

**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 17, 2022

LENNOX INTERNATIONAL INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-15149
(Commission
File Number)

42-0991521
(IRS Employer
Identification No.)

2140 Lake Park Blvd.
Richardson, Texas 75080
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: (972) 497-5000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

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

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

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	LII	New York Stock Exchange

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

Emerging growth company

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

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

Chief Executive Officer Appointment

On March 22, 2022, the Board of Directors (the “Board”) of Lennox International Inc. (the “Company”) appointed Alok Maskara as President and Chief Executive Officer (“CEO”), effective on May 9, 2022.

Mr. Maskara, age 51, has served for five years as Chief Executive Officer of Luxfer Holdings PLC (“Luxfer”), an international industrial company focused on advanced materials. Prior to Luxfer, Mr. Maskara served for nearly a decade as president of several global business units at Pentair PLC, a leading provider of water treatment and sustainable applications, including the former Technical Solutions segment with over \$2 billion in revenue. Mr. Maskara also previously held various leadership positions at General Electric Corporation and McKinsey & Company.

There are no arrangements or understandings between Mr. Maskara and any other persons pursuant to which he was selected as CEO. There are also no family relationships between Mr. Maskara and any director or executive officer of the Company, and he has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

Compensation of Chief Executive Officer

The Board approved Mr. Maskara’s compensation in connection with his new role, which includes an annual base salary of \$1,034,000. In addition, Mr. Maskara:

- will participate in the Company’s short-term incentive program with a target of 120% of base salary;
- will receive an annual perquisite allowance of \$30,000;
- will receive a sign-on cash award of \$1,000,000, subject to a two-year clawback for voluntary departure without good reason or termination for cause;
- will receive long-term incentive awards in the form of: (1) restricted stock units (“RSUs”) with a grant date value of \$1,000,000, with one-half of the RSUs vesting 12 months after Mr. Maskara’s commencement of employment and the remaining one-half of the RSUs vesting 24 months after Mr. Maskara’s commencement of employment; and (2) performance share units (“PSUs”) with a grant date value of \$2,000,000, which will vest on December 31, 2024 based on the applicable PSU performance goals. These long-term incentive awards will be subject to the terms and conditions set forth in the Company’s 2019 Equity and Incentive Compensation Plan (filed as Exhibit 10.1 to the Company’s Current Report on Form 8-K filed on May 24, 2019) and the Form of Long-Term Incentive Award Agreement for U.S. Employees – Vice President and Above (filed as Exhibit 10.18 to the Company’s Annual Report on Form 10-K filed on February 18, 2020);
- entered into an employment agreement, which sets out the duties and obligations of employment and upon termination, and provides for the receipt of severance in certain circumstances;
- entered into an indemnification agreement, which sets forth the terms of the Company’s contractual obligation to provide indemnification, advance expenses, and provide insurance; and
- entered into a change in control agreement, which describes the duties and obligations of the Company and Mr. Maskara upon a change in control event and provides for the receipt of severance in certain circumstances.

The foregoing descriptions of Mr. Maskara’s employment agreement, indemnification agreement, and change in control agreement do not purport to be complete and are qualified in their entirety by reference to the full text of such agreements which are filed as Exhibits 10.1, 10.2, and 10.3, respectively, to this Current Report on Form 8-K and are incorporated herein by reference.

Resignation of Chairman of the Board and Chief Executive Officer

As previously reported, on July 8, 2021, Todd M. Bluedorn, Chairman of the Board and CEO of the Company, advised the Board that he intended to resign by mid-2022. Mr. Bluedorn tendered his resignation on March 17, 2022, effective on March 23, 2022.

Election of Chairman of the Board and Interim Chief Executive Officer

The Board elected Todd J. Teske as Chairman of the Board and Interim President and Chief Executive Officer (“Interim CEO”) of the Company, effective March 23, 2022. Mr. Teske will serve as Interim CEO until Mr. Maskara begins his employment with the Company on May 9, 2022.

Mr. Teske, 57, has served as Lead Independent Director of the Board since 2015 and as a member of the Board since 2011. As a member of the Board, Mr. Teske has served as Chair of the Board Governance Committee and as a member of the Audit, Public Policy, and Compensation and Human Resources Committees. While serving as Interim CEO, Mr. Teske will not serve as a member of any of the Board committees.

The Board has approved a monthly base salary of \$150,000, inclusive of travel and living expenses, in connection with Mr. Teske’s compensation as Interim CEO. Mr. Teske will continue to receive the annual retainer of \$105,000 for his service as a director. Upon the completion of his service as Interim CEO, Mr. Teske will receive an annual Board Chairman fee of \$132,500 in connection with his service as Chairman of the Board.

There are no arrangements or understandings between Mr. Teske and any other persons pursuant to which he was selected as Interim CEO. There are also no family relationships between Mr. Teske and any director or executive officer of the Company, and he has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

Item 7.01 Regulation FD Disclosure.

A copy of the press release issued by the Company on March 23, 2022 announcing Mr. Maskara’s appointment, Mr. Bluedorn’s resignation, and Mr. Teske’s appointment is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
10.1	Employment Agreement entered into between LII and Alok Maskara (filed herewith).
10.2	Indemnification Agreement entered into between LII and Alok Maskara (filed herewith).
10.3	Change in Control Agreement entered into between LII and Alok Maskara (filed herewith).
99.1	Press release dated March 23, 2022 (furnished herewith).*
104	Inline XBRL for the cover page of this Current Report on Form 8-K.

* The information contained in Item 7.01 and Exhibit 99.1 of this Current Report on Form 8-K is being “furnished” with the Securities and Exchange Commission and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities under that section. Furthermore, such information shall not be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, unless specifically identified as being incorporated therein by reference.

SIGNATURES

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

Date: March 23, 2022

LENNOX INTERNATIONAL INC.

By: /s/ John D. Torres

Name: John D. Torres

Title: Executive Vice President, Chief Legal Officer and Secretary

**LENNOX INTERNATIONAL INC.
EMPLOYMENT AGREEMENT**

Todd Teske
Lead Independent Director

Dear Alok,

As a key employee, essential to the company's future profitability, growth, and financial strength, Lennox International Inc. is providing you with this letter agreement (including exhibits) in order to establish the material terms of your employment with Lennox (the "**Agreement**"). The specific commitments of you and Lennox that are set forth in this Agreement are intended as consideration to induce each party to enter into the Agreement. Each party agrees that this consideration is adequate for those commitments.

The term "**Employee**" is used to refer to you in this Agreement where appropriate. The term "**Lennox**" is used to refer to Lennox International Inc., as well as its subsidiaries and related companies. The terms of this Agreement are set forth in the body of this letter Agreement as well as in the Exhibits to this letter, which are incorporated by reference. The specific terms of the Exhibits are controlling should there be any confusion or conflict between them and this letter Agreement. With the signing by both parties of this Agreement, you and Lennox agree to the following:

1. **Nature of Employment.** You and Lennox have agreed that your employment relationship with Lennox will no longer be "at will" and terminable by either party at any time. Instead, this employment relationship will be governed by the terms of this Agreement for as long as it remains in effect and even after its termination for any provisions, which by their terms survive. The terms agreed upon by you and Lennox provide the consideration and inducement for each party to enter into this Agreement and are described more fully throughout the body of this Agreement and the attached Exhibits A through C.
2. **Term of Agreement; Termination Date.** This Agreement will become effective on your commencement of employment with Lennox (the "**Effective Date**") and will be in effect until December 31 of that year and thereafter for a series of one-year terms.
3. **Termination of Employment.** Your employment with Lennox may be terminated for a number of reasons prior to the expiration of any term of this Agreement as described below. The rights of each party under each circumstance will vary and are described in the attached Exhibits. More specifically, if Lennox terminates your employment for any reason other

than for “**Cause**,” as defined in Section B.3 of Exhibit A, or if you terminate this Agreement for “**Good Reason**,” as defined in subsection (e) below, or if you become permanently disabled, you will be entitled to receive, in addition to any other compensation or benefits described in Section B.2 of Exhibit A, severance benefits consisting of either the **Normal Severance Payment** defined in Section 2 of Exhibit C or the **Enhanced Severance Payment** defined in Section 3 of Exhibit C as determined by those provisions. However, the provisions of Section C.2 of Exhibit A will continue to be effective after the termination of this Agreement regardless of the reason for your termination.

- a. **Termination by Employee.** You may terminate your employment at any time upon 30 days’ notice to Lennox (or a lesser period if approved by Lennox) of your intent to terminate or not to renew this Agreement and, in that event, Lennox will be obligated only to pay you your Base Salary and other applicable benefits provided to employees in your position that are effective at the time of the voluntary resignation up to the effective date of termination only.
- b. **Termination for Cause.** Lennox may terminate your employment at any time for Cause, as defined in Section B.3 of Exhibit A, to be effective immediately upon delivery to you of notice of termination. If Lennox terminates you for Cause, you are only entitled to receive your Base Salary and other applicable benefits provided to employees in your position that are effective at the time of termination up through the effective date of termination.
- c. **Termination Other than for Cause.** Your employment may also be terminated by Lennox other than for Cause at any time (including Lennox’s non-renewal of the Agreement) but such a decision triggers certain defined benefits for you. In the event Lennox elects to terminate you under this provision, Lennox agrees to pay either the Normal Severance Payment as defined in Section 2 of Exhibit C or, at your option, the Enhanced Severance Payment as defined in Section 3 of Exhibit C, provided you comply with all requirements described in Section 3 of Exhibit C. These benefits are contractually defined by this Agreement and are not dependent on the other benefits policies of Lennox at the time of your termination.
- d. **Termination as a Result of Disability or Death.** Should you die or become permanently disabled (completely unable to perform your duties as defined in the benefit plans of Lennox) during the term of this Agreement, your employment will be terminated effective as of the date of your death or permanent disability.
- e. **Termination for Good Reason.** Your employment may be terminated by you for Good Reason. In such event, you will be entitled to either the Normal Severance Payment, as defined in Section 2 of Exhibit C, or, at your option, the Enhanced Severance Payment, as defined in Section 3 of Exhibit C, provided you comply with all requirements described in Section 3 of Exhibit C. Good Reason means:
 - i. any change in Employee’s position (including status, offices, titles, and reporting requirements), authority, duties, or responsibilities inconsistent

- with the position of Chief Executive Officer, excluding for this purpose any de minimus changes and excluding an isolated, insubstantial, or inadvertent action not taken in bad faith and which is remedied by Lennox promptly after receipt of notice given by Employee;
- ii. any failure by Lennox to comply with any of the provisions of this Agreement, other than an isolated, insubstantial, or inadvertent failure not occurring in bad faith and which is remedied by Lennox promptly after receipt of notice given by Employee;
 - iii. the relocation of the principal place of Employee's employment by more than thirty-five (35) miles from Lennox's company headquarters, which, as of the Effective Date, is in Richardson, Texas; or
 - iv. any failure by the Board of Directors to nominate the Employee for election by the shareholders as a Director
- f. Withholdings From Payment/Offset. Any payments made by Lennox to you under Section 3 will be subject to all applicable local, state, federal or foreign taxes, including, without limitation, income tax, withholding tax, and social security tax. Further, to the extent you have, on the date of termination, any outstanding debts or financial obligations to Lennox, including, but not limited to, loans, overpayment of wages, bonuses or other forms of incentive payments, unauthorized travel or purchasing expenses, or theft of Lennox's funds or property, you agree that Lennox will be entitled to set off against and withhold from such payments due you for such debts or obligations.
4. Nonpayment upon Breach. Notwithstanding anything in this Agreement to the contrary, at any time after the date of termination, if you, by any intentional or grossly negligent action or omission to act, breach any covenant, agreement, condition, or obligation contained herein, Lennox is entitled to cease making any payments and to cease providing any of the benefits to you under this Agreement. Additionally, Lennox reserves the right to seek repayment of any amounts previously paid hereunder along with recovery of any other damages caused by you.
5. Resolution of Disputes. In the event that any employment dispute as defined in Section A of Exhibit B arises between Lennox and you, the parties will make all efforts to resolve any such dispute through informal means. If these informal attempts at resolution fail, Lennox and you agree to and will submit the dispute to final and binding arbitration pursuant to the policy and terms outlined in Exhibit B, to which the parties expressly agree to be bound. You fully and completely understand and agree that arbitration is the exclusive forum for all such arbitrable disputes and that the parties are giving up all rights to a court trial or jury trial; however, by agreeing to the policy for resolution of disputes outlined in Exhibit B, Lennox and you agree that the parties are not waiving any substantive rights or remedies to which they would otherwise be entitled.

6. Waiver, Modification, and Integration. The waiver by any party hereto of a breach of any provision of this Agreement will not operate or be construed as a waiver of any subsequent breach by any party. This Agreement, which includes all Exhibits referenced or attached, expresses the entire agreement of the parties concerning matters contained herein and supersedes all prior and contemporaneous representations, understandings, and agreement, either oral or in writing, between the parties hereto with respect to such matters and all such prior or contemporaneous representations, understandings, and agreements, both oral and written, are hereby terminated. This Agreement may not be modified, altered, or amended except by written agreement of the Employee and the Chief Executive Officer, except when the Chief Executive Officer is involved, and in that event, an official designated by the Board of Directors for Lennox.
7. Binding Effect. This Agreement will be binding and effective upon Lennox and its successors and permitted assigns, and upon you, your heirs, and representatives. You hereby represent and warrant to Lennox that you have not previously assumed any obligations inconsistent with those contained in this Agreement, including, but not limited to, covenants not to compete with another person, firm, corporation, or other entity.
8. Governing Law, Venue and Personal Jurisdiction. It is the intention of the parties that the laws of the State of Texas should govern the validity of this Agreement, the construction of its terms, and the interpretation of the rights and duties of the parties hereto. The parties agree that venue for all disputes will be in Dallas County, Texas. The parties further agree to submit to personal jurisdiction in Dallas County, Texas.

