimum vesting requirement of one year, which requirement may not be waived or superseded by any provision in any Award Agreement. Notwithstanding the previous sentence: (i) the Committee shall have the authority to grant Incentive Awards with vesting requirements of one year or less (including immediately vested Awards) in an amount up to 5% of the shares of Common Stock reserved for issuance under the Plan in Section 3.1; and (ii) an Award Agreement may provide that vesting shall be accelerated upon death or disability of the Participant.

ARTICLE XII.
RIGHTS UNDER THE PLAN

No Person shall have any rights as a shareholder with respect to any shares of Common Stock covered by or relating to any Incentive Award until the date of the issuance of such shares on the books and records of the Plan Sponsor. Except as otherwise expressly provided in Article X hereof, no adjustment of any Incentive Award shall be made for dividends or other rights for which the record date occurs prior to the date of such issuance. Nothing in this Article XII is intended, or should be construed, to limit authority of the Committee to cause the Company to make payments based on the dividends that would be payable with respect to any share of Common Stock if it were issued or outstanding, or from granting rights related to such dividends.

The Company shall not have any obligation to establish any separate fund or trust or other segregation of assets to provide for payments under the Plan. To the extent any person acquires any rights to receive payments hereunder from the Company, such rights shall be no greater than those of an unsecured creditor.

ARTICLE XIII.
MISCELLANEOUS

13.1 No Special Employment Rights; No Right to Incentive Award

13.1.1 Nothing contained in the Plan or any Award Agreement shall confer upon any Participant any right with respect to the continuation of his or her Employment by the Company or interfere in any way with the right of the Company at any time to terminate such Employment or to increase or decrease the compensation of the Participant from the rate in existence at the time of the grant of an Incentive Award.

13.1.2 No person shall have any claim or right to receive an Incentive Award hereunder. The Committee's granting of an Incentive Award to a Participant at any time shall neither require the Committee to grant an Incentive Award to such Participant or any other Participant or other person at any time nor preclude the Committee from making subsequent grants to such Participant or any other Participant or other person.

13.2 Securities Matters.

13.2.1 The Plan Sponsor shall be under no obligation to affect the registration pursuant to the Securities Act of any shares of Common Stock to be issued hereunder or to effect similar compliance under any state or local laws. Notwithstanding anything herein to the contrary, the Plan Sponsor shall not be obligated to cause to be issued shares of Common Stock pursuant to the Plan unless and until the Plan Sponsor is advised by its counsel that the issuance is in compliance with all applicable laws, regulations of governmental authority, and the requirements of any securities exchange on which shares of Common Stock are traded. The Committee may require, as a condition to the issuance of shares of Common Stock pursuant to

the terms hereof, that the recipient of such shares make such covenants, agreements, and representations, and that any related certificates representing such shares bear such legends, as the Committee, in its sole discretion, deems necessary or desirable.

13.2.2 The exercise or settlement of any Incentive Award (including, without limitation, any Option) granted hereunder shall only be effective at such time as counsel to the Plan Sponsor shall have determined that the issuance and delivery of shares of Common Stock pursuant to such exercise is in compliance with all applicable laws, regulations of governmental authority and the requirements of any securities exchange on which shares of Common Stock are traded. The Plan Sponsor may, in its sole discretion, defer the effectiveness of any exercise or settlement of an Incentive Award granted hereunder in order to allow the issuance of shares pursuant thereto to be made pursuant to registration or an exemption from registration or other methods for compliance available under federal or state or local securities laws. The Plan Sponsor shall inform the Participant in writing of its decision to defer the effectiveness of the exercise or settlement of an Incentive Award granted hereunder. During the period that the effectiveness of the exercise of an Incentive Award has been deferred, the Participant may, by written notice, withdraw such exercise and obtain the refund of any amount paid with respect thereto.

