

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) May 2, 2018 (April 26, 2018)

TORCHMARK CORPORATION

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction
of incorporation)

001-08052
(Commission
File No.)

63-0780404
(I.R.S. Employer
ID No.)

3700 South Stonebridge Drive, McKinney, Texas 75070
(Address of principal executive offices)

Registrant's telephone number, including area code: (972) 569-4000

None
(Former name or former address, if changed since last report)

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in 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; Compensation Arrangements of Certain Officers.

(a) Not applicable.

(b) Not applicable.

(c) Not applicable.

(d) Not applicable

(e) On April 26, 2018, the shareholders of Torchmark Corporation approved the Torchmark Corporation 2018 Incentive Plan (the "2018 Plan"). This 2018 Plan, which is an omnibus equity incentive plan, provides for the issuance of equity incentives to employees, officers, directors and consultants of the Company selected by the Compensation Committee of the Board of Directors of Torchmark. Pursuant to the 2018 Plan, the Compensation Committee may award stock options (nonstatutory or incentive), stock appreciation rights, restricted stock, restricted or deferred stock units, performance awards, dividend equivalents and other stock-based awards in the Compensation Committee's discretion. The Compensation Committee is authorized to set the terms and provisions of the various awards it makes pursuant to the 2018 Plan. The aggregate number of shares of common stock available for issuance pursuant to awards granted under the 2018 Plan is 8,800,000, plus a number of additional shares (not to exceed 184,000) underlying awards outstanding as of March 2, 2018 under the Torchmark Corporation 2011 Incentive Plan (the "Prior Plan") that thereafter terminate or expire unexercised, or are cancelled, forfeited or lapse for any reason. No further awards will be made under the Prior Plan.

Item 5.07 Submission of Matters to a Vote of Security Holders.

(a) Annual Meeting of Shareholders held April 26, 2018

(b) Proposals:

Proposal I- Election of Directors for One Year Terms

	FOR	AGAINST	ABSTAIN	BROKER NON-VOTE
1.1 Charles E. Adair	77,129,892	3,835,318	121,545	13,051,582
1.2 Linda L. Addison	80,835,164	142,820	108,771	13,051,582
1.3 Marilyn A. Alexander	80,633,700	343,749	109,306	13,051,582
1.4 Cheryl D. Alston	80,846,636	129,215	110,904	13,051,582
1.5 David L. Boren	78,639,842	2,366,740	80,173	13,051,582
1.6 Jane M. Buchan	79,845,263	1,124,104	117,388	13,051,582
1.7 Gary L. Coleman	77,504,350	3,275,494	306,911	13,051,582
1.8 Larry M. Hutchison	77,502,166	3,275,801	308,788	13,051,582
1.9 Robert W. Ingram	79,887,250	1,075,202	124,303	13,051,582
1.10 Steven P. Johnson	80,851,910	117,305	117,540	13,051,582
1.11 Darren M. Rebelez	80,629,331	340,904	116,520	13,051,582
1.12 Lamar C. Smith	78,127,653	2,845,554	113,348	13,051,582
1.13 Mary E. Thigpen	80,816,689	149,696	120,370	13,051,582
1.14 Paul J. Zucconi	77,834,821	3,155,029	96,905	13,051,582

Proposal II- Ratification of Deloitte & Touche LLP as Independent Auditor for 2018

	FOR	AGAINST	ABSTAIN	BROKER NON-VOTE
Deloitte and Touche LLP	92,704,843	1,306,719	126,775	—

Proposal III- Approval of Torchmark Corporation 2018 Incentive Plan

	FOR	AGAINST	ABSTAIN	BROKER NON-VOTE
Torchmark Corporation 2018 Incentive Plan	64,215,630	16,631,242	239,763	13,051,702

Proposal IV- Advisory Approval of 2017 Executive Compensation (Annual "Say-on-Pay")

	FOR	AGAINST	ABSTAIN	BROKER NON-VOTE
2017 Executive Compensation	75,963,948	4,806,756	315,931	13,051,702

(c) Not applicable.

(d) Torchmark will include a shareholder vote on the compensation of executives in its proxy materials each year until the next required vote on the frequency with which shareholders will vote on the compensation of executives as disclosed in proxy statements, which will occur in 2023.

Item 9.01 Financial Statement and Exhibits.

(a) Financial Statements of businesses acquired.

Not applicable.

(b) Pro forma financial information.

Not applicable.

(c) Shell company transactions.

Not applicable.