Sincerely,

LENNOX INTERNATIONAL INC.

/s/ Todd J. Teske

Todd J. Teske

Lead Independent Director

EMPLOYEE

ACCEPTED AND AGREED this 18th day of March, 2022

/s/ Alok Maskara

Alok Maskara

EXHIBIT A

TERMS OF EMPLOYMENT

- A. Renewal. On January 1 of each year (the “**Anniversary Date**”) after the end of the first term and for each year thereafter, this Agreement will be automatically renewed for an additional year, unless either party notifies the other in writing at least 30 days prior to the Anniversary Date that it does not wish to renew the Agreement. No reason need be given by either party for the non-renewal of the Agreement. If Lennox elects not to renew, however, Employee is nevertheless entitled to the benefits provided in this Agreement, subject to all of its provisions. If Employee elects not to renew, Employee will receive only those benefits provided upon voluntary termination as described in Section 3(a) of the letter agreement.
- B. Agreements by Lennox.
1. Employee Duties. Lennox will assign to the Employee such duties and responsibilities that it deems appropriate to be performed by an employee holding Employee’s position and/or job title on a permanent basis; provided, however, that Lennox can assign other duties on a temporary basis.
 2. Employee Compensation. Employee will receive a salary of that amount in effect at the initial effective or subsequent renewal dates of this Agreement (as may be, from time to time, adjusted in accordance with Lennox’s applicable salary policies which may be changed by Lennox in its sole discretion), payable in accordance with the then applicable payroll policies and subject to all required and authorized withholdings and deductions (“**Base Salary**”). When calculated on an annual basis, this is referred to as **Annual Base Salary**, and when calculated on a monthly basis, this is referred to as **Monthly Base Salary**. The Base Salary will be set in accordance with Lennox’s policy regarding salaries and will not be reduced during the annual term of the Agreement unless Employee’s job duties are changed, in which circumstance Lennox reserves the right to lessen Employee’s compensation by no more than ten percent for the remainder of the year without such change amounting to a breach or termination of this Agreement. Employee will be eligible for such short-term bonuses, stock options, long-term incentive program payments, and fringe benefits as are applicable to other similarly situated employees pursuant to Lennox’s then applicable policies and plans. Benefits may be subject to periodic review and may be changed by Lennox in its sole discretion.
 3. Termination for Cause Defined. Lennox may terminate Employee’s employment, at any time, for Cause as set forth in Section 3(b) of the body of the letter portion of the Agreement. “**Cause**” is defined as (a) any violation by Employee of Lennox’s written policies as they may exist or be created or modified from time to time in the future, including, as examples and not as a limitation of the policies to which an Employee may be subject, those policies prohibiting discrimination in the workplace, including the prohibition of harassment, on the ground of race, sex,

religion, age or any other prohibited basis; (b) any state or federal criminal conviction, including, but not limited to, entry of a plea of nolo contendere or deferred adjudication upon a felony or misdemeanor charge; (c) the commission by Employee of any material act of misconduct or dishonesty; (d) any intentional or grossly negligent action or omission to act which breaches any covenant, agreement, condition or obligation contained in this Agreement; or (e) acts that in any way have a direct, substantial and adverse effect on Lennox's reputation.

Lennox's determination to terminate for Cause is subject to the Employee's rights to a resolution of a dispute of that determination as provided in Exhibit B of this Agreement.

4. Payments upon Disability or Death. In the event Employee dies or becomes permanently disabled **during the term of the Agreement**, Employee or Employee's designated beneficiaries will be entitled to the payments described in Section 3(c) of the letter portion of the Agreement, together with any other benefits provided to employees in an equivalent position in effect at that time. Should Employee die **during the severance period**, severance payments will cease on the date of Employee's death (if Employee is receiving the normal severance benefit) or the expiration of the twelfth- or twenty-fourth-month severance period, as applicable (if Employee has agreed to the terms of the enhanced severance benefit). Any payments after Employee's death that may be due hereunder will be paid to Employee's beneficiary named in connection with Exhibit D of this Agreement, or if no such designation has been made by Employee, then to Employee's executors, administrators, heirs, personal representatives, successors, or assigns, as the case may be.

C. Agreements by Employee.

1. Effort and Cooperation. Employee agrees to devote his or her full efforts and time to the performance of this Agreement and will not, without the prior written consent of the Chief Executive Officer, or in the event the Chief Executive Officer is involved, a designee assigned by the Board of Directors, engage in any other employment, business, or other activity that would materially interfere with the performance of his or her duties under this Agreement. Employee further agrees that following his or her termination from employment, Employee will provide reasonable cooperation with and assistance to Lennox in all respects, including, but not limited to, the transition of his or her duties and responsibilities, cooperation on any project for a reasonable period not to exceed six months, or any litigation involving Lennox related to Employee's period of employment at Lennox at any time such litigation may occur. Lennox will reimburse Employee for any reasonable expenses incurred.
2. Protective Covenants. Employee recognizes that Employee's employment by Lennox is one of the highest trust and confidence. In return for the Employee's agreement to the protective covenants herein, Lennox agrees that (i) Employee will

become fully familiar with many aspects of Lennox's business, including future changes customarily related to the performance of the duties of Employee's position during the term of the Agreement; (ii) Employee will be given access to proprietary confidential information of Lennox or its customers and other information which is of special and peculiar commercial or competitive value to Lennox or its customers for use in connection with Lennox's business, which proprietary confidential information is for the sole and exclusive benefit of Lennox; (iii) Employee will be given all specialized training necessary to perform his or her assigned duties; and (iv) Employee will be provided with Lennox's goodwill in dealing with customers, vendors and potential business contacts. The parties agree and stipulate that the restrictions provided for below in Section C.2 (the "**Protective Covenants**") are reasonable and necessary to protect Lennox's legitimate interests and are not an unreasonable restraint on Employee's ability to earn a living.

Employee acknowledges and agrees that if any such proprietary and confidential information of either Lennox or its customers were to become known by any persons outside of Lennox with a need to have such information, hardship, loss or irreparable injury and damage could result to Lennox or its customers which would be difficult if not impossible to measure. Therefore, Employee agrees that (i) it is necessary for Lennox to protect its business and that of its customers from such damage; (ii) that the information is of a confidential nature; (iii) that the following covenants constitute a reasonable and appropriate means, consistent with the best interests of both Employee and Lennox, to protect Lennox and its customers against such damage and to protect the value of their confidential proprietary information; (iv) that the following covenants are agreed to as a term and condition of Employee's continued employment with Lennox and are supported by adequate consideration from Lennox; and (v) that those covenants will apply to and be binding upon Employee as provided herein:

- a. Trade Secrets, Proprietary and Confidential Information. Employee will have access to, and contact with certain trade secrets and confidential and proprietary information of Lennox, including, without limitation, unique skills, concepts, sales presentations, marketing programs, marketing strategy, business practices, methods of operation, systems, sales methods, proposals, customer lists, customer leads, documents identifying past, present and future customers, hiring and training methods, financial and other customer data, lists of agents, and other confidential information ("**Trade Secrets**"). Employee agrees to protect and safeguard the Trade Secrets, business practices, and confidential and proprietary information of Lennox. Employee further agrees and covenants that, except as may be required by Lennox in connection with this Agreement, or with the prior written consent of Lennox, Employee will not, either during his or her employment with Lennox or thereafter, directly or indirectly, use for Employee's own benefit or for the benefit of another, disclose, disseminate, or distribute to another, any Trade Secret, business practice, or confidential or proprietary information (whether or not acquired, learned, obtained, or

developed by Employee alone or in conjunction with others) of Lennox or of others with whom Lennox has a business relationship. Such Trade Secrets, business practices, and confidential and proprietary information include, but are not limited to, Lennox's patents, trademarks, licenses, and technical information concerning its operations, data bases, Lennox's sales information and marketing strategy, the identities of Lennox's customers, contractors, suppliers, and others with whom Lennox has a business relationship, Lennox's arrangements with such parties, Lennox's customer lists and Lennox's pricing policies and strategy. All memoranda, notes, records, drawings, documents, or other writings whatsoever made, compiled, acquired, or received by Employee during the term of Employee's employment with Lennox, arising out of, in connection with, or related to any activity or business of Lennox, including, but not limited to, Lennox's customers, contractors, suppliers, or others with whom Lennox has a business relationship, Lennox's arrangements with such parties, and Lennox's pricing policies and strategy, are, and will continue to be, the sole and exclusive property of Lennox, and will, together with all copies thereof and all advertising literature, be returned and delivered to Lennox by Employee immediately, without demand, upon the termination of the Employee's employment with Lennox or will be returned at any time upon Lennox's demand.

- b. Non-Competition after Employment. Employee agrees that for a period of 24 complete calendar months following the termination of employment from Lennox for any reason, Employee will not be employed with, or otherwise assist, any Competing Business in any state in the United States, any province in Canada, or in any substantially similar political subdivision of any other country where Employee has assisted Lennox in doing business while employed with Lennox. The foregoing does not prohibit ownership of less than 2% of the outstanding stock of a publicly traded company or passive mutual fund investments so long as Employee's ownership does not involve a controlling interest or other active role in such company. "**Competing Business**" means any person or entity engaged in activities that involve the conception, development, sale, servicing, or production of any goods or services that are substantially similar in form or purpose to Lennox's goods or services or that would otherwise displace the business opportunities for Lennox's goods and services. Person or entity is broadly defined and includes Employee, whether operating as a sole proprietorship or in any other manner.
- c. Conflict of Interest. Employee agrees that for the duration of this Agreement, he will not engage, either directly or indirectly, in any activity that might adversely affect Lennox, including ownership of a material interest in any supplier, contractor, distributor, subcontractor, customer, or other entity with which Lennox does business. Employee further agrees to promptly inform a corporate officer of Lennox as to each offer received by

Employee to engage in any such activity and to disclose any other facts of which Employee becomes aware that might involve or give rise to a conflict or potential conflict of interest.

- d. Restrictions on Diverting Employees of Lennox. Employee agrees that during employment with Lennox, and for a period of 24 complete calendar months following the termination of employment, Employee will not, either directly or indirectly (including through the efforts of others), call on, solicit, induce, or attempt to induce any of the employees or officers of Lennox that Employee had knowledge of, or association with, during Employee's employment with Lennox to terminate their association with Lennox.
- e. Restrictions on Diverting Vendors or Contractors. Employee agrees that during his or her employment with Lennox, and for a period of 24 complete calendar months following his or her termination of employment, Employee will not, either directly or indirectly (including through the efforts of others), call on, solicit, or induce any of Lennox's vendors or suppliers that Employee had contact with, direct knowledge of through his or her position with Lennox, or associated with in the course of employment with Lennox to terminate their association with Lennox.
- f. Restrictions on Soliciting Customers. For a period of 24 complete calendar months following the termination of employment, Employee will not directly or indirectly (including through the efforts of others) (i) call on, service, or solicit customers on behalf of a Competing Business; (ii) provide consulting services regarding the same from customers of Lennox that Employee had (a) direct contact with or (b) access to information and files as part of Employee's duties with Lennox within the previous 24 months; or (iii) induce or encourage customers on behalf of a Competing Business not to do business or reduce its business with Lennox.
- g. Disclosure/Limitations. Employee represents and warrants that he or she (i) will not use or disclose in the performance of Employee's duties hereunder, trade secrets or confidential information of any third party that he or she may have obtained prior to signing this Agreement, or (ii) is not limited by the terms of any contract or other restrictions(s) from performing any and all duties for Lennox as contemplated by this Agreement.
- h. Remedies. In the event of breach or threatened breach by Employee of any provision of Section C.2 hereof, Lennox will be entitled to (i) cease any payments under this Agreement as set forth in Section 4 of the letter portion of the Agreement; (ii) relief by temporary restraining order, temporary injunction, and/or permanent injunction; (iii) recovery of all attorneys' fees and costs incurred by Lennox in obtaining such relief; and (iv) any other legal and equitable relief to which it may be entitled, including any and all

monetary damages. Lennox has the right to pursue partial enforcement and/or to seek declaratory relief regarding the enforceable scope of this Agreement without penalty and without waiving Lennox's right to pursue any other available remedy.

- i. Survival of Covenants. Each covenant of Employee set forth in Section C.2 will survive the termination of Employee's employment. The existence of any claim or cause of action by Employee against Lennox, whether related to this Agreement or otherwise, will not constitute a defense to the enforcement of the covenants in Section C.2. In the event an enforcement remedy is necessary under Section C.2, the restricted time periods provided for in Section C.2 will commence on the date enforcement is ordered and complied with by Employee and will be extended by the period of noncompliance.
- j. Acknowledgment of Ancillary Agreements and Consideration. Employee acknowledges that his or her agreement to be bound by the protective covenants set forth in Section C.2 is the inducement for Lennox (i) to enter into the other terms of this Agreement; (ii) to modify existing employment agreements or other contracts, if any, affected by this Agreement; (iii) to initiate or continue the employment of Employee pursuant to the terms of this Agreement; (iv) to provide Employee with initial or continued use or access to confidential proprietary information of Lennox; and (v) to provide the Employee with unique and specialized training regarding Lennox's Trade Secrets, business practices and marketing strategy, to provide use of goodwill as a representative of Lennox and to ensure business expertise in developing relations with third parties. Employee agrees that each agreement of Lennox set forth in this Agreement is otherwise enforceable and independently sufficient to support all the protective covenants in Section C.2.

- D. Severability. If any provision or restriction contained in this Agreement is determined to be void, illegal or unenforceable, in whole or in part, then it will be modified to conform with the law so as to be enforceable. In the event the provision or restriction is incapable of modification to render it enforceable, the provision or restriction will be stricken, and all other provisions will remain in full force and effect.