13.3 Withholding Taxes

13.3.1 Cash Remittance. Whenever withholding tax obligations are incurred in connection with any Incentive Award, the Company shall have the right to require the Participant to remit to the Company in cash an amount sufficient to satisfy federal, state, and local withholding tax requirements, if any, attributable to such event. In addition, upon the exercise or settlement of any Incentive Award in cash, or the making of any other payment with respect to any Incentive Award (other than in shares of Common Stock), the Company shall have the right to withhold from any payment required to be made pursuant thereto an amount sufficient to satisfy the federal, state, and local withholding tax requirements, if any, attributable to such exercise, settlement, or payment.

13.3.2 Stock Remittance. At the election of the Participant, subject to the approval of the Committee, whenever withholding tax obligations are incurred in connection with any Incentive Award, the Participant may tender to the Company (including by attestation) a number of shares of Common Stock having a Fair Market Value at the tender date determined by the Committee to be sufficient to satisfy the maximum federal, state, and local withholding tax requirements, if any, attributable to such event. Such election shall satisfy the Participant's obligations under Section 13.3.1 hereof, if any.

13.3.3 Stock Withholding. At the election of the Participant, subject to the approval of the Committee, whenever withholding tax obligations are incurred in connection with any Incentive Award, the Company shall withhold a number of such shares having a Fair Market Value determined by the Committee to be sufficient to satisfy the maximum federal, state, and local withholding tax requirements, if any, attributable to such event. Such election shall satisfy the Participant's obligations under Section 13.3.1 hereof, if any.

13.4 No Obligation to Exercise. The grant to a Participant of an Incentive Award shall impose no obligation upon such Participant to exercise such Incentive Award.

13.5 Transfers. Incentive Awards may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution and may be exercised, during the lifetime of a Participant, only by the Participant; provided, however that the Committee may permit Options or other Incentive Awards that are not incentive stock options to be sold, pledged, assigned, hypothecated, transferred, or disposed of, on a general or specific basis, subject to such conditions and limitations as the Committee may determine. Upon the death of a Participant, outstanding Incentive Awards granted to such Participant may be exercised only by the executors or administrators of the Participant's estate or by any person or persons who shall have acquired such right to exercise by will or by the laws of descent and distribution. No transfer by will or the laws of descent and distribution of any Incentive Award, or the right to exercise any Incentive Award, shall be effective to bind the Company unless the Committee shall have been furnished with (a) written notice thereof and with a copy of the will and/or such evidence as the Committee may deem necessary to establish the validity of the transfer and (b) an agreement by the transferee to comply with all the terms and conditions of the Incentive Award that are or would have been applicable to the Participant and to be bound by the acknowledgements made by the Participant in connection with the grant of the Incentive Award.

13.6 Expenses and Receipts. The expenses of the Plan shall be paid by the Company. Any proceeds received by the Company in connection with any Incentive Award will be used for general corporate purposes.

13.7 Failure to Comply. In addition to the remedies of the Company elsewhere provided for herein, failure by a Participant to comply with any of the terms and conditions of the Plan or any Award Agreement, unless such failure is remedied by such Participant within ten days after having been notified of such failure by the Committee, shall be grounds for the cancellation and forfeiture of such Incentive Award, in whole or in part, as the Committee, in its absolute discretion, may determine.

13.8 Relationship to Other Benefits. No payment with respect to any Incentive Awards under the Plan shall be taken into account in determining any benefits under any pension, retirement, profit sharing, group insurance, or other benefit plan of the Company except as otherwise specifically provided in such other plan.

13.9 Governing Law. The Plan and the rights of all persons under the Plan shall be construed and administered in accordance with the laws of the State of Missouri without regard to its conflict of law principles.

13.10 Severability. If all or any part of this Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not serve to invalidate any portion of this Plan not declared to be unlawful or invalid. Any Article or part of an Article so declared to be unlawful or invalid shall, if possible, be construed in a manner that will give effect to the terms of such Article or part of an Article to the fullest extent possible while remaining lawful and valid.

13.11 Effective Date and Term of Plan. The Effective Date of the Plan is as defined in Section 2.11. No grants of Incentive Awards may be made under the Plan after the tenth anniversary of its Effective Date.