(d) Exhibits.

10.1 Torchmark Corporation 2018 Incentive Plan.

10.2 Torchmark Corporation 2018 Non-Employee Director Compensation Plan.

10.3 Form of Performance Share Award Certificate under torchmark Corporation 2018 Incentive Plan.

10.4 Form of Seven Year Stock Option Grant Agreement under Torchmark Corporation 2018 Incentive Plan.

10.5 Form of Seven Year Stock Option Grant Agreement under Torchmark Corporation 2018 Incentive Plan with Non-Compete, Non-Solicit and Confidentiality Provisions.

10.6 Form of Ten Year Stock Option Grant Agreement under Torchmark Corporation 2018 Incentive Plan.

10.7 Form of Ten Year Stock Option Grant Agreement under Torchmark Corporation 2018 Incentive Plan with Non-Compete, Non-Solicit and Confidentiality Provisions.

10.8 Form of Stock Option Award Notice under Torchmark Corporation 2018 Non-Employee Director Compensation Plan.

10.9 Form of Restricted Stock Award Notice under Torchmark Corporation 2018 Non-Employee Director Compensation Plan.

10.10 Form of Restricted Stock Unit Award Notice under Torchmark Corporation 2018 Non-Employee Director Compensation Plan.

SIGNATURES

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

Date: May 2, 2018

TORCHMARK CORPORATION

/s/ Carol A. McCoy

Carol A. McCoy,
Vice President, Associate Counsel and
Corporate Secretary

TORCHMARK CORPORATION
2018 INCENTIVE PLAN

ARTICLE 1
PURPOSE

1.1 GENERAL. The purpose of the Torchmark Corporation 2018 Incentive Plan (the “Plan”) is to promote the success, and enhance the value, of Torchmark Corporation (the “Company”), by linking the personal interests of employees, officers, directors and consultants of the Company or any Affiliate (as defined below) to those of Company stockholders and by providing such persons with an incentive for outstanding performance. The Plan is further intended to provide flexibility to the Company in its ability to motivate, attract, and retain the services of employees, officers, directors and consultants upon whose judgment, interest, and special effort the successful conduct of the Company’s operation is largely dependent. Accordingly, the Plan permits the grant of incentive awards from time to time to selected employees, officers, directors and consultants of the Company and its Affiliates.

ARTICLE 2
DEFINITIONS

2.1 DEFINITIONS. When a word or phrase appears in this Plan with the initial letter capitalized, and the word or phrase does not commence a sentence, the word or phrase shall generally be given the meaning ascribed to it in this Section or in Section 1.1 unless a clearly different meaning is required by the context. The following words and phrases shall have the following meanings:

(a) “Affiliate” means (i) any Subsidiary or Parent, or (ii) an entity that directly or through one or more intermediaries controls, is controlled by or is under common control with, the Company, as determined by the Committee.

(b) “Award” means an award of Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Deferred Stock Units, Performance Awards, Dividend Equivalents, Other Stock-Based Awards, or any other right or interest relating to Stock or cash, granted to a Participant under the Plan.

(c) “Award Certificate” means a written document, in such form as the Committee prescribes from time to time, setting forth the terms and conditions of an Award. Award Certificates may be in the form of individual award agreements or certificates or a program document describing the terms and provisions of an Award or series of Awards under the Plan. The Committee may provide for the use of electronic, internet or other non-paper Award Certificates, and the use of electronic, internet or other non-paper means for the acceptance thereof and actions thereunder by a Participant.

(d) “Beneficial Owner” shall have the meaning given such term in Rule 13d-3 of the General Rules and Regulations under the 1934 Act.

(e) “Board” means the Board of Directors of the Company.

(f) “Cause” as a reason for a Participant’s termination of employment shall have the meaning assigned such term in the employment, severance or similar agreement, if any, between such Participant and the Company or an Affiliate, provided, however, that if there is no such employment, severance or similar agreement in which such term is defined, and unless otherwise defined in the applicable Award Certificate, “Cause” shall mean any of the following acts by the Participant, as determined by the Committee or the Board: gross neglect of duty, prolonged absence from duty without the consent of the Company, intentionally engaging in any activity that is in conflict with or adverse to the business or other interests of the Company, or willful misconduct, misfeasance or malfeasance of duty which is reasonably determined to be detrimental to the Company. With respect to a Participant’s termination of directorship, “Cause” means an act or failure to act that constitutes cause for removal of a director under applicable Delaware law. The determination of the Committee as to the existence of “Cause” shall be conclusive on the Participant and the Company.