E. Notices. All communications required or allowed under this Agreement will be in writing and will be deemed to have been delivered on the date personally delivered or on the date deposited in the United States Postal Service, postage prepaid, by certified mail, return receipt requested, addressed to you at your then current residential address and to Lennox at:

Lennox International Inc.
2140 Lake Park Blvd.
Richardson, Texas 75080-2254
Attn: Chief Legal Officer

A-7

EXHIBIT B

POLICY FOR RESOLUTION OF DISPUTES

A. Agreement to Arbitrate.

1. Arbitrable Disputes. This Policy covers any legal dispute between the parties, as set forth below, except for Lennox's right to seek enforcement of Employee's protective covenants set forth in Section C.2 of Exhibit A or Employee's claims related to workers compensation and/or unemployment insurance. The disputes subject to this policy are all those other disputes between the parties arising from any breach or alleged breach of this Agreement or as to Employee's termination or as to any allegation by the Employee that Lennox has violated any of the Employee's rights under state or federal employment or civil rights laws, or any other laws, statutes or constitutional provisions, including, but not limited to, the following: unlawful discrimination or harassment; claims based on any purported breach of contractual obligations; claims based on any purported breach of duty arising in tort, including violations of public policy; as well as any actions recognized under common law or the combination of any of these claims; and any claims against supervisors or agents of Lennox for which the supervisors or agents were acting in the course and scope of their employment or making any decisions or comments related to or connected with employment, even if the supervisor or agent was not acting within the course and scope of employment, will be resolved in accordance with the provisions of this Policy for Resolution of Disputes as set forth herein. All arbitrable disputes are subject to applicable statutes of limitations and other affirmative defenses recognized by law. Employee or Lennox may seek a court order to enforce or compel arbitration pursuant to the terms of this Policy.
2. Acceptance of Policy. By accepting or continuing employment with Lennox, for the provision of a term of employment provided by Lennox, for Lennox's agreement to pay a severance package, and for Lennox's agreement to provide Employee access to confidential information, Employee and Lennox agree that arbitration is the exclusive remedy for all arbitrable disputes.
3. Governing Law/Waiver of Rights. THIS POLICY AND AGREEMENT TO ARBITRATE IS MADE PURSUANT TO THE FEDERAL ARBITRATION ACT AND APPLICABLE STATE LAWS REGARDING ARBITRATION AND IS A FULL AND COMPLETE WAIVER OF THE PARTIES' RIGHTS TO A CIVIL COURT ACTION AND RIGHTS TO A TRIAL BY JURY.

B. Request for Arbitration.

1. Attempt at Informal Resolution of Disputes.
 - a. Prior to submission of any dispute to arbitration, Lennox and the Employee will attempt to resolve the dispute informally as set forth below.

- b. Lennox and the Employee will select a mutually acceptable mediator from a list provided by an American Arbitration Association Employment Dispute Division or other similar agency who will assist the parties in attempting to reach a settlement of the dispute. The mediator may make settlement suggestions to the parties but will not have the power to impose a settlement upon them. If the dispute is resolved in mediation, the matter will be deemed closed. If the dispute is not resolved in mediation and goes to the next step (binding arbitration), any proposals or compromises suggested by either of the parties or the mediator will not be referred to or have any bearing on the arbitration procedure. The mediator cannot also serve as the arbitrator in the subsequent proceeding unless all parties expressly agree in writing.
2. Arbitration Procedures. The moving party or his/her representative must submit a “**Request for Arbitration**” in writing to the opposing party. If the opposing party is Lennox, it should be sent to the Chief Executive Officer of Lennox. The “Request for Arbitration” must be submitted within the greater of 300 days or the applicable statute of limitation that would apply if the claim had been brought in court of (i) the termination of employment (including resignation), (ii) the incident giving rise to the dispute or claim, or (iii) in the case of unlawful discrimination, including sexual or other unlawful harassment, the alleged conduct. This time limitation will not be extended for any reason and will not be subject to tolling, equitable or otherwise. If the “Request for Arbitration” is not submitted in accordance with the aforementioned time limitations, the moving party will not be able to bring its claim to this or any other forum. The Employee can obtain a “Request for Arbitration” form from the Human Resource Department of Lennox International Inc. or other party designated by the Chief Executive Officer. Alternatively, the Employee can create his/her own “Request for Arbitration” form, as long as it clearly states “Request for Arbitration” at the beginning of the first page. The “Request for Arbitration” must include the following information:
 - a. A factual description of the dispute in sufficient detail to advise the non-moving party of the nature of the dispute;
 - b. The date when the dispute first arose;
 - c. The names, work locations, telephone numbers of any co-workers or supervisors with knowledge of the dispute; and
 - d. The relief requested.

The non-moving party will respond in a timely manner to this “Request for Arbitration,” so that the parties can begin the process of selecting an arbitrator. Such response may include any counterclaims that the non-moving party chooses to bring.

3. Selection of the Arbitrator. All disputes will be resolved by a single arbitrator. The arbitrator will be mutually selected by Lennox and the Employee. If the parties cannot agree on an arbitrator, then a list of seven arbitrators, experienced in employment matters, will be provided by the American Arbitration Association. The arbitrator will be selected by the parties who will alternately strike names from the list. The last name remaining on the list will be the arbitrator selected to resolve the dispute. Upon selection, the arbitrator will set an appropriate time, date, and place for the arbitration, after conferring with the parties to the dispute.
4. Arbitrator's Authority. The arbitrator will have the powers enumerated below:
 - a. Ruling on motions regarding discovery, and ruling on procedural and evidentiary issues arising during the arbitration;
 - b. Issuing protective orders on the motion of any party or third-party witness (such protective orders may include, but not be limited to, sealing the record of the arbitration, in whole or in part (including discovery proceedings and motions, transcripts, and the decision and award), to protect the privacy or other constitutional or statutory rights of parties and/or witnesses);
 - c. Determining only the issue(s) submitted to him/her (the issue(s) must be identified in the "Request for Arbitration" or counterclaims, and any issue(s) not so identified in those documents will be deemed to be and is/are outside the scope of the arbitrator's jurisdiction, and any award involving those issue(s) will be subject to a motion to vacate);
 - d. Shall have no authority to violate state or federal law; and
 - e. Issuing written opinions on the issues raised in the Arbitration.
5. Pleadings.
 - a. A copy of the "Request for Arbitration" will be forwarded to the arbitrator within five calendar days of his/her selection.
 - b. Within 10 calendar days following submission of the "Request for Arbitration" to the arbitrator, the non-moving party will respond in writing by answer and/or demurrer to the "Request for Arbitration" to the arbitrator with a copy to the moving party.
 - c. The answer to the "Request for Arbitration" will include the following information:
 - (1) a response, by admission or denial, to each claim set forth in the "Request for Arbitration";

- (2) all affirmative defenses asserted to each claim; and
 - (3) all counterclaims and any related third-party claims.
- d. If the non-moving party contends that some or all of the claims set forth in the "Request for Arbitration" are barred as a matter of law, it may respond by demurrer setting forth the legal authorities in support of its position. If the non-moving party demurs to less than the entire "Request for Arbitration," it must answer those claims to which it does not demur at the same time that it submits its demurrer.
 - e. The moving party will have 20 calendar days to oppose the demurrer. Any opposition must be in writing and served on the arbitrator and the non-moving party.
 - f. If the answer alleges a counterclaim, within 20 days of service of the answer, the moving party will answer and/or demur to the counterclaim in writing and serve the answer and/or demurrer on the arbitrator and the non-moving party. If the moving party demurs to any counterclaim, the non-moving party will have 20 calendar days from its receipt of the demurrer to submit a written opposition to the demurrer to the moving party and the arbitrator.
 - g. The arbitrator will rule on demurrer(s) to any claims and/or counterclaims within 15 calendar days of service of the moving and opposition papers.
 - h. If any demurrer is overruled, the moving party must answer those claims to which it demurred within five calendar days of the receipt of the arbitrator's ruling. The answer must be served on the arbitrator and the opposing party.
 - i. When all claims and counterclaims have been answered, the arbitrator will set a time and place for hearing which will be no earlier than three months from the day on which the parties are notified of the date of hearing and no later than 12 months from the date on which the arbitrator sets the date for the hearing.
6. Discovery. The discovery process will proceed and be governed as follows:
- a. Parties may obtain discovery by any of the following methods:
 - (1) depositions upon oral examination, one per side as of right, with more permitted if leave is obtained from the arbitrator;
 - (2) written interrogatories, up to a maximum combined total of 20, with the responding party having 20 days to respond;

- (3) request for production of documents or things or permission to enter upon land or other property for inspection, with the responding party having 20 days to produce the documents and allow entry or to file objections to the request; and
 - (4) physical and mental examination, in accordance with the Federal Rules of Civil Procedure, Rule 35(a).
 - b. Any motion to compel production, answers to interrogatories or entry onto land or property must be made to the arbitrator within 15 days of receipt of objections.
 - c. All discovery requests will be submitted no less than 60 days before the hearing date.
 - d. The scope of discoverable evidence will be in accordance with Federal Rule of Civil Procedure 26(b)(1).
 - e. The arbitrator will have the power to enforce the aforementioned discovery rights and obligations by the imposition of the same terms, conditions, consequences, liabilities, sanctions, and penalties as can or may be imposed in like circumstances in a civil action by a federal court under the Federal Rules of Civil Procedure, except the power to order the arrest or imprisonment of a person.
7. Hearing Procedure. The hearing will proceed according to the American Arbitration Association's Rules with the following amendments:
- a. The arbitrator will rule at the outset of the arbitration on procedural issues that bear on whether the arbitration is allowed to proceed.
 - b. Each party has the burden of proving each element of its claim or counterclaims, and each party has the burden of proving any of its affirmative defenses.
 - c. In addition to, or in lieu of, closing arguments, either party will have the right to present post-hearing briefs, and the due date for exchanging post-hearing briefs will be mutually agreed on by the parties and the arbitrator.
8. Substantive Law. The applicable substantive law will be the law of the State of Texas or federal law. If both federal and state law speak to a cause of action, the Employee will have the right to elect his/her choice of law. However, choice of law in no way affects the procedural aspects of the arbitration, which are exclusively governed by the provisions of this Policy.

9. Opinion and Award. The arbitrator will issue a written opinion and award, in conformance with the following requirements:
 - a. The opinion and award must be signed and dated by the arbitrator.
 - b. The arbitrator's opinion and award will decide all issues submitted.
 - c. The arbitrator's opinion and award will set forth the legal principles supporting each part of the opinion.
 - d. The arbitrator will have the same authority to award remedies and damages as provided to a judge and/or jury under parallel circumstances.
 10. Enforcement of Arbitrator's Award. Following the issuance of the arbitrator's decision, any party may petition a court to confirm, enforce, correct, or vacate the arbitrator's opinion and award under the Federal Arbitration Act.
 11. Fees and Costs. Fees and costs will be allocated in the following manner:
 - a. Each party will be responsible for its own attorneys' fees, except as provided by law.
 - b. The Employee will pay a \$150 filing fee to be paid to the arbitration agency. Lennox will bear the remainder of the arbitrator's fees and any costs associated with the facilities for the arbitration.
 - c. Lennox and the Employee will each bear an equal one-half of any court reporters' fees, assuming both parties want a transcript of the proceeding. If one party elects not to receive a transcript of the proceedings, the other party will bear all of the court reporters' fee. However, such an election must be made when the arrangements for the court reporter are being made.
 - d. Each party will be responsible for its costs associated with discovery.
- C. Confidentiality. Neither party may disclose the existence, content, or resolution of the mediation or arbitration (including the contents of this agreement) to any person or entity without the prior written consent of the other party unless required by law. Both parties will use their best efforts to prevent any publicity or disclosure by any third party, including the Arbitrator. Notwithstanding the above, Employee is permitted to make confidential disclosures as required to his or her accountants, attorneys, spouse, or governmental taxing authorities. As applicable to Lennox, the term "person" or "entity" refers to persons/entities that are not employed or retained by Lennox or do not represent Lennox in a business or professional capacity.

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- D. Severability. In the event that any provision of this Policy is determined by a court of competent jurisdiction to be illegal, invalid, or unenforceable to any extent, such term or provision will be enforced to the extent permissible under the law and all remaining terms and provisions of this Policy will continue in full force and effect.

EXHIBIT C

SEVERANCE TERMS

1. Effect of Protective Covenants. The provisions of Section C.2 of Exhibit A of this Agreement will continue in full force and effect regardless of whether Employee continues to be employed by Lennox and regardless of the reason Employee's employment is terminated and regardless of the severance compensation, if any, to which Employee is entitled as set forth below.
2. Normal Severance Compensation. Should Employee be terminated by Lennox other than for Cause (as defined in Section B.3 of Exhibit A) prior to the expiration of the term specified in Section 2 of the letter portion of the Agreement or the Agreement is not renewed by Lennox for any reason, and provided the Employee does not elect and qualify for the Enhanced Severance Payment described in Section 3 of Exhibit C set forth below, Employee will be entitled to receive monthly payments of the greater of the Employee's Monthly Base Salary for the remainder of the Agreement's term or three months of Employee's Monthly Base Salary; provided that (i) if more than six months' severance is required, the first six such monthly payments will be paid in a lump sum on the date six months, two days after the date of termination, and the remaining severance payments paid monthly thereafter or, (ii) if there are fewer than six monthly payments, all such monthly payments will be payable in a lump sum on the date six months, two days after the date of termination. Any such payments will be in addition to any other compensation or benefits applicable to an employee at Employee's level to the extent the Employee would be eligible for such compensation or benefits under the terms of those formal programs which are applicable to all employees at Employee's level in effect at the time of termination and, for any benefits which continue after termination, subject to any modification which is made to such programs applicable to all of the participants at such time. Nothing in this paragraph will be interpreted to extend benefits to Employee past his or her employment to which Employee would have been entitled had Employee remained employed during the period that severance is paid.
3. Enhanced Severance Benefits. If Employee elects and meets the conditions of this Section 3 of Exhibit C and (a) Lennox terminates Employee other than for Cause (including Lennox's non-renewal of the Agreement), (b) Employee terminates his employment for Good Reason, or (c) Employee becomes permanently disabled, Lennox agrees to pay an Enhanced Severance Payment and provide the other benefits described below ("Enhanced Severance Benefits"). The Employee must agree to execute a written General Release in a form satisfactory to Lennox of any and all possible claims against Lennox existing at the time of termination in exchange for which Lennox agrees to the following severance provisions:
 - (i) Severance Payment. Lennox agrees to pay Employee's Monthly Base Salary for a period of 12 months following the date of termination, if the termination occurs within the first three years of the Employee's employment or if it occurs thereafter, 24 months; provided that the first six such monthly payments shall be payable in a

lump sum on the date six months, two days after the date of termination. In addition, Lennox agrees to pay to the Employee, on the date six months, two days after the date of termination, in a lump sum, the total of any short-term bonus payments actually paid to the Employee over the twelve (12) month period prior to the date of termination, if the termination occurs within the first three years of the Employee's employment or if it occurs thereafter, over the twenty-four (24) month period. The severance payments will be paid in accordance with the regular payroll policies of Lennox then in effect and each installment will be subject to regular payroll deductions and all applicable taxes.