13.12 Amendment or Termination of the Plan. The Board of Directors may at any time suspend or discontinue the Plan or revise or amend it or any Incentive Award in any respect whatsoever; provided, however, that to the extent that any applicable law, tax requirement, or rule of a stock exchange requires shareholder approval in order for any such revision or amendment to be effective, such revision or amendment shall not be effective without such approval. The preceding sentence shall not restrict the Committee's ability to exercise its discretionary authority hereunder pursuant to Article IV hereof, which discretion may be exercised without amendment to the Plan. No provision of this Article shall be given effect to the extent that the Committee determines that such provision would more likely than not cause any additional tax to become due under section 409A of the Code. Except as expressly provided in the Plan, no action hereunder may, without the consent of a Participant, adversely affect the Participant's rights under any previously granted and outstanding Incentive Award. Nothing in the Plan shall limit the right of the Company to pay compensation of any kind outside the terms of the Plan.

13.13 Clawback. Notwithstanding any other provisions in this Plan, any Incentive Award which is subject to recovery under any law, government regulation or stock exchange listing requirement, will be subject to such deductions and clawback as may be required to be made pursuant to such law, government regulation or stock exchange listing requirement (or any policy adopted by the Company).

17

[\(Back To Top\)](#)

Section 3: EX-10.2 (EX-10.2)

Exhibit 10.2

UMB Financial Corporation Omnibus Incentive Compensation Plan

PERFORMANCE SHARE UNIT AWARD AGREEMENT

Pursuant to this Performance Share Unit Award Agreement (this "Award Agreement"), and subject to the terms and conditions herein and in the UMB Financial Corporation Omnibus Incentive Compensation Plan (the "Plan"), UMB Financial Corporation (the "Company," as defined in the Plan) grants an award (the "Award") of performance share units ("PSUs") under the Plan to the following identified Grantee with the following specified terms:

Summary of Award Terms:

Name of grantee: _____ (the "Grantee")

Date of grant: _____ (the "Grant Date")

Target number of performance share units: _____ (the "Target PSUs")

Performance Period: ("Performance Period")

Vesting: The PSUs shall vest only upon the achievement of the applicable performance criteria during the Performance Period. Depending on the Company's actual performance, the Grantee may earn between 0% and 200% of the Target PSUs.

The number of PSUs earned by the Grantee at the end of the Performance Period will be determined 50% on the achievement of a three-year cumulative core after-tax earnings per share for the Company ("EPS") target of \$[] and 50% on the realization of a three-year average return on tangible common equity for ("ROTCE") of []%. The total number of PSUs earned will be determined at the end of the Performance Period by adding together EPS PSUs and the ROTCE PSUs as determined below. The Committee, in its sole discretion, shall determine the level that performance goals have been achieved, the number of PSUs earned by the Grantee, and all other matters related to vesting.

The EPS PSUs shall be determined by multiplying 50% of the Target PSUs by the EPS PSU Percentage. The EPS PSU Percentage is calculated by determining the EPS for the Performance Period and utilizing the following table (with interpolation between lines on a linear sliding scale) to ascertain the EPS PSU Percentage.

<u>Performance to Target</u>	<u>EPS Actual</u>	<u>EPS PSU Percentage</u>
<[]%	Less than \$[]	0%
[]%	\$[]	[]%
[]%	\$[]	[]%
[]% or more	\$[] or more	200%

The ROTCE PSUs will be determined by multiplying 50% of the Target PSUs by the ROTCE PSU Percentage. The ROTCE PSU Percentage is calculated by determining the ROTCE for the Performance Period and utilizing the following table (with interpolation between lines on a linear sliding scale) to ascertain the ROTCE PSU Percentage.