(g) “Change in Control” means and includes the occurrence of any one of the following events:

(1) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the 1934 Act) (a “Person”) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the 1934 Act) of 25% 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 (1), the following acquisitions shall not

constitute a Change in Control: (i) any acquisition by a Person who is on the Effective Date the beneficial owner of 25% or more of the Outstanding Company Voting Securities, (ii) any acquisition directly from the Company, (iii) any acquisition by the Company, (iv) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, or (v) any acquisition by any corporation pursuant to a transaction which complies with clauses (i), (ii) and (iii) of subsection (3) of this definition; or

(2) Individuals who, as of the Effective Date, 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 Effective Date whose election, or nomination for election by the Company’s stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall 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; or

(3) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company (a “Business Combination”), in each case, unless following such Business Combination, (i) all or substantially all of 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 50% of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company’s assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination of the Outstanding Company Voting Securities, and (ii) no Person (excluding any corporation resulting from such Business Combination or any employee benefit plan (or related trust) of the Company or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, 25% or more of the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination, and (iii) 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

(4) approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

(h) “Code” means the Internal Revenue Code of 1986, as amended from time to time. For purposes of this Plan, references to sections of the Code shall be deemed to include references to any applicable regulations thereunder and any successor or similar provision.

(i) “Committee” means the committee of the Board described in Article 4.

(j) “Company” means Torchmark Corporation, a Delaware corporation, or any successor corporation.

(k) “Continuous Service” means the absence of any interruption or termination of service as an employee, officer, director or consultant of the Company or any Affiliate, as applicable; provided, however, that for purposes of an Incentive Stock Option “Continuous Service” means the absence of any interruption or termination of service as an employee of the Company or any Parent or Subsidiary, as applicable, pursuant to applicable tax regulations. Continuous Service shall not be considered interrupted in the following cases: (i) a Participant transfers employment between the Company and an Affiliate or between Affiliates, or (ii) in the discretion of the Committee as specified at or prior to such occurrence, in the case of a spin-off, sale or disposition of the Participant’s employer from the Company or any Affiliate, or (iii) any leave of absence authorized in writing by the Company prior to its commencement; provided, however, that for purposes of Incentive Stock Options, no such leave may exceed 90 days, unless reemployment upon expiration of such leave is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, on the 91st day of such leave any Incentive Stock Option held by the Participant shall cease to be treated as an Incentive Stock Option and shall be treated for tax purposes as a Nonstatutory Stock Option. Whether military, government or other service or other leave of absence shall constitute a termination of Continuous Service shall be determined in each case by the Committee at its discretion, and any determination by the Committee shall be final and conclusive; provided, however, that for purposes of any Award that is subject to Code Section 409A, the determination of a leave of absence must comply with the requirements of a “bona fide leave of absence” as provided in Treas. Reg. Section 1.409A-1(h).

(l) “Deferred Stock Unit” means a right granted to a Participant under Article 9 to receive Shares (or the equivalent value in cash or other property if the Committee so provides) at a future time as determined by the Committee, or as determined by the Participant within guidelines established by the Committee in the case of voluntary deferral elections.

(m) “Disability” of a Participant means that the Participant (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Participant’s employer. If the determination of Disability relates to an Incentive Stock Option, Disability means Permanent and Total Disability as defined in Section 22(e)(3) of the Code. In the event of a dispute, the determination of whether a Participant is Disabled will be made by the Committee and may be supported by the advice of a physician competent in the area to which such Disability relates.

(n) “Dividend Equivalent” means a right granted to a Participant under Article 11.

(o) “Effective Date” has the meaning assigned such term in Section 3.1.

(p) “Eligible Participant” means an employee (including a leased employee), officer, director or consultant of the Company or any Affiliate.

(q) “Exchange” means any national securities exchange on which the Stock may from time to time be listed or traded.

(r) “Fair Market Value,” on any date, means (i) if the Stock is listed on a securities exchange, the closing sales price on the principal such exchange on such date or, in the absence of reported sales on such date, the closing sales price on the immediately preceding date on which sales were reported, or (ii) if the Stock is not listed on a securities exchange, the mean between the bid and offered prices as quoted by the applicable interdealer quotation system for such date, provided, that if the Stock is not quoted on an interdealer quotation system or it is determined that the fair market value is not properly reflected by such quotations, Fair Market Value will be determined by such other method as the Committee determines in good faith to be reasonable and in compliance with Code Section 409A.