- (ii) Perquisites. In addition to (i) above, Employee will receive on the date six months, two days after the date of termination, in a lump sum, a payment of a sum equal to 10% of the Employee's Annual Base Salary in effect at the time of termination in lieu of the continuation of or payment for any perquisites.
- (iii) COBRA Continuation. Lennox agrees to pay COBRA premiums to allow Employee to continue to participate in Lennox's group health plan on the same terms as other Lennox employees for up to 18 months while Employee is unemployed and not eligible for other group health insurance coverage. Should Employee remain unemployed and not otherwise eligible for other coverage at the end of 18 months, the equivalent of the COBRA premium will be paid to the employee on a month-to-month basis for up to six additional months for his or her use in obtaining health insurance coverage outside the group health plan.
- (iv) Outplacement. Lennox agrees to provide Employee with outplacement services in accordance with Lennox's then applicable policy; provided that such outplacement expense is paid by Lennox no later than the end of the second year following the calendar year in which the date of termination occurred. Should Employee elect not to receive outplacement services, then in lieu of such outplacement services, Lennox agrees to pay Employee a lump sum payment of 10% of Employee's Annual Base Salary on the date six months, two days after the date of termination.
- (v) Death Benefit. Employee's beneficiary, as set forth in Exhibit D, will receive, in a lump sum, a death benefit equivalent to six months of Employee's Monthly Base Salary in the event that the Employee should die during the period in which the Employee is entitled to any severance payment described above.

4. Section 409A; Payments to be Separate. This Agreement is intended to comply with Section 409A of the Internal Revenue Code of 1986, as amended, and will be construed in a manner to give effect to such intention. The parties will, if necessary, amend the terms of this Agreement to the limited extent necessary in order to comply with the requirements of Section 409A. Each payment due hereunder will be considered to be separate payments due to Employee and not one of a series of payments for purposes of Section 409A.

Nothing herein will be construed to limit Employee's right to receive any benefits and entitlements under Lennox's ERISA or other employee benefit plans, with all such benefits

being received by the Employee only to the extent allowed by and subject to the terms of any such plan as it may from time to time exist or be modified. Further, this Agreement is not intended and the parties agree that it will not be interpreted as creating any obligation for Lennox to create or maintain any employee benefit, compensation, perquisite or other plan, policy or program for its employees and Lennox retains the sole discretion to eliminate or modify any existing plan, program, or policy as it deems to be appropriate.

EXHIBIT D

DESIGNATION OF BENEFICIARY

The following represent the designation of Beneficiary for the Employee named below:

EMPLOYEE: Alok Maskara

Primary Beneficiary(s):

_____	_____	_____ %*
Name	Relationship	Percent

_____	_____	_____ %*
Name	Relationship	Percent

*The total should add to 100%

Contingent Beneficiary(s):

_____	_____	_____ %*
Name	Relationship	Percent

_____	_____	_____ %*
Name	Relationship	Percent

*The total should add to 100%

This is to confirm the designation of my Beneficiary(s) to receive any benefits provided under this Agreement which are not otherwise covered by Employee benefit plans with other designations of beneficiary(s).

EMPLOYEE

Alok Maskara

Date

**LENNOX INTERNATIONAL INC.
INDEMNIFICATION AGREEMENT**

THIS INDEMNIFICATION AGREEMENT (the "Agreement") is made by and between Lennox International Inc., a Delaware corporation (the "Company"), and Alok Maskara (the "Indemnitee"), and is effective on Indemnitee's commencement of employment with the Company (the "Effective Date").

Background Statement and Recitals

Highly competent and experienced persons are becoming more reluctant to serve corporations as directors or in other capacities unless they are provided with adequate protection through insurance and adequate indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of the corporation.

The Board of Directors of the Company (the "Board") has determined that the inability to attract and retain such persons would be detrimental to the best interests of the Company and its stockholders and that the Company should act to assure such persons that there will be increased certainty of such protection in the future.

The Board has also determined that it is reasonable, prudent, and necessary for the Company, in addition to purchasing and maintaining directors' and officers' liability insurance (or otherwise providing for adequate arrangements of self-insurance), contractually to obligate itself to indemnify such persons to the fullest extent permitted by applicable law so that they will serve or continue to serve the Company free from undue concern that they will not be so indemnified.

Indemnitee is willing to serve, continue to serve and to take on additional service for or on behalf of the Company on the condition that he be so indemnified.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants herein contained, and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereby agree as follows:

**ARTICLE I
CERTAIN DEFINITIONS**

As used herein, the following words and terms will have the following respective meanings:

“Beneficial Owner” means, with reference to any securities, any Entity if:

1. such Entity is the “beneficial owner” of (as determined pursuant to Rule 13d-3 of the General Rules and Regulations under the Exchange Act, as in effect on the date of this Agreement) such securities; provided, however, that an Entity will not be deemed the “Beneficial Owner” of, or to “beneficially own,” any security under this subsection (i) as a result of an agreement, arrangement or understanding to vote such security if such agreement, arrangement or understanding: (x) arises solely from a revocable proxy or consent given in response to a public (*i.e.*, not including a solicitation exempted by Rule 14a-2(b)(2) of the General Rules and Regulations under the Exchange Act) proxy or consent solicitation made pursuant to, and in accordance with, the applicable provisions of the General Rules and Regulations under the Exchange Act and (y) is not then reportable by such Entity on Schedule 13D under the Exchange Act (or any comparable or successor report); or

2. such Entity is a member of a group (as that term is used in Rule 13d-5(b) of the General Rules and Regulations under the Exchange Act) that includes any other Entity that beneficially owns such securities;

provided, however, that an Entity will not be deemed the “Beneficial Owner” of, or to “beneficially own” any security held by a Norris Family Trust with respect to which such Entity acts in the capacity of trustee, personal representative, custodian, administrator, executor or other fiduciary; provided, further, that nothing in this definition will cause an Entity engaged in business as an underwriter of securities to be the Beneficial Owner of, or to “beneficially own,” any securities acquired through such Entity’s participation in good faith in a firm commitment underwriting until the expiration of forty days after the date of such acquisition. For purposes hereof, “voting” a security will include voting, granting a proxy, consenting, or making a request or demand relating to corporate action (including, without limitation, a demand for a stockholder list, to call a stockholder meeting or to inspect corporate books and records) or otherwise giving an authorization (within the meaning of Section 14(a) of the Exchange Act) in respect of such security.

The terms “beneficially own” and “beneficially owning” will have meanings that are correlative to this definition of the term “Beneficial Owner.”

“Change of Control” means any of the following occurring on or after the date hereof:

(i) Any Entity (other than an Exempt Person) will become the Beneficial Owner of 35% or more of the shares of Common Stock then outstanding or 35% or more of the combined voting power of the Voting Stock of the Company then outstanding; provided, however, that no Change of Control will be deemed to occur for purposes of this subsection (i) if such Entity will become a Beneficial Owner of 35% or more of the shares of Common Stock or 35% or more of the combined voting power of the Voting Stock of the Company solely as a result of (x) an Exempt Transaction or (y) an acquisition by an Entity pursuant to a reorganization, merger or consolidation, if, following such reorganization, merger or consolidation, the conditions described in clauses (x), (y), and (z) of subsection (iii) of this definition are satisfied;

(ii) Individuals who, as of the date hereof, constitute the Board (the “Incumbent Board”) cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company’s shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board will be considered as though such individual were a member of the Incumbent Board; provided, further, that there will be excluded, for this purpose, any such individual whose initial assumption of office occurs as a result of any actual or threatened election contest that is subject to the provisions of Rule 14a-11 under the Exchange Act;

(iii) Approval by the shareholders of the Company of a reorganization, merger or consolidation, in each case, unless, following such reorganization, merger or consolidation, (x) more than 65% of the then outstanding shares of common stock of the corporation resulting from such reorganization, merger or consolidation and the combined voting power of the then outstanding Voting Stock of such corporation is beneficially owned, directly or indirectly, by all or substantially all of the Entities who were the Beneficial Owners of the outstanding Common Stock immediately prior to such reorganization, merger or consolidation (ignoring, for purposes of this clause (x), the first proviso in the definition of “Beneficial Owner” set forth in this Article I) in substantially the same proportions as their ownership immediately prior to such reorganization, merger or consolidation of the outstanding Common Stock, (y) no Entity (excluding any Exempt Person or any Entity beneficially owning, immediately prior to such reorganization, merger or consolidation, directly or indirectly, 35% or more of the Common Stock then outstanding or 35% or more of the combined voting power of the Voting Stock of the Company then outstanding) beneficially owns, directly or indirectly, 35% or more of the then outstanding shares of common stock of the corporation resulting from such reorganization, merger or consolidation or the combined voting power of the then outstanding Voting Stock of such corporation and (z) at least a majority of the members of the board of directors of the corporation resulting from such reorganization, merger or consolidation were members of the Incumbent Board at the time of the execution of the initial agreement or initial action by the Board providing for such reorganization, merger or consolidation; or

(iv) Approval by the shareholders of the Company of (x) a complete liquidation or dissolution of the Company, unless such liquidation or dissolution is approved as part of a plan of liquidation and dissolution involving a sale or disposition of all or substantially all of the assets of the Company to a corporation with respect to which, following such sale or other disposition, all of the requirements of clauses (y)(A), (B) and (C) of this subsection (iv) are satisfied, or (y) the sale or other disposition of all or substantially all of the assets of the Company, other than to a corporation, with respect to which, following such sale or other disposition, (A) more than 65% of the then outstanding shares of common stock of such corporation and the combined voting power of the Voting Stock of such corporation is then beneficially owned, directly or indirectly, by all or substantially all of the Entities who were the Beneficial Owners of the outstanding Common Stock immediately prior to such sale or other disposition (ignoring, for purposes of this clause (y)(A), the first proviso in the definition of “Beneficial Owner” set forth in this Article I) in substantially the same proportions as their ownership, immediately prior to such sale or other disposition, of the outstanding Common Stock, (B) no Entity (excluding any Exempt Person and any Entity beneficially owning, immediately prior to such sale or other disposition, directly or indirectly, 35% or more of the Common Stock then outstanding or 35% or more of the combined voting power of the Voting Stock of the Company then outstanding) beneficially owns, directly or indirectly, 35% or more of the then outstanding shares of common stock of such corporation and the combined voting power of the then outstanding Voting Stock of such corporation and (C) at least a majority of the members of the board of directors of such corporation were members of the Incumbent Board at the time of the execution of the initial agreement or initial action of the Board providing for such sale or other disposition of assets of the Company.

“Claim” means an actual or threatened claim or request for relief.

“Common Stock” means the common stock, par value \$0.01 per share, of the Company.

“Corporate Status” means the status of a person who is or was a director, nominee for director, officer, employee, agent, or fiduciary of the Company (including any predecessors to the Company), or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which such person is or was serving at the request of the Company.

“Disinterested Director,” with respect to any request by Indemnitee for indemnification hereunder, means a director of the Company who neither is nor was a party to the Proceeding or subject to a Claim, issue, or matter in respect of which indemnification is sought by Indemnitee.

“DGCL” means the Delaware General Corporation Law and any successor statute thereto as either of them may be amended from time to time.

“Entity” means any individual, firm, corporation, partnership, association, trust, unincorporated organization, or other entity.

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

“Exempt Person” means (i) the Company, any subsidiary of the Company, any employee benefit plan of the Company or any subsidiary of the Company, and any Entity organized, appointed or established by the Company for or pursuant to the terms of any such plan and (ii) any Person who is shown under the caption “Principal and Selling Stockholders” in the Company’s Registration Statement on Form S-1 related to the initial public offering of the Common Stock as beneficially owning (as determined pursuant to Rule 13d-3 of the General Rules and Regulations under the Exchange Act, as in effect on the date of this Agreement) five percent or more of the Common Stock unless and until such Person individually becomes the Beneficial Owner, other than as a result of a distribution from a Norris Family Trust, of an amount of Common Stock that is 103% or more of the amount of such Common Stock beneficially owned by such Person on the date the Registration Statement is declared effective by the Securities and Exchange Commission.

“Exempt Transaction” means an increase in the percentage of the outstanding shares of Common Stock or the percentage of the combined voting power of the outstanding Voting Stock of the Company beneficially owned by any Entity solely as a result of a reduction in the number of shares of Common Stock then outstanding due to the repurchase of Common Stock by the Company, unless and until such time as such Entity will purchase or otherwise become the Beneficial Owner of additional shares of Common Stock constituting 3% or more of the then outstanding shares of Common Stock or additional Voting Stock representing 3% or more of the combined voting power of the then outstanding Voting Stock.

“Expenses” means all attorneys’ fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or participating in (including on appeal), a Proceeding.