Performance to Target	ROTCE Actual	ROTCE PSU Percentage
<[]%	Less than []%	0%
[]%	[]%	[]%
[]%	[]%	[]%
[]% or more	[]% or more	200%

The EPS and ROTCE for the Performance Period shall be determined by the Committee, after consulting (if appropriate) with the Corporate Audit Committee and making such adjustments for material changes in the number of outstanding shares, non-recurring gains or losses, and other circumstances as the Committee may determine fair and appropriate. Without limiting the Committee’s authority or discretion, adjustments to the Company’s GAAP earnings per share may be made for (i) gain or loss on sales of non-earning assets, (ii) gain or loss on the sale or discontinuance of a business, product or service, (iii) expenses associated with severance costs, (iv) litigation reserves, or (v) any other large non-recurring gains or losses unrelated to pre-tax operating income.

Unless otherwise provided in the Award Agreement, you must continue to provide services to the Company throughout the Performance Period to remain eligible for any rights or interests with respect to this Award.

Settlement date: As soon as practicable following the end of the Performance Period, but no later than March 15th following the last day of the Performance Period (the “Settlement Date”).

Capitalized terms used in this Award Agreement, unless otherwise defined, shall have the meanings set forth in the Plan.

Please note that the Award is conditioned on your acknowledgment of receipt and acceptance within one year after receiving this Award Agreement. See Section 15 below. If you do not accept the Award before the one-year anniversary of the Grant Date, your Award will be forfeited.

-
1. Grant of Performance Share Units. The Company hereby grants this Award of PSUs, pursuant to which, subject to the terms and conditions of this Award Agreement and the Plan, the Company will pay to the Grantee on the Settlement Date one share of Common Stock as of the Settlement Date multiplied by the number of vested PSUs earned hereby, subject to applicable withholding for taxes.
 2. Certain Definitions: For purposes of this Award Agreement:
 - a. The term “Cause” is to be construed the same as such similar term is defined in any employment agreement, offer letter, or service provider agreement between the Grantee and the Company as may be in force from time to time, and in the absence of such agreement or letter, shall mean: (i) the Grantee’s refusal to perform, or repeated failure to undertake good faith efforts to perform, the duties or responsibilities reasonably assigned to Grantee; (ii) Grantee’s engagement in gross misconduct or gross negligence in the course of carrying out his or her duties; (iii) Grantee’s conviction of or plea of guilty or nolo contendere to any felony or any misdemeanor involving fraud, intentionally false statements or intentionally misleading omissions, wrongful taking, embezzlement, bribery, forgery, counterfeiting or extortion; or (iv) Grantee’s violation of law or Company policies or procedures.
 - b. References to the “Committee” refer to the committee administering the Plan (or its authorized delegate, as applicable).
 - c. “Disability” or “Disabled” means: the Grantee (1) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months, or (2) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Company.
 - d. The Grantee shall be considered to have a “Termination of Employment” on the first day following the Grant Date that the Grantee has a termination of employment as provided in Section 11.2.1 of the Plan, and the term “Termination Date” means the day on which the Grantee’s Termination of Employment occurs. Specifically, Grantee will have a Termination of Employment: (i) on the date that Grantee experiences a separation from service within the meaning of Internal Revenue Code Section 409A, (ii) at such time as the Committee determines that the Grantee’s authorized leave of absence or absence in military or government service constitutes a Termination of Employment; (iii) on the effective date that a subsidiary of the Company ceases to be a subsidiary, if the Grantee is employed by or provides services to such subsidiary, unless the Committee determines otherwise; and (iv) on the date that the Grantee ceases to be an employee of the Company even if the Grantee continues or simultaneously commences service as a director of the Company.

3. Vesting.

- a. The Award is subject to the vesting terms set forth in the Summary of Award Terms above, except as may otherwise be provided in this Award Agreement or in the Plan. Any portion of the Award that does not vest for any reason shall automatically be cancelled and terminated and be of no further force and effect.
- b. If the Grantee has a Termination of Employment prior to the end of the Performance Period due to the Grantee's death or Disability, then a portion of the Award shall vest, as of the Termination Date, if and to the extent that the Award would have vested if the Termination Date were the last day of the Performance Period (based on achievement of the performance vesting criteria through the Termination Date); provided that the amount that vests shall be prorated by multiplying the total number of PSUs that would have vested were the Termination Date the last day of the Performance Period by a fraction having a numerator equal to the number of calendar quarters completed during the Performance Period prior to the Termination Date and a denominator equal to the total number of calendar quarters in the Performance Period. The Settlement Date for any portion of the Award that vests pursuant to this Section shall be as soon as practicably following the Termination Date, but in any event no later than March 15th of the following year.