(s) “Full-Value Award” means an Award other than in the form of an Option or SAR, and which is settled by the issuance of Stock (or at the discretion of the Committee, settled in cash valued by reference to Stock value).

(t) “Good Reason” (or a similar term denoting constructive termination) has the meaning, if any, assigned such term in the employment, consulting, severance or similar agreement, if any, between a Participant and the Company or an Affiliate; provided, however, that if there is no such employment, consulting, severance or similar agreement in which such term is defined, “Good Reason” shall have the meaning, if any, given such term in the applicable Award Certificate. If not defined in either such document, the term “Good Reason” as used herein shall not apply to a particular Award.

(u) “Grant Date” of an Award means the first date on which all necessary corporate action has been taken to approve the grant of the Award as provided in the Plan, or such later date as is determined and specified as part of that authorization process. Notice of the grant shall be provided to the grantee within a reasonable time after the Grant Date.

(v) “Incentive Stock Option” means an Option that is intended to be an incentive stock option and meets the requirements of Section 422 of the Code or any successor provision thereto.

(w) “Independent Directors” means those members of the Board of Directors who qualify at any given time as (a) an “independent” director under the applicable rules of each Exchange on which the Shares are listed, and (b) a “non-employee” director under Rule 16b-3 of the 1934 Act.

(x) “Non-Employee Director” means a director of the Company who is not a common law employee of the Company or an Affiliate.

(y) “Nonstatutory Stock Option” means an Option that is not an Incentive Stock Option.

(z) “Option” means a right granted to a Participant under Article 7 of the Plan to purchase Stock at a specified price during specified time periods. An Option may be either an Incentive Stock Option or a Nonstatutory Stock Option.

(aa) “Other Stock-Based Award” means a right, granted to a Participant under Article 12, that relates to or is valued by reference to Stock or other Awards relating to Stock.

(bb) “Parent” means a corporation, limited liability company, partnership or other entity which owns or beneficially owns a majority of the outstanding voting stock or voting power of the Company. Notwithstanding the above, with respect to an Incentive Stock Option, Parent shall have the meaning set forth in Section 424(e) of the Code.

(cc) “Participant” means an Eligible Participant who has been granted an Award under the Plan; provided, that in the case of the death of a Participant, the term “Participant” refers to a beneficiary designated pursuant to Section 13.4 or the legal guardian or other legal representative acting in a fiduciary capacity on behalf of the Participant under applicable state law and court supervision.

(dd) “Performance Award” means any award granted under the Plan pursuant to Article 10.

(ee) “Person” means any individual, entity or group, within the meaning of Section 3(a)(9) of the 1934 Act and as used in Section 13(d)(3) or 14(d)(2) of the 1934 Act.

(ff) “Plan” means the Torchmark 2018 Incentive Plan, as amended from time to time.

(gg) “Restricted Stock” means Stock granted to a Participant under Article 9 that is subject to certain restrictions and to risk of forfeiture.

(hh) “Restricted Stock Unit” means the right granted to a Participant under Article 9 to receive shares of Stock (or the equivalent value in cash or other property if the Committee so provides) in the future, which right is subject to certain restrictions and to risk of forfeiture.

(ii) “Retirement” means a Participant’s termination of employment with the Company or an Affiliate with the Committee’s approval after attaining any normal retirement age specified in any pension, profit sharing or other retirement program sponsored by the Company, or, in the event of the inapplicability thereof with respect to the Participant in question, as determined by the Committee in its reasonable judgment.

(jj) “Shares” means shares of the Company’s Stock. If there has been an adjustment or substitution pursuant to Article 14, the term “Shares” shall also include any shares of stock or other securities that are substituted for Shares or into which Shares are adjusted pursuant to Article 14.

(kk) “Stock” means the \$1.00 par value common stock of the Company and such other securities of the Company as may be substituted for Stock pursuant to Article 14.

(ll) “Stock Appreciation Right” or “SAR” means a right granted to a Participant under Article 8 to receive a payment equal to the difference between the Fair Market Value of a Share as of the date of exercise of the SAR over the base price of the SAR, all as determined pursuant to Article 8.

(mm) “Subsidiary” means any corporation, limited liability company, partnership or other entity, domestic or foreign, of which a majority of the outstanding voting stock or voting power is beneficially owned directly or indirectly by the Company. Notwithstanding the above, with respect to an Incentive Stock Option, Subsidiary shall have the meaning set forth in Section 424(f) of the Code.