“Independent Counsel” means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither contemporaneously is, nor in the five years theretofore has been, retained to represent (a) the Company or Indemnitee in any matter material to either such party, (b) any other party to the Proceeding giving rise to a claim for indemnification hereunder or (c) the beneficial owner, directly or indirectly, of securities of the Company representing 20% or more of the combined voting power of the Company’s then outstanding voting securities (other than, in each such case, with respect to matters concerning the rights of Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements). Notwithstanding the foregoing, the term “Independent Counsel” will not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee’s rights under this Agreement.

“Norris Family Trust” means any trust, estate, custodianship or other fiduciary arrangement (collectively, a “Family Entity”) formed, owned, held or existing primarily for the benefit of the lineal descendants of D.W. Norris, but only if such Family Entity will not at any time hold Common Stock or Voting Stock of the Company with the primary purpose of effecting with respect to the Company (i) an extraordinary corporate transaction, such as a merger, reorganization or liquidation (ii) a sale or transfer of a material amount of assets, (iii) any material change in capitalization, (iv) any other material change in business or corporate structure or operations, (v) changes in corporate charter or bylaws, or (vi) a change in the composition of the Board or of the members of senior management.

“Person” will have the meaning ascribed to such term in Sections 13(d) and 14(d) of the Exchange Act.

“Proceeding” means any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, administrative hearing or any other proceeding, whether civil, criminal, administrative or investigative and whether or not based upon events occurring, or actions taken, before the date hereof (except any of the foregoing initiated by Indemnatee pursuant to Article VI or Section 7.8 to enforce his rights under this Agreement), and any inquiry or investigation that could lead to, and any appeal in or related to, any such action, suit, arbitration, alternative dispute resolution mechanism, hearing or proceeding.

“Voting Stock” means, with respect to a corporation, all securities of such corporation of any class or series that are entitled to vote generally in the election of directors of such corporation (excluding any class or series that would be entitled so to vote by reason of the occurrence of any contingency, so long as such contingency has not occurred).

ARTICLE II SERVICES BY INDEMNITEE

Section II.1 *Services*. Indemnatee agrees to serve, or continue to serve, as requested or may be requested from time to time, as a director, officer, employee, agent, or fiduciary of the Company. Indemnatee and Company each acknowledge that they have entered into this Agreement as a means of inducing Indemnatee to serve, or continue to serve, the Company in such capacities. Indemnatee may at any time and for any reason resign from such position or positions (subject to any other contractual obligation or any obligation imposed by operation of law). The Company will have no obligation under this Agreement to continue Indemnatee in any such position or positions.

**ARTICLE III
INDEMNIFICATION**

Section III.1 *General*. The Company will indemnify, and advance Expenses to, Indemnitee to the fullest extent permitted by applicable law in effect on the date hereof and to such greater extent as applicable law may thereafter from time to time permit. The rights of Indemnitee provided under the preceding sentence will include, but will not be limited to, the right to be indemnified and to have Expenses advanced in all Proceedings to the fullest extent permitted by Section 145 of the DGCL. The provisions set forth in this Agreement are provided in addition to and as a means of furtherance and implementation of, and not in limitation of, the obligations expressed in this Article III.

Section III.2 *Proceedings Other Than by or in Right of the Company*. Indemnitee will be entitled to indemnification pursuant to this Section 3.2 if, by reason of his Corporate Status, he was, is or is threatened to be made, a party to any Proceeding, other than a Proceeding by or in the right of the Company. Pursuant to this Section 3.2, the Company will indemnify Indemnitee against Expenses, judgments, penalties, fines, and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with any such Expenses, judgments, penalties, fines and amounts paid in settlement) actually and reasonably incurred by him or on his behalf in connection with such Proceeding or any Claim, issue or matter therein, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company, and with respect to any criminal Proceeding, had no reasonable cause to believe his conduct was unlawful. Nothing in this Section 3.2 will limit the benefits of Section 3.1 or any other Section hereunder.

Section III.3 *Proceedings by or in Right of the Company*. Indemnitee will be entitled to indemnification pursuant to this Section 3.3 if, by reason of his Corporate Status, he was, is or is threatened to be made, a party to any Proceeding brought by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 3.3, the Company will indemnify Indemnitee against Expenses actually and reasonably incurred by him or on his behalf in connection with such Proceeding or any Claim, issue, or matter therein, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company. Notwithstanding the foregoing, no indemnification against such Expenses will be made in respect of any Claim, issue or matter in such Proceeding as to which Indemnitee will have been adjudged to be liable to the Company if applicable law prohibits such indemnification; *provided, however*, that, if applicable law so permits, indemnification against such Expenses will nevertheless be made by the Company in such event if and only to the extent that the Court of Chancery of the State of Delaware or other court of competent jurisdiction (the "Court"), or the court in which such Proceeding is brought or is pending, shall so determine. Nothing in this Section 3.3 will limit the benefits of Section 3.1 or any other Section hereunder.

**ARTICLE IV
EXPENSES**

Section IV.1 *Expenses of a Party Who Is Wholly or Partly Successful*. Notwithstanding any other provision of this Agreement to the contrary (except as set forth in

Section 7.2(c) or 7.6), and without a requirement for any determination described in Section 5.2, the Company will indemnify Indemnitee against all Expenses actually and reasonably incurred by him or on his behalf in connection with any Proceeding to which Indemnitee was or is a party by reason of his Corporate Status and in which Indemnitee is successful, on the merits or otherwise. If Indemnitee is not wholly successful, on the merits or otherwise, in a Proceeding but is successful, on the merits or otherwise, as to any Claim, issue or matter in such Proceeding, the Company will indemnify Indemnitee against all Expenses actually and reasonably incurred by him or on his behalf relating to each successfully resolved Claim, issue, or matter. For purposes of this Section 4.1 and without limitation, the termination of a Claim, issue, or matter in a Proceeding by dismissal, with or without prejudice, will be deemed to be a successful result as to such Claim, issue, or matter.

Section IV.2 *Expenses of a Witness or Non-Party*. Notwithstanding any other provision of this Agreement to the contrary, to the extent that Indemnitee is, by reason of his Corporate Status, a witness or otherwise participates in any Proceeding at a time when he is not a party in the Proceeding, the Company will indemnify him against all Expenses actually and reasonably incurred by him or on his behalf in connection therewith.

Section IV.3 *Advancement of Expenses*. The Company will pay all reasonable Expenses incurred by or on behalf of Indemnitee in connection with any Proceeding, whether brought by or in the right of the Company or otherwise, in advance of any determination with respect to entitlement to indemnification pursuant to Article V within 15 days after the receipt by the Company of a written request from Indemnitee requesting such payment or payments from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements will reasonably evidence the Expenses incurred by Indemnitee. Indemnitee hereby undertakes and agrees that he will reimburse and repay the Company for any Expenses so advanced to the extent that it will ultimately be determined (in a final adjudication by a court from which there is no further right of appeal or in a final adjudication of an arbitration pursuant to Section 6.1 if Indemnitee elects to seek such arbitration) that Indemnitee is not entitled to be indemnified by the Company against such Expenses.

ARTICLE V
PROCEDURE FOR DETERMINATION OF ENTITLEMENT
TO INDEMNIFICATION

Section V.1 *Request by Indemnitee*. To obtain indemnification under this Agreement, Indemnitee will submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The Secretary or an Assistant Secretary of the Company will, promptly upon receipt of such a request for indemnification, advise the members of the Board in writing that Indemnitee has requested indemnification.

Section V.2 *Determination of Request*. Upon written request by Indemnitee for indemnification pursuant to Section 5.1, a determination, if required by applicable law, with respect to Indemnitee's entitlement thereto will be made in the specific case as follows:

(a) If a Change in Control occurs, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to Indemnitee unless Indemnitee requests that such determination be made by the Disinterested Directors, in which case in the manner provided for in clause (i) or (ii) of paragraph (b) below;

(b) If a Change in Control has not occurred, (i) by a majority vote of the Disinterested Directors, even though less than a quorum of the Board, (ii) by a committee of Disinterested Directors designated by majority vote of the Disinterested Directors, even though less than a quorum of the Board, (iii) if there are no Disinterested Directors, or if such Disinterested Directors so direct, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to the Indemnitee, or (iv) if Indemnitee and the Company mutually agree, by the stockholders of the Company; or

(c) As provided in Section 5.4(b).

If it is so determined that Indemnitee is entitled to indemnification hereunder, payment to Indemnitee will be made within 15 days after such determination. Indemnitee will cooperate with the person or persons making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person upon reasonable advance request any documentation or information that is not privileged or otherwise protected from disclosure and that is reasonably available to Indemnitee and reasonably necessary for such determination. Any costs or expenses (including attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the person or persons making such determination will be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification), and the Company will indemnify and hold harmless Indemnitee therefrom.

Section V.3 *Independent Counsel*. If a Change in Control has not occurred and the determination of entitlement to indemnification is to be made by Independent Counsel, the

Independent Counsel will be selected by (a) a majority vote of the Disinterested Directors, even though less than a quorum of the Board or (b) if there are no Disinterested Directors, by a majority vote of the Board, and the Company will give written notice to Indemnitee, within 10 days after receipt by the Company of Indemnitee's request for indemnification, specifying the identity and address of the Independent Counsel so selected. If a Change in Control has occurred and the determination of entitlement to indemnification is to be made by Independent Counsel, the Independent Counsel will be selected by Indemnitee, and Indemnitee will give written notice to the Company, within 10 days after submission of Indemnitee's request for indemnification, specifying the identity and address of the Independent Counsel so selected (unless Indemnitee will request that such selection be made by the Disinterested Directors, in which event the Company will give written notice to Indemnitee, within 10 days after receipt of Indemnitee's request for the Disinterested Directors to make such selection, specifying the identity and address of the Independent Counsel so selected). In either event, (i) such notice to Indemnitee or the Company, as the case may be, will be accompanied by a written affirmation of the Independent Counsel so selected that it satisfies the requirements of the definition of "Independent Counsel" in Article I and that it agrees to serve in such capacity and (ii) Indemnitee or the Company, as the case may be, may, within seven days after such written notice of selection will have been given, deliver to the Company or to Indemnitee, as the case may be, a written objection to such selection. Any objection to selection of Independent Counsel pursuant to this Section 5.3 may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of the definition of "Independent Counsel" in Article I, and the objection will set forth with particularity the factual basis of such assertion. If such written objection is timely made, the Independent Counsel so selected may not serve as Independent Counsel unless and until the Court has determined that such objection is without merit. In the event of a timely written objection to a choice of Independent Counsel, the party originally selecting the Independent Counsel will have seven days to make an alternate selection of Independent Counsel and to give written notice of such selection to the other party, after which time such other party will have five days to make a written objection to such alternate selection. If, within 30 days after submission of Indemnitee's request for indemnification pursuant to Section 5.1, no Independent Counsel will have been selected and not objected to, either the Company or Indemnitee may petition the Court for resolution of any objection that will have been made by the Company or Indemnitee to the other's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the Court or by such other person as the Court will designate, and the person with respect to whom an objection is so resolved or the person so appointed will act as Independent Counsel under Section 5.2. The Company will pay any and all reasonable fees and expenses incurred by such Independent Counsel in connection with acting pursuant to Section 5.2, and the Company will pay all reasonable fees and expenses incident to the procedures of this Section 5.3, regardless of the manner in which such Independent Counsel was selected or appointed. Upon the due commencement of any judicial proceeding or arbitration pursuant to Section 6.1, Independent Counsel will be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

(a) Indemnitee will be presumed to be entitled to indemnification under this Agreement upon submission of a request for indemnification pursuant to Section 5.1, and the Company will have the burden of proof in overcoming that presumption in reaching a determination contrary to that presumption. Such presumption will be used by Independent Counsel (or other person or persons determining entitlement to indemnification) as a basis for a determination of entitlement to indemnification unless the Company provides information sufficient to overcome such presumption by clear and convincing evidence.

(b) If the person or persons empowered or selected under this Article V to determine whether Indemnitee is entitled to indemnification will not have made a determination within 60 days after receipt by the Company of Indemnitee's request for indemnification, the requisite determination of entitlement to indemnification will be deemed to have been made and Indemnitee will be entitled to such indemnification, absent (i) a knowing misstatement by Indemnitee of a material fact, or knowing omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with Indemnitee's request for indemnification, or (ii) a prohibition of such indemnification under applicable law; *provided, however*, that such 60-day period may be extended for a reasonable time, not to exceed an additional 30 days, if the person making the determination with respect to entitlement to indemnification in good faith requires such additional time for the obtaining or evaluating of documentation and/or information relating to such determination; *provided further*, that the 60-day limitation set forth in this Section 5.4(b) will not apply and such period will be extended as necessary (i) if within 30 days after receipt by the Company of Indemnitee's request for indemnification under Section 5.1 Indemnitee and the Company have agreed, and the Board has resolved, to submit such determination to the stockholders of the Company pursuant to Section 5.2(b) for their consideration at an annual meeting of stockholders to be held within 90 days after such agreement and such determination is made thereat, or a special meeting of stockholders for the purpose of making such determination to be held within 60 days after such agreement and such determination is made thereat, or (ii) if the determination of entitlement to indemnification is to be made by Independent Counsel, in which case the applicable period will be as set forth in clause (c) of Section 6.1.

(c) The termination of any Proceeding or of any Claim, issue or matter by judgment, order, settlement (whether with or without court approval) or conviction, or upon a plea of *nolo contendere* or its equivalent, will not by itself adversely affect the rights of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith or in a manner that he reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his conduct was unlawful. Indemnitee will be deemed to have been found liable in respect of any Claim, issue, or matter only after he will have been so adjudged by the Court after exhaustion of all appeals therefrom.