4. Forfeiture.

- a. If the Grantee has a Termination of Employment prior to the end of the Performance Period for any reason other than death or Disability, the Grantee shall forfeit, and shall have no further rights or interest with respect to, any of the PSUs granted hereby that remain unvested, with automatic and immediate effect (after giving effect to any applicable vesting acceleration provision) as of the Termination Date.
- b. The Grantee shall forfeit and cease to have any right or interest in any of the PSUs granted hereby, whether or not vested:
 - (i) immediately as of the time the Grantee receives notice of a termination of Grantee's employment or service for Cause, (ii) upon the Grantee's breach, as determined by the Committee, of any non-disclosure, non-competition, or non-solicitation restrictive covenant obligation owed to the Company, or (iii) upon the Committee's determination that any conduct of the Grantee constitutes grounds for forfeiture under the Plan.
- c. The Award, or payment thereunder, shall be subject to reduction, in the discretion of the Company, to the extent the Company determines it is required to avoid the imposition of any excise tax on excess parachute payments under Internal Revenue Code Section 4999.

-
5. Change in Control. In the event of a Change in Control, the Award shall be subject to the provisions of Section 11.1 of the Plan. Except as otherwise provided in the Plan or an agreement incorporated by the Plan, any portion of the Award that vests as a result of a Change in Control shall vest based on actual performance achievement through the date of the Change in Control. The Settlement Date for any portion of the Award that vests pursuant to this Section shall be as soon as practicably following the Termination Date, but in any event no later than March 15th of the following year.
 6. Settlement of Award. On or as soon as practicable after the Settlement Date, the Company will, in full satisfaction of the PSUs granted hereby, pay to the Grantee the amount owed in whole shares, rounded down to the nearest whole share, of Common Stock.
 - a. Notwithstanding anything herein to the contrary, no transfer of shares of Common Stock shall become effective until the Company determines that such transfer, issuance, and delivery is in compliance with all applicable laws, regulations of governmental authority, and the requirements of any securities exchange on which shares of Common Stock may be traded.
 - b. The Committee may, as a condition to the issuance of Shares, require the Grantee to make covenants and representations and/or enter into agreements with the Company to reflect the Grantee's rights and obligations as a stockholder of the Company and any limitations and restrictions on such Shares.
 - c. The transfer of Shares pursuant to this Award shall be effectuated by an appropriate entry on the books of the Company, the issuance of certificates representing such shares (bearing such legends as the Committee deems necessary or desirable), the transfer of shares to a brokerage account in the name of the Grantee, and/or other appropriate means as determined by the Committee.
 - d. Unless and until any shares of Common Stock are issued in settlement of the Award, the Award shall not confer to the Grantee any rights or status as a stockholder of the Company.
 7. Withholding. Grantee shall surrender to the Company, for no consideration, the portion of any shares of Common Stock that become vested under this Award whose aggregate Fair Market Value is sufficient to satisfy federal, state, and local withholding tax requirements.
 8. No Assignment or Transfer. The Award granted hereunder may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution. No transfer by will or the laws of descent and distribution shall be effective to bind the Company unless the Committee shall have been furnished with (i) written notice thereof along with such evidence as the Committee may deem necessary to establish the validity of the transfer and (ii) an agreement by the transferee to comply with all the terms and conditions of the Award that are or would have been applicable to the Grantee and to be bound by the acknowledgements made by the Grantee in connection with the grant.