(nn) “1933 Act” means the Securities Act of 1933, as amended from time to time.

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

ARTICLE 3 EFFECTIVE TERM OF PLAN

3.1 EFFECTIVE DATE. Subject to the approval of the Plan by the Company’s stockholders within 12 months after the Plan’s adoption by the Board, the Plan will become effective on the date that it is adopted by the Board (the “Effective Date”).

3.2 TERMINATION OF PLAN. Unless earlier terminated as provided herein, the Plan shall continue in effect until the tenth anniversary of the Effective Date or, if the stockholders approve an amendment to the Plan that increases the number of Shares subject to the Plan, the tenth anniversary of the date of such approval. The termination of the Plan on such date shall not affect the validity of any Award outstanding on the date of termination, which shall continue to be governed by the applicable terms and conditions of the Plan.

ARTICLE 4 ADMINISTRATION

4.1 COMMITTEE. The Plan shall be administered by a Committee appointed by the Board (which Committee shall consist of at least two directors) or, at the discretion of the Board from time to time, the Plan may be administered by the Board. It is intended that at least two of the directors appointed to serve on the Committee shall be Independent Directors and that any such members of the Committee who do not so qualify shall abstain from participating in any decision to make or administer Awards that are made to Eligible Participants who at the time of consideration for such Award are persons subject to the short-swing profit rules of Section 16 of the 1934 Act. However, the mere fact that a Committee member shall fail to qualify as an Independent Director or shall fail to abstain from such action shall not invalidate any Award made by the Committee which Award is otherwise validly made under the Plan. The members of the Committee shall be appointed by, and may be changed at any time and from time to time in the discretion of, the Board. Unless and until changed by the Board, the Compensation Committee of the Board is designated as the Committee to administer the Plan. The Board may reserve to itself any or all of the authority and responsibility of the Committee under the Plan or may act as administrator of the Plan for any and all purposes. To the extent the Board has reserved any authority and responsibility or during any time that the Board is acting as administrator of the Plan, it shall have all the powers and protections of the Committee hereunder, and any reference herein to the Committee (other than in this Section 4.1) shall include the Board. To the extent any action of the Board under the Plan conflicts with actions taken by the Committee, the actions of the Board shall control.

4.2 ACTION AND INTERPRETATIONS BY THE COMMITTEE. For purposes of administering the Plan, the Committee may from time to time adopt rules, regulations, guidelines and procedures for carrying out the provisions and purposes of the Plan and make such other determinations, not inconsistent with the Plan, as the Committee may deem appropriate. The Committee may correct any defect, supply any omission or reconcile any inconsistency in the Plan or in any Award in the manner and to the extent it deems necessary to carry out the intent of the Plan. The Committee's interpretation of the Plan, any Awards granted under the Plan, any Award Certificate and all decisions and determinations by the Committee with respect to the Plan are final, binding, and conclusive on all parties. Each member of the Committee is entitled to, in good faith, rely or act upon any report or other information furnished to that member by any officer or other employee of the Company or any Affiliate, the Company's or an Affiliate's independent certified public accountants, Company counsel or any executive compensation consultant or other professional retained by the Company or the Committee to assist in the administration of the Plan. No member of the Committee will be liable for any good faith determination, act or omission in connection with the Plan or any Award.

4.3 AUTHORITY OF COMMITTEE. Except as provided in Section 4.1 and 4.5 hereof, the Committee has the exclusive power, authority and discretion to:

- (a) Grant Awards;
- (b) Designate Participants;
- (c) Determine the type or types of Awards to be granted to each Participant;
- (d) Determine the number of Awards to be granted and the number of Shares or dollar amount to which an Award will relate;
- (e) Determine the terms and conditions of any Award granted under the Plan;
- (f) Prescribe the form of each Award Certificate, which need not be identical for each Participant;
- (g) Decide all other matters that must be determined in connection with an Award;
- (h) Establish, adopt or revise any rules, regulations, guidelines or procedures as it may deem necessary or advisable to administer the Plan;
- (i) Make all other decisions and determinations that may be required under the Plan or as the Committee deems necessary or advisable to administer the Plan;
- (j) Amend the Plan or any Award Certificate as provided herein; and
- (k) Adopt such modifications, procedures, and subplans as may be necessary or desirable to comply with provisions of the laws of the United States or any non-U.S. jurisdictions in which the Company or any Affiliate may operate, in order to assure the viability of the benefits of Awards granted to participants located in the United States or such other jurisdictions and to further the objectives of the Plan. Notwithstanding the foregoing, grants of Awards to Non-Employee Directors hereunder shall be made only in accordance with the terms, conditions and parameters of a plan, program or policy for the compensation of Non-Employee Directors as in effect from time to time, and the Committee may not make discretionary grants hereunder to Non-Employee Directors.