ARTICLE VI
CERTAIN REMEDIES OF INDEMNITEE

Section VI.1 *Indemnitee Entitled to Adjudication in an Appropriate Court.* If (a) a determination is made pursuant to Article V that Indemnitee is not entitled to indemnification under this Agreement, (b) there has been any failure by the Company to make timely payment or advancement of any amounts due hereunder, or (c) the determination of entitlement to indemnification is to be made by Independent Counsel and such determination will not have been made and delivered in a written opinion within 90 days after the latest of (i) such Independent Counsel's being appointed, (ii) the overruling by the Court of objections to such counsel's selection or (iii) expiration of all periods for the Company or Indemnitee to object to such counsel's selection, Indemnitee will be entitled to commence an action seeking an adjudication in the Court of his entitlement to such indemnification or advancement of Expenses. Alternatively, Indemnitee, at his option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the commercial arbitration rules of the American Arbitration Association. Indemnitee will commence such action seeking an adjudication or an award in arbitration within 180 days following the date on which Indemnitee first has the right to commence such action pursuant to this Section 6.1, or such right will expire. The Company will not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

Section VI.2 *Adverse Determination Not to Affect any Judicial Proceeding.* If a determination will have been made pursuant to Article V that Indemnitee is not entitled to indemnification under this Agreement, any judicial proceeding or arbitration commenced pursuant to this Article VI will be conducted in all respects as a *de novo* trial or arbitration on the merits, and Indemnitee will not be prejudiced by reason of such initial adverse determination. In any judicial proceeding or arbitration commenced pursuant to this Article VI, Indemnitee will be presumed to be entitled to indemnification or advancement of Expenses, as the case may be, under this Agreement and the Company will have the burden of proof in overcoming such presumption and to show by clear and convincing evidence that Indemnitee is not entitled to indemnification or advancement of Expenses, as the case may be.

Section VI.3 *Company Bound by Determination Favorable to Indemnitee in any Judicial Proceeding or Arbitration.* If a determination is made or deemed to have been made pursuant to Article V that Indemnitee is entitled to indemnification, the Company will be irrevocably bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Article VI and will be precluded from asserting that such determination has not been made or that the procedure by which such determination was made is not valid, binding and enforceable, in each such case absent (a) a knowing misstatement by Indemnitee of a material fact, or a knowing omission of a material fact necessary to make a statement by Indemnitee not materially misleading, in connection with Indemnitee's request for indemnification or (b) a prohibition of such indemnification under applicable law.

Section VI.4 *Company Bound by the Agreement.* The Company will be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Article VI that the procedures and presumptions of this Agreement are not valid, binding, and enforceable and will stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Agreement.

Section VI.5 *Indemnitee Entitled to Expenses of Judicial Proceeding.* If Indemnitee seeks a judicial adjudication of or an award in arbitration to enforce his rights under, or to recover damages for breach of, this Agreement, Indemnitee will be entitled to recover from the Company, and the Company will indemnify Indemnitee against, any and all expenses (of the types described in the definition of Expenses in Article I) actually and reasonably incurred by him in such judicial adjudication or arbitration but only if Indemnitee prevails therein. If it is determined in such judicial adjudication or arbitration that Indemnitee is entitled to receive part but not all of the indemnification or advancement of expenses or other benefit sought, the expenses incurred by Indemnitee in connection with such judicial adjudication or arbitration will be equitably allocated between the Company and Indemnitee. Notwithstanding the foregoing, if a Change in Control has occurred, Indemnitee will be entitled to indemnification under this Section 6.5 regardless of whether Indemnitee ultimately prevails in such judicial adjudication or arbitration.

ARTICLE VII MISCELLANEOUS

Section VII.1 *Non-Exclusivity.* The rights of Indemnitee to receive indemnification and advancement of Expenses under this Agreement will not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Certificate of Incorporation or Bylaws of the Company, any other agreement, vote of stockholders or a resolution of directors, or otherwise. No amendment or alteration of the Certificate of Incorporation or Bylaws of the Company or any provision thereof will adversely affect Indemnitee's rights hereunder and such rights will be in addition to any rights Indemnitee may have under the Company's Certificate of Incorporation, Bylaws and the DGCL or otherwise. To the extent that there is a change in the DGCL or other applicable law (whether by statute or judicial decision) that allows greater indemnification by agreement than would be afforded currently under the Company's Certificate of Incorporation or Bylaws and this Agreement, it is the intent of the parties hereto that the Indemnitee will enjoy by virtue of this Agreement the greater benefit so afforded by such change.

Section VII.2 *Insurance and Subrogation.*

(a) To the extent the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, agents or fiduciaries of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that such person serves at the request of the Company, Indemnitee will be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, officer, employee, agent or fiduciary under such policy or policies.

(b) In the event of any payment by the Company under this Agreement, the Company will be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who will execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(c) The Company will not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder if and to the extent that Indemnitee has otherwise actually received such payment under the Company's Certificate of Incorporation or Bylaws or any insurance policy, contract, agreement or otherwise.

Section VII.3 *Certain Settlement Provisions.* The Company will have no obligation to indemnify Indemnitee under this Agreement for amounts paid in settlement of a Proceeding or Claim without the Company's prior written consent. The Company will not settle any Proceeding or Claim in any manner that would impose any fine or other obligation on Indemnitee without Indemnitee's prior written consent. Neither the Company nor Indemnitee will unreasonably withhold their consent to any proposed settlement.

Section VII.4 *Duration of Agreement.* This Agreement will continue for so long as Indemnitee serves as a director, nominee for director, officer, employee, agent or fiduciary of the Company or, at the request of the Company, as a director, nominee for director, officer, employee, agent or fiduciary of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, and thereafter will survive until and terminate upon the latest to occur of (a) the expiration of 10 years after the latest date that Indemnitee will have ceased to serve in any such capacity; (b) the final termination of all pending Proceedings in respect of which Indemnitee is granted rights of indemnification or advancement of Expenses hereunder and of any proceeding commenced by Indemnitee pursuant to Article VI relating thereto; or (c) the expiration of all statutes of limitation applicable to possible Claims arising out of Indemnitee's Corporate Status.

Section VII.5 *Notice by Each Party.* Indemnitee will promptly notify the Company in writing upon being served with any summons, citation, subpoena, complaint, indictment, information or other document or communication relating to any Proceeding or Claim for which Indemnitee may be entitled to indemnification or advancement of Expenses hereunder;

provided, however, that any failure of Indemnitee to so notify the Company will not adversely affect Indemnitee's rights under this Agreement except to the extent the Company has been materially prejudiced as a direct result of such failure. The Company will notify promptly Indemnitee in writing, as to the pendency of any Proceeding or Claim that may involve a claim against the Indemnitee for which Indemnitee may be entitled to indemnification or advancement of Expenses hereunder.

Section VII.6 *Certain Persons Not Entitled to Indemnification*. Notwithstanding any other provision of this Agreement to the contrary, Indemnitee will not be entitled to indemnification or advancement of Expenses hereunder with respect to any Proceeding or any Claim, issue, or matter therein, brought or made by Indemnitee against the Company or any affiliate of the Company, except as specifically provided in Article V or Article VI.

Section VII.7 *Indemnification for Negligence, Gross Negligence, etc.* Without limiting the generality of any other provision hereunder, it is the express intent of this Agreement that Indemnitee be indemnified and Expenses be advanced regardless of Indemnitee's acts of negligence, gross negligence or intentional or willful misconduct to the extent that indemnification and advancement of Expenses is allowed pursuant to the terms of this Agreement and under applicable law.

Section VII.8 *Enforcement*. The Company agrees that its execution of this Agreement will constitute a stipulation by which it will be irrevocably bound in any court or arbitration in which a proceeding by Indemnitee for enforcement of his rights hereunder will have been commenced, continued or appealed, that its obligations set forth in this Agreement are unique and special, and that failure of the Company to comply with the provisions of this Agreement will cause irreparable and irremediable injury to Indemnitee, for which a remedy at law will be inadequate. As a result, in addition to any other right or remedy he may have at law or in equity with respect to breach of this Agreement, Indemnitee will be entitled to injunctive or mandatory relief directing specific performance by the Company of its obligations under this Agreement.

Section VII.9 *Successors and Assigns*. All of the terms and provisions of this Agreement will be binding upon, will inure to the benefit of and will be enforceable by the parties hereto and their respective successors, assigns, heirs, executors, administrators, legal representatives. The Company will require and cause any direct or indirect successor (whether by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company, by written agreement in form and substance reasonably satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

Section VII.10 *Amendment*. This Agreement may not be modified or amended except by a written instrument executed by or on behalf of each of the parties hereto.

Section VII.11 *Waivers*. The observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) by the

party entitled to enforce such term only by a writing signed by the party against which such waiver is to be asserted. Unless otherwise expressly provided herein, no delay on the part of any party hereto in exercising any right, power or privilege hereunder will operate as a waiver thereof, nor will any waiver on the part of any party hereto of any right, power or privilege hereunder operate as a waiver of any other right, power or privilege hereunder nor will any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

Section VII.12 *Entire Agreement*. This Agreement and the documents expressly referred to herein constitute the entire agreement between the parties hereto with respect to the matters covered hereby, and any other prior or contemporaneous oral or written understandings or agreements with respect to the matters covered hereby are expressly superseded by this Agreement.

Section VII.13 *Severability*. If any provision of this Agreement (including any provision within a single section, paragraph or sentence) or the application of such provision to any person or circumstance, will be judicially declared to be invalid, unenforceable or void, such decision will not have the effect of invalidating or voiding the remainder of this Agreement or affect the application of such provision to other persons or circumstances, it being the intent and agreement of the parties that this Agreement will be deemed amended by modifying such provision to the extent necessary to render it valid, legal and enforceable while preserving its intent, or if such modification is not possible, by substituting therefor another provision that is valid, legal and enforceable and that achieves the same objective. Any such finding of invalidity or unenforceability will not prevent the enforcement of such provision in any other jurisdiction to the maximum extent permitted by applicable law.

Section VII.14 *Notices*. All notices and other communications hereunder will be in writing and will be deemed given upon (a) transmitter's confirmation of a receipt of a facsimile transmission, (b) confirmed delivery of a standard overnight courier or when delivered by hand or (c) the expiration of five business days after the date mailed by certified or registered mail (return receipt requested), postage prepaid, to the parties at the following addresses (or at such other addresses for a party as will be specified by like notice):

If to the Company:

Lennox International Inc.
2140 Lake Park Blvd.
Richardson, Texas 75080

Attention: Chief Executive Officer
Facsimile: (972) 497-6042

If to Indemnitee, at his then current residential address.

Section VII.15 *Certain Construction Rules.*

(a) The article and section headings contained in this Agreement are for reference purposes only and will not affect in any way the meaning or interpretation of this Agreement. As used in this Agreement, unless otherwise provided to the contrary, (i) all references to days will be deemed references to calendar days and (ii) any reference to a "Section" or "Article" will be deemed to refer to a section or article of this Agreement. The words "hereof," "herein" and "hereunder" and words of similar import referring to this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. Whenever the words "include," "includes" or "including" are used in this Agreement, they will be deemed to be followed by the words "without limitation." Unless otherwise specifically provided for herein, the term "or" will not be deemed to be exclusive. Whenever the context may require, any pronoun used in this Agreement will include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs will include the plural and vice versa.

(b) For purposes of this Agreement, references to "other enterprises" will include employee benefit plans; references to "fines" will include any excise taxes assessed on a person with respect to any employee benefit plan; references to "serving at the request of the Company" will include any service as a director, nominee for director, officer, employee or agent of the Company which imposes duties on, or involves services by, such director, nominee, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner he reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan will be deemed to have acted in a manner "not opposed to the best interests of the Company" as referred to in this Agreement.

Section VII.16 *Governing Law.* This Agreement will be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to the conflicts of laws principles thereof.

Section VII.17 *Counterparts.* This Agreement may be executed in two or more counterparts, each of which will be deemed to be an original and all of which together will be deemed to be one and the same instrument, notwithstanding that both parties are not signatories to the original or same counterpart.

The signatures below confirm the parties' acceptance of the terms of this Agreement.

LENNOX INTERNATIONAL INC.

/s/ Todd J. Teske

Todd J. Teske

Lead Independent Director

Date: March 18, 2022

INDEMNITEE

/s/ Alok Maskara

Alok Maskara

Date: March 18, 2022

**LENNOX INTERNATIONAL INC.
CHANGE IN CONTROL AGREEMENT**

THIS CHANGE IN CONTROL AGREEMENT (this "**Agreement**") is made by and between Lennox International Inc., a Delaware corporation (the "**Company**"), and Alok Maskara ("**Executive**"), and is effective on Executive's commencement of employment with the Company (the "**Effective Date**").

WHEREAS, the Company considers it essential to the best interests of its stockholders to foster the continued employment of key management personnel;

WHEREAS, the **Board** (as defined in Appendix A) recognizes that, as is the case with many publicly held corporations, the possibility of a change in control exists and that such possibility, and the uncertainty and questions which may raise among management, may result in the departure or distraction of management personnel to the detriment of the Company and its stockholders;

WHEREAS, the Board has determined that appropriate steps should be taken to reinforce and encourage the continued attention and dedication of key members of the Company's management, including Executives, to their assigned duties without the distraction of potentially disturbing circumstances arising from the possibility of a change in control;

WHEREAS, the Company wishes to enter into this Agreement to protect Executive's reasonable expectations regarding compensation and duties if a change in control of the Company occurs, thereby encouraging Executive to remain in the employ of the Company notwithstanding the possibility of a change in control;

WHEREAS, it is understood that if Executive has an existing employment agreement (the "**Employment Agreement**") with the Company, then this Agreement is intended to provide certain protections to Executive that are not afforded by the Employment Agreement; however, this Agreement is not intended to provide benefits that are duplicative of Executive's current benefits; and

WHEREAS, upon the Effective Date, this Agreement will supersede all previous agreements, if any, between the Company and Executive that provides benefits to Executive upon a change in control of the Company;

NOW, THEREFORE, the Company and Executive agree as follows:

1. **Term of Agreement.** The initial term of this Agreement will commence on the Effective Date and continue in effect through December 31, 2022. On January 1, 2023 and each January 1 thereafter, the term will automatically renew for one additional year (the initial term and all renewals are collectively defined as the "**Term**"). If a **Change in Control** (as defined in Appendix A) occurs during the Term, the Term will expire two years following the event that constitutes a Change in Control.