-
9. Grantee Representations. By accepting the Award, the Grantee represents and acknowledges the following:
- a. The Grantee has received a copy of the Plan, has reviewed the Plan and this Award Agreement in their entirety, and has had an opportunity to obtain the advice of independent counsel prior to accepting the Award.
 - b. The Grantee has had the opportunity to consult with a tax advisor concerning the tax consequences of accepting the Award, and understands that the Company makes no representation regarding the tax treatment as to any aspect of the Award, including the grant, vesting, settlement, or conversion of the Award.
 - c. The Grantee understands that neither the grant of this discretionary Award nor the Grantee's participation in the Plan confers any right to continue in the service of the Company or to receive any other award or amount of compensation, whether under the Plan or otherwise, and no payment of any award under the Plan will be taken into account in determining any benefits under any pension, retirement, profit sharing, group insurance, or other benefit plan of the Company except as otherwise specifically provided in such other plan.
 - d. The Grantee consents to the collection, use, and transfer, in electronic or other form, of the Grantee's personal data by the Company, the Committee, and any third party retained to administer the Plan for the exclusive purpose of administering the Award and Grantee's participation in the Plan. The Grantee agrees to promptly notify the Committee of any changes in the Grantee's name, address, or contact information during the entire period of Plan participation.
10. Adjustments. If there is a change in the outstanding shares of Common Stock due to a stock dividend, split, or consolidation, or a recapitalization, corporate change, corporate transaction, or other similar event relating to the Company, the Committee may adjust the type or number of shares of Common Stock subject to any outstanding portion of the Award in accordance with Article X of the Plan.
11. Administration; Interpretation. In accordance with the Plan and this Award Agreement, the Committee shall have full discretionary authority to administer the Award, including discretionary authority to interpret and construe any and all provisions relating to the Award. Decisions of the Committee shall be final, binding, and conclusive on all parties. In the event of a conflict between this Award Agreement and the Plan, the terms of the Plan shall prevail.
12. Section 409A. It is intended that this Award Agreement is exempt from Internal Revenue Code Section 409A and the interpretive guidance thereunder ("Section 409A"), and this Award Agreement shall be administered accordingly, and interpreted and construed on a basis consistent with such intent. To the extent that any provision of this Award Agreement would fail to comply with applicable requirements of Section 409A, the

Company may, in its sole and absolute discretion and without requiring the Grantee's consent, make such modifications to this Award Agreement and/or payments to be made thereunder to the extent it determines necessary or advisable to comply with the requirements of Section 409A. Nothing in this Agreement shall be construed as a guarantee of any particular tax effect for the Award, and the Company does not guarantee that any compensation or benefits provided under this Award Agreement will satisfy the provisions of Section 409A. If (i) the Grantee's right to payment is subject to Section 409A, and (ii) the Grantee is a specified employee (within the meaning of Section 409A) as of the Termination Date, then, to the extent necessary to comply with Treasury Regulation section 1.409A-3(i)(2), settlement of the Award shall be delayed until the earlier of (A) the date which is six months after the Grantee's separation from service, or (B) the date of the Grantee's death.

13. Successors. The terms of this Award Agreement shall be binding upon and inure to the benefit of the heirs of the Grantee or distributees of the Grantee's estate and any successor to the Company.
14. Governing Law; Severability.
 - a. *Governing Law.* This Award Agreement shall be construed and administered in accordance with the laws of Missouri without regard to its conflict of law principles.
 - b. *Severability.* Any determination by a court of competent jurisdiction or relevant governmental authority that any provision or part of a provision in this Award Agreement is unlawful or invalid shall not serve to invalidate any portion of this Award Agreement not found to be unlawful or invalid, and any provision or part of a provision found to be unlawful or invalid shall be construed in a manner that will give effect to the terms of such provision or part of a provision to the fullest extent possible while remaining lawful and valid.
15. Acknowledgment of Receipt and Acceptance. By signing below (or execution by other means approved by the Committee, including by electronic signature), the undersigned acknowledges receipt and acceptance of the Award, agrees to the representations made in the Award, and indicates his or her intention to be bound by this Award Agreement and the terms of the Plan.