4.4 DELEGATION.

(a) Administrative Duties. The Committee may delegate to one or more of its members or to one or more officers of the Company or an Affiliate or to one or more agents or advisors such administrative duties or powers as it may deem advisable, and the Committee or any individuals to whom it has delegated duties or powers as aforesaid may employ one or more individuals to render advice with respect to any responsibility the Committee or such individuals may have under this Plan.

(b) Special Committee. The Board may, by resolution, expressly delegate to a special committee, consisting of one or more directors who may but need not be officers of the Company, the authority, within specified parameters as to the number and terms of Awards, to (i) designate officers and/or employees of the Company or any of its Affiliates to be recipients of Awards under the Plan, and (ii) to determine the number of such Awards to be received by any such Participants; provided, however, that such delegation of duties and responsibilities to an officer of the Company may not be made with respect to the grant of Awards to eligible participants who are subject to Section 16(a) of the 1934 Act at the Grant Date. The acts of such delegates shall be treated hereunder as acts of the Board and such delegates shall report regularly to the Board and the Compensation Committee regarding the delegated duties and responsibilities and any Awards so granted.

4.5 INDEMNIFICATION. Each person who is or shall have been a member of the Committee, or of the Board, or an officer of the Company to whom authority was delegated in accordance with this Article 4 shall be indemnified and held harmless by the Company against and from any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action taken or failure to act under the Plan and against and from any and all amounts paid by him or her in settlement thereof, with the Company's approval, or paid by him or her in satisfaction of any judgment in any such action, suit, or proceeding against him or her, provided he or she shall give the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf, unless such loss, cost, liability, or expense is a result of his or her own willful misconduct or except as expressly provided by statute. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's charter or bylaws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

ARTICLE 5 SHARES SUBJECT TO THE PLAN

5.1 NUMBER OF SHARES. Subject to adjustment as provided in Sections 5.2 and 14.1, the aggregate number of Shares reserved and available for issuance pursuant to Awards granted under the Plan shall be 8,800,000 Shares, plus a number of additional Shares (not to exceed 184,000) available for awards as of the Effective Date under the Company's 2011 Long-Term Compensation Plan (the "Prior Plan") that thereafter terminate or expire unexercised, or are cancelled, forfeited or lapse for any reason. The maximum number of Shares that may be issued upon exercise of Incentive Stock Options granted under the Plan shall be 8,984,000. From and after the Effective Date, no further awards shall be granted under the Prior Plan and the Prior Plan shall remain in effect only so long as awards granted thereunder shall remain outstanding.

5.2 SHARE COUNTING. Shares covered by an Award shall be subtracted from the Plan share reserve as of the Grant Date, but shall be added back to the Plan share reserve in accordance with this Section 5.2.

(a) Awards of Options and Stock Appreciation Rights with up to a seven-year term shall count against the number of Shares remaining available for issuance pursuant to Awards granted under the Plan as .85 of a Share for each Share covered by such Awards, Options and Stock Appreciation Rights with a term of seven to ten years shall count against the number of Shares remaining available for issuance pursuant to Awards granted under the Plan as one (1) Share for each Share covered by such Awards, Full Value Awards that vest based on performance criteria other than continued service shall count against the number of Shares remaining available for issuance pursuant to Awards granted under the Plan as 3.1 Shares for each Share covered by such Award, and Full Value Awards that vest solely on continued service shall count against the number of Shares remaining available for issuance pursuant to Awards granted under the Plan as 3.88 Shares for each Share covered by such Awards.

(b) The full number of Shares subject to the Option shall count against the number of Shares remaining available for issuance pursuant to Awards granted under the Plan, even if the exercise price of an Option is satisfied through net-settlement or by delivering Shares to the Company (by either actual delivery or attestation).

(c) Upon exercise of Stock Appreciation Rights that are settled in Shares, the full number of Stock Appreciation Rights (rather than the net number of Shares actually delivered upon exercise) shall count against the number of Shares remaining available for issuance pursuant to Awards granted under the Plan.

(d) Shares withheld from an Award to satisfy tax withholding requirements shall count against the number of Shares remaining available