2. Company's Obligations.

2.1 General Obligations. The Company agrees, under the conditions described in this Agreement, to pay Executive the **Severance Payments** (as defined in Section 5.1 below) and the other payments and benefits described in this Agreement. No Severance Payments will be payable under this Agreement unless Executive's employment is terminated as described in Section 5.1.

2.2 Equity and Other Performance Based Awards. Notwithstanding anything to the contrary in this Agreement, upon a Change in Control, each and every stock option, stock appreciation right, restricted stock award, restricted stock unit award, performance share unit award and other equity-based award and any other performance award (including, but not limited to, cash performance unit award) granted to Executive that is outstanding immediately prior to the Change in Control will (i) immediately vest and become exercisable and any restrictions on the sale or transfer of such shares (other than any such restriction arising by operation of law) with respect to such shares will terminate, and (ii) be considered to have vested at the highest possible award level with respect to each such award.

2.3 Notice of Change in Control. The Company will promptly notify Executive in writing of the occurrence of a Change in Control.

3. Terms of Employment Post-CIC.

3.1 Employment Period. Upon a Change in Control, the Company agrees to continue Executive in its employ, and Executive agrees to remain in the employ of the Company, in accordance with, and subject to, the terms and provisions of this Agreement, for the period commencing on the date a Change in Control occurs and ending on the second anniversary of the Change in Control (the "**CIC Employment Period**").

3.2 Position and Duties.

(i) During the CIC Employment Period, (A) Executive's position (including status, offices, titles and reporting requirements), authority, duties, and responsibilities will be at least commensurate in all material respects with the most significant of those held, exercised and assigned by or to Executive at any time during the 90-day period immediately preceding the Change in Control, and (B) Executive's services will be performed at the location where Executive was employed immediately preceding the Change in Control or at another location within 35 miles thereof.

(ii) During the CIC Employment Period and excluding any periods of vacation and sick leave to which Executive is entitled, Executive agrees to devote reasonable attention and time to the business and affairs of the Company and, to the extent necessary to discharge the responsibilities assigned to Executive under this Agreement, to use Executive's reasonable best efforts to faithfully and efficiently perform those responsibilities. To the extent any activities (including, but not limited to, service on corporate, civic, or charitable boards or committees) have been conducted by Executive prior to the Change in Control, the continued conduct of those activities (or the conduct of activities similar in nature and scope) after the Change in Control will not be deemed to interfere with the performance of Executive's responsibilities to the Company.

3.3 Compensation and Benefits.

(i) Annual Base Salary. During the CIC Employment Period, Executive will receive an annual base salary not less than the base salary in effect immediately prior to the Change in Control ("**Annual Base Salary**"), which will be paid in accordance with the normal business practice of the Company. During this period, the Annual Base Salary will be reviewed at least annually and will be increased at any time and from time to time as substantially consistent with increases in base salary generally awarded in the ordinary course of business to executives of the Company and its affiliated companies. Any increase in Annual Base Salary will not serve to limit or reduce any other obligation to Executive under this Agreement. Annual Base Salary will not be reduced after any such increase and the term "**Annual Base Salary**" as used in this Agreement will refer to Annual Base Salary as so increased. As used in this Agreement, the term "**affiliated companies**" includes, when used with reference to the Company, any company controlled by, controlling or under common control with the Company.

(ii) Annual Bonus. In addition to Annual Base Salary, Executive will be awarded, for each fiscal year or portion thereof during the CIC Employment Period, an annual bonus (the "**Annual Bonus**") in cash equal to no less than the Executive's target short-term incentive bonus percentage immediately prior to the Change in Control multiplied by the Executive's Annual Base Salary, prorated for any period consisting of less than twelve full months. The Annual Bonus awarded for a particular fiscal year will be paid no later than the fifteenth day of the third month following the end of that year.

(iii) Equity and Performance Based Awards. During the CIC Employment Period, Executive will be granted on an annual basis a long-term incentive package consisting of stock options, stock appreciation rights, restricted stock awards, restricted stock unit awards, performance share unit awards, and other equity-based awards and performance awards, as selected by the Company, with an aggregate value (as determined by an independent consulting firm selected by Executive and reasonably acceptable to the Company) that will be not less than the aggregate value of the most valuable long-term incentive package awarded Executive in any of the three years immediately preceding the Change in Control.

(iv) Benefits. During the CIC Employment Period, Executive will be entitled to the following benefits, in each such case, no less favorable, in the aggregate, than the most favorable plan, practice, program or policy of the Company and its affiliates applicable to similarly situated executives immediately in effect prior to the commencement of the Change in Control or in effect at any time after the Change in Control:

(a) profit-sharing, savings and retirement plans that are tax-qualified under Section 401(a) of the **Code** (as defined in Appendix A), and all plans that are supplemental to any such tax-qualified plans; and

(b) welfare benefit plans, practices, policies, and programs; and

- (c) prompt reimbursement for all reasonable expenses incurred by Executive; and
- (d) fringe benefits and perquisites; and
- (e) paid vacation.

4. Termination of Employment for Disability, Death and Cause.

4.1 Disability. During the CIC Employment Period, during any period that Executive fails to perform Executive's duties with the Company as a result of incapacity due to physical or mental illness, the Company will pay Executive's Annual Base Salary to Executive at the rate in effect at the commencement of any such period, together with all compensation and benefits payable to Executive under the terms of the Company's written plans as in effect during that period, until Executive's employment is terminated by the Company for **Disability** (as defined in Appendix A).

4.2 Death. During the CIC Employment Period, in the event of Executive's death, the Company will pay to Executive's estate, Executive's Annual Base Salary, together with all compensation and benefits payable to Executive under the terms of the Company's written plans as in effect immediately prior to the date of death, through the date Executive's employment is terminated by death.

4.3 Cause. During the CIC Employment Period, the Company may terminate Executive's employment for **Cause** (as defined in Appendix A). In such event, the Company will pay Executive's Annual Base Salary, together with all compensation and benefits payable to Executive under the terms of the Company's written plans as in effect immediately prior to the date the Executive's employment is terminated for Cause.

5. Termination of Employment by Company without Cause or by Executive for Good Reason.

5.1 Payments to Executive. If Executive's employment is terminated following a Change in Control and during the CIC Employment Period either (i) by the Company without Cause or (ii) by Executive with **Good Reason** (as defined in Appendix A), then the Company will pay Executive the amounts, and provide Executive the benefits, set forth in this Section 5.1 (collectively referred to as, "**Severance Payments**").

(A) Cash Payment. In lieu of (x) any further salary and bonus payments to Executive for periods subsequent to the **Date of Termination** (as defined in Section 7.2 herein), and (y) any severance benefit otherwise payable to Executive under the Employment Agreement, if any, the Company will pay to Executive a lump sum severance payment in cash, on the date that is six months and two days after Executive's date of termination (the "**Designated Date**") from the Company equal to:

- (i) three (3) times the Executive's Annual Base Salary, plus

(ii) three (3) times the Executive's target short-term incentive bonus percentage immediately prior to the Change in Control or in effect at any time after the Change in Control, whichever is greater, multiplied by the Executive's Annual Base Salary, plus

(iii) an amount equal to Executive's target short-term incentive bonus percentage immediately prior to the Change in Control or in effect at any time after the Change in Control, whichever is greater, multiplied by the Executive's Annual Base Salary, prorated for any period consisting of less than twelve full months, plus

(iv) payment in lieu of any accrued but unused vacation as of Executive's Date of Termination, plus

(v) an amount equal to 15% of Executive's Annual Base Salary (this amount being paid in lieu of outplacement services), plus

(vi) an amount equal to 45% of Executive's Annual Base Salary (this amount being paid in lieu of the perquisites).

(B) Health and Welfare Benefit Plans. For the 36-month period immediately following the Date of Termination, the Company will provide Executive and covered dependents as of Executive's Date of Termination, medical and health benefits and group life and supplemental group life substantially similar to those provided to Executive and such covered dependents immediately prior to the Date of Termination (such continuation of benefits referred to as "Welfare Benefit Contribution"). The Company will timely pay or provide to Executive and/or Executive's family any other amounts or benefits required to be paid or provided or which Executive and/or Executive's family is eligible to receive pursuant to this Agreement and under any plan, program, policy or practice or contract or agreement of the Company and its affiliated companies as in effect and applicable generally to other executives and their families on the Date of Termination.

(C) Certain Pre-Change in Control Terminations. Any provision in this Agreement to the contrary notwithstanding, if a Change in Control occurs and if Executive's employment with the Company has been terminated by the Company without Cause or by Executive with Good Reason in either case within six (6) months prior to the date on which the Change in Control occurs, then Executive will be entitled to the Severance Payments and other benefits as if Executive's termination had been following a Change in Control, payable on the Designated Date. Any amounts to be paid to Executive will be reduced by and offset dollar-for-dollar by any severance benefits payable to Executive under the Employment Agreement or any other separation agreement in connection with the termination.

5.2 Potential Payment Reduction.

(A) Notwithstanding any other provisions in this Agreement, in the event that any payment or benefit received or to be received by Executive (including, without limitation, any payment or benefit received in connection with a Change of Control or the termination of the Participant's employment, whether pursuant to the terms of this Agreement or any other plan, program, arrangement or agreement) (all such payments and benefits, together, the "Total Payments") would be subject (in whole or part) to any excise tax imposed under Section

4999 of the Code, or any successor provision thereto (the “**Excise Tax**”), then the Total Payments will be reduced (but in no event to less than zero) in the following order to the extent necessary so that no portion of the Total Payments is subject to the Excise Tax: (i) cash payments that do not constitute deferred compensation within the meaning of Section 409A of the Code; (ii) cash payments that do constitute deferred compensation within the meaning of Section 409A of the Code; (iii) acceleration of vesting of equity and equity-based awards and non-cash benefits that do not constitute deferred compensation within the meaning of Section 409A of the Code and (iv) acceleration of vesting of equity and equity-based awards and non-cash benefits that do constitute deferred compensation within the meaning of Section 409A of the Code (the payments and benefits in clauses (i), (ii), (iii), and (iv), together, the “**Potential Payments**”); provided, however, that the Potential Payments will only be reduced if (x) the net amount of the Total Payments, as so reduced (and after subtracting the net amount of federal, state, municipal and local income taxes on such reduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments), is greater than or equal to (y) the net amount of the Total Payment without such reduction (but after subtracting the net amount of federal, state, municipal and local income taxes on such Total Payments and the amount of Excise Tax to which Executive would be subject in respect of such unreduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments).

(B) For purposes of determining whether and the extent to which the Total Payments will be subject to the Excise Tax: (i) no portion of the Total Payments the receipt or enjoyment of which the Participant will have waived at such time and in such manner as not to constitute a “payment” within the meaning of Section 280G(b) of the Code will be taken into account; (ii) no portion of the Total Payments will be taken into account if, in the opinion of the Company, such portion of the Total Payments does not constitute a “parachute payment” within the meaning of Section 280G(b)(4)(A) of the Code) (including, without limitation, by reason of Section 280G(b)(4)(A) of the Code) and, in calculating the Excise Tax, no portion of such Total Payments will be taken into account which, in the opinion of the Company, constitutes reasonable compensation for services actually rendered, within the meaning of Section 280G(b)(4)(B) of the Code, in excess of the base amount (as set forth in Section 280G(b)(3) of the Code) that is allocable to such reasonable compensation; and (iii) the value of any non-cash benefit or any deferred payment or benefit included in the Total Payment will be determined by the Company in accordance with the principles of Sections 280G(d)(3) and (4) of the Code. The Company and Executive agree that the determinations described in this Section 5.2 will take the form of a letter from the Company accompanied by calculations prepared by the Company and certified by a nationally recognized accounting firm selected by the Company.

6. Non-exclusivity of Rights. Except as provided in Section 5 of this Agreement, nothing in this Agreement will prevent or limit Executive’s continuing or future participation in any plan, program, policy, or practice provided by the Company or any of its affiliated companies and for which Executive may qualify, nor will anything in this Agreement limit or otherwise affect any rights Executive may have under any contract or agreement with the Company or any of its affiliated companies. Amounts which are vested benefits or which Executive is otherwise entitled to receive under any plan, policy, practice, or program of or any contract or agreement with the Company or any of its affiliated companies at or subsequent to the Date of Termination will be payable in accordance with such plan, policy, practice, or program or contract or agreement except as such plan, policy, practice, or program is expressly superseded by this Agreement.

7. Termination Procedures.

7.1 Notice of Termination. Any termination by the Company for Cause, or by Executive for Good Reason, will be communicated by Notice of Termination to the other party in accordance with Section 11 of this Agreement. The failure by a party to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Good Reason or Cause will not waive any right or preclude asserting such fact or circumstance in enforcing rights under this Agreement. A “**Notice of Termination**” means a notice that indicates the specific termination provision in this Agreement relied upon and sets forth the Date of Termination.

7.2 Date of Termination. The term “**Date of Termination**” means (i) if Executive’s employment is terminated by the Company for Cause, or by Executive for Good Reason, the date of receipt of the Notice of Termination or any later date specified therein, (ii) if Executive’s employment is terminated by the Company other than for Cause, the Date of Termination will be the date specified by the Company when it notifies Executive of such termination and (iii) if Executive’s employment is terminated by reason of death or Disability, the Date of Termination will be the date of Executive’s death or the date of Disability. Notwithstanding the preceding section, in the case of any amount or benefits which constitute deferred compensation subject to Section 409A of the Code and where the date of payment or the payment commencement date under this Agreement is the Date of Termination (or equivalent term) of Executive, the date of Executive’s Separation from Service will be deemed to be his Date of Termination (or equivalent term) for purposes of determining the date of payment or the payment commence date under this Agreement and with respect to the Executive. “Separation from Services” will be determined in accordance with the regulations promulgated under Section 409A of the Code [using the default rule under such regulations].

8. Full Settlement. Subject to the offset provided for in Section 5.1, the Company’s obligation to make payments provided for in this Agreement and otherwise to perform its obligations under this Agreement will not be affected by any set-off, counterclaim, recoupment, defense, mitigation, or other claim, right or action which the Company may have against Executive or others. The Company agrees to pay promptly as incurred, to the full extent permitted by law, all legal fees and expenses which Executive may reasonably incur as a result of any contest (unless Executive’s claim is found by a court of competent jurisdiction to have been frivolous) by the Company, Executive or others of the validity or enforceability of, or liability under, any provision of this Agreement (other than Section 10 hereof) or any guarantee of performance thereof (including as a result of any contest by Executive about the amount of any such payment pursuant to this Agreement), plus in each case interest on any delayed payment at the “applicable federal rate” in effect under Section 1274(d) of the Code; provided that any reimbursement payment by the Company pursuant to this sentence will be made on or before the last day of the calendar year immediately following the calendar year the fee or expense was incurred.

9. Successors; Binding Agreement.

9.1 This Agreement is personal to Executive and without the prior written consent of the Company is not assignable by Executive other than by will or the laws of descent and distribution. This Agreement will inure to the benefit of and be enforceable by Executive's heirs, executors, and other legal representatives.

9.2 This Agreement will inure to the benefit of and be binding upon the Company and may only be assigned to a successor described in Section 9.3.

9.3 The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "**Company**" means the Company as earlier defined and any successor to its business and/or assets which assumes and agrees to perform this Agreement by operation of law, or otherwise.

10. Confidential Information; Certain Prohibited Activities.

10.1 Executive will hold in a fiduciary capacity for the benefit of the Company all secret or confidential information, knowledge, or data relating to the Company or any of its affiliated companies, and their respective businesses, obtained by Executive during Executive's employment by the Company or any of its affiliated companies and which has not become public knowledge (other than by acts by Executive or representatives of Executive in violation of this Agreement). After Executive's Date of Termination, Executive will not, without the prior written consent of the Company or as may otherwise be required by law or legal process, communicate, or divulge any such information, knowledge, or data to anyone other than the Company and those designated by it. Except as provided in Subsection 10.4 below, in no event will an asserted violation of the provisions of this Section 10 constitute a basis for deferring or withholding any amounts otherwise payable to Executive under this Agreement. Also, within 14 days of the termination of Executive's employment for any reason, Executive will return to the Company all documents and other tangible items of or containing Company information which are in Executive's possession, custody, or control.

10.2 Executive agrees that for a period of 36 calendar months following Executive's Date of Termination, Executive will not, either directly or indirectly, call on, solicit, induce, or attempt to induce any of the employees or officers of the Company whom Executive had knowledge of, or association with, during Executive's employment with the Company to terminate their association with the Company either personally or through the efforts of his or her subordinates.

10.3 Executive agrees that for a period of 36 calendar months following the Executive's Date of Termination, Executive will not be employed with, or otherwise assist, any Competing Business in any state in the United States, any province in Canada, or in any substantially similar political subdivision of any other country where Executive has assisted the Company in doing business while employed with the Company. The foregoing does not prohibit

ownership of less than 2% of the outstanding stock of a publicly traded company or passive mutual fund investments so long as Executive's ownership does not involve a controlling interest or other active role in such company. "Competing Business" means any person or entity engaged in activities that involve the conception, development, sale, servicing, or production of any goods or services that are substantially similar in form or purpose to the Company's goods or services or that would otherwise displace the business opportunities for the Company's goods and services. Person or entity is broadly defined and will include Executive himself, whether operating as sole proprietorship or in any other manner.

10.4 If Executive breaches any provision of this Section 10, the Company will be entitled to (i) cease any Welfare Benefit Contribution entitlement provided pursuant to Section 5.1(B) hereof, (ii) relief by temporary restraining order, temporary injunction and/or permanent injunction, (iii) recovery of all attorneys' fees and costs incurred in obtaining such relief, and (iv) any other legal and equitable relief to which it may be entitled, including monetary damages.

11. Notices. Notices and all other communications provided for in this Agreement will be in writing and will be deemed given when delivered or mailed by United States registered mail, return receipt requested, postage prepaid, addressed, if to Executive, to the Executive's then current residential address and, if to the Company, to the address set forth below, or to such other address as either party may have furnished to the other in writing in accordance with this Section 11, except that notice of change of address will be effective only upon actual receipt:

To the Company:

Lennox International Inc.
2140 Lake Park Blvd.
Richardson, TX 75080
Attention: Chief Human Resources Officer

12. Miscellaneous. This Agreement may not be amended or modified except by a written agreement executed by the parties or their respective successors and heirs, executors, and other legal representatives. Executive's or the Company's failure to insist upon strict compliance with any provision of this Agreement or the failure to assert any right Executive or the Company may have under this Agreement, including, without limitation, Executive's right to terminate employment for Good Reason pursuant to Section 5.1, will not be a waiver of any provision or right of this Agreement. This Agreement will be governed by and construed in accordance with the laws of the State of Texas, without reference to principles of conflict of laws. The captions of this Agreement will have no force or effect. All references to sections of the Exchange Act or the Code will be deemed also to refer to any successor provisions to such sections. The Company may withhold from any amounts payable under this Agreement applicable federal, state, or local taxes as required to be withheld pursuant to applicable law or regulation.

13. Validity. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of this Agreement.

14. Section 409A. This Agreement is intended to comply with Section 409A of the Internal Revenue Code of 1986, as amended, and will be construed to give effect to such intention.

The parties will, if necessary, amend the terms of this Agreement to the limited extent necessary and possible to comply with the requirements of Section 409A. Each payment due under this Agreement will be considered separate payments due to Executive and not one of a series of payments for purposes of Section 409A.

The signatures below confirm the parties' acceptance of the terms of this Agreement.

LENNOX INTERNATIONAL INC.

/s/ Todd J. Teske

Todd J. Teske
Lead Independent Director

Date: March 18, 2022

EXECUTIVE

/s/ Alok Maskara

Alok Maskara

Date: March 18, 2022

APPENDIX A

(A) “**Board**” means the Company’s Board of Directors.

(B) “**Cause**” has the same meaning as set forth in the Employment Agreement, or, if no employment agreement exists, means (a) any violation by Executive of the Company’s written policies as they may exist or be created or modified and made available to Executive from time to time in the future, including, as examples and not as a limitation of the policies to which Executive may be subject, those policies prohibiting discrimination in the workplace, including the prohibition of harassment, on the ground of race, sex, religion, age or any other prohibited basis; (b) any state or federal criminal conviction, including, but not limited to, entry of a plea of nolo contendere or deferred adjudication upon a felony or misdemeanor charge; (c) the commission by Executive of any material act of misconduct or dishonesty related to Executive’s employment; (d) any intentional or grossly negligent action or omission to act which breaches any covenant, agreement, condition or obligation contained in this Agreement; or (e) acts that in any way have a direct, substantial and adverse effect on the Company’s reputation.

(C) “**Change in Control**” will be deemed to have occurred upon the occurrence of any of the following events:

(i) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a “**Person**”) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of voting securities of the Company where such acquisition causes such Person to own 35% or more of the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the “**Outstanding Company Voting Securities**”); provided, however, that for purposes of this subsection (i), the following acquisitions will not be deemed to result in a Change in Control: (A) any acquisition by the Company or a Subsidiary, (B) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company or (C) any acquisition by any Person pursuant to a transaction that complies with clauses (A), (B) and (C) of subsection (iii) below; provided, further, that if at least a majority of the members of the Incumbent Board determines in good faith that a Person has acquired beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 35% or more of the Outstanding Company Voting Securities inadvertently, and such Person divests as promptly as practicable a sufficient number of shares so that such Person beneficially owns (within the meaning of Rule 13d-3 promulgated under the Exchange Act) less than 35% of the Outstanding Company Voting Securities, then no Change in Control will have occurred as a result of such Person’s acquisition and provided, further, that if any Person’s beneficial ownership reaches or exceeds 35% as a result of a reduction in the number of Common Shares then outstanding due to the repurchase of Common Shares by the Company, unless and until such time as such Person will purchase or otherwise become the beneficial owner of additional of voting securities of the Company representing 1% or more of the Outstanding Company Voting Securities;

(ii) individuals who, as of the Effective Date, constitute the Board (the “**Incumbent Board**” as modified by this subsection (ii)) cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a

director subsequent to the Effective Date whose election, or nomination for election by the Company's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board (either by specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without objection to such nomination) will be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board;

(iii) the consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company or the acquisition of assets of another corporation or other transaction ("**Business Combination**") excluding, however, such a Business Combination pursuant to which (A) the individuals and entities who were the beneficial owners of the Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 65% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the entity resulting from such Business Combination (including, without limitation, an entity that as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such reorganization, merger or consolidation of the outstanding Common Shares, (B) no Person (excluding any employee benefit plan (or related trust) of the Company, the Company or such entity resulting from such Business Combination) beneficially owns, directly or indirectly, 30% or more of the combined voting power of the then outstanding securities entitled to vote generally in the election of directors of the entity resulting from such Business Combination and (C) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(iv) approval by the Company's shareholders of a complete liquidation or dissolution of the Company except pursuant to a Business Combination that complies with clauses (A), (B) and (C) of subsection (iii) above.

(D) "**Code**" means the Internal Revenue Code of 1986, as amended.

(E) "**Committee**" means the Compensation and Human Resources Committee of the Board.

(F) "**Common Shares**" means the common stock, par value \$.01 per share, of the Company, and includes stock of any successor, within the meaning of Section 9.3.

(G) "**Company**" means Lennox International Inc. and, except in determining under Section (C) of this Appendix A whether or not any Change in Control of the Company has occurred, includes any successor to its business and/or assets which assumes and agrees to perform this Agreement by operation of law, or otherwise.

(H) “**Disability**” means permanently disabled (completely unable to perform Executive’s duties as defined in the Company’s benefit plans).

(I) “**Exchange Act**” means the Securities Exchange Act of 1934, as amended from time to time.

(J) “**Good Reason**” means:

(i) any change in Executive’s position (including status, offices, titles and reporting requirements), authority, duties or responsibilities, excluding for this purpose any de minimus changes and excluding an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by Executive, or any other assignment to Executive of any duties inconsistent in any respect with such position, authority, duties or responsibilities, other than de minimus inconsistencies or other than, in each case, any such change in duties or such assignment that would clearly constitute a promotion or other improvement in Executive’s position;

(ii) any failure by the Company to comply with any of the provisions of this Agreement, other than an isolated, insubstantial, and inadvertent failure not occurring in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by Executive;

(iii) the relocation of the principal place of Executive’s employment by more than thirty-five (35) miles from Lennox’s company headquarters, which, as of the Effective Date, is in Richardson, Texas;

(iv) any failure by the Company to comply with and satisfy the requirements of Section 9.3 of this Agreement, provided that (x) the successor described in Section 9.3 has received, at least ten days prior to the Date of Termination, written notice from the Company or Executive of the requirements of such provision and (y) such failure to be in compliance and satisfy the requirements of Section 9.3 continues as of the Date of Termination;

(v) in the event that Executive is serving as a member of the Board immediately prior to the Change in Control, any failure to reelect Executive as a member of the Board, unless such reelection would be prohibited by the Company’s By-laws as in effect immediately prior to the Change in Control.

Lennox International Inc. Appoints Alok Maskara New Chief Executive Officer

DALLAS, March 23, 2022 – Lennox International Inc. (NYSE: LII), a global leader in energy-efficient climate control solutions, has appointed Alok Maskara as chief executive officer effective on May 9, 2022. Mr. Maskara succeeds Todd Bluedorn, who announced in July 2021 his plans to step down by mid-2022 as Chairman and CEO after 15 years in the role. Todd J. Teske, current Lead Independent Director since 2015 and board member since 2011, is appointed Chairman of the Board and will also serve as interim CEO until Alok assumes the role as CEO. The company today also reiterates its previously announced financial guidance for 2022.

“On behalf of Lennox, we thank Todd Bluedorn for instilling a high performance and innovative culture with a strong team that created tremendous value for our customers and shareholders,” said Teske. “When it came to recruiting a new leader for the next chapter at Lennox, we wanted to find a candidate who will continue to drive shareholder value through our customer-centric approach, support and empower employees, and remain focused on technology and innovation with responsible ESG leadership. Alok has successfully demonstrated each of these characteristics in his prior leadership roles, making him an ideal choice.”

Alok brings 25 years of global leadership experience in manufacturing and technology. He has served for five years as CEO of Luxfer Holdings PLC (NYSE: LXFR), an international industrial company focused on advanced materials. He spearheaded the company’s transformation, led value-enhancing acquisitions and partnerships, and drove growth in profitability. Prior to Luxfer, Alok served for nearly a decade as president of several global business units at Pentair PLC, a leading provider of water treatment and sustainable applications, including its former Technical Solutions segment with over \$2 billion in revenue. Alok previously held various leadership positions at General Electric Corporation and McKinsey & Company. He graduated with a Bachelor of Technology in Chemical Engineering from the Indian Institute of Technology in 1992 and a Master of Science in Chemical Engineering from the University of New Mexico in 1994. In 2000, he earned an MBA from the Kellogg School of Management at Northwestern University.

“I am honored to serve as the incoming CEO of Lennox, a company known for its innovation in climate control solutions. I’m eager to get started and to work as part of the Lennox team to build on its strong foundation, advance the company’s leadership position, and drive long-term growth and profitability,” said Mr. Maskara.

Lennox International Inc. is a global leader in energy-efficient climate-control solutions. Dedicated to sustainability and creating comfortable and healthier environments for our residential and commercial customers while reducing their carbon footprint, we lead the field in innovation with our air conditioning, heating, indoor air quality, and refrigeration systems. Lennox International stock is listed on the New York Stock Exchange and traded under the symbol LII. Additional information on Lennox International is available at www.lennoxinternational.com or by contacting Steve Harrison, Vice President, Investor Relations, at 972-497-6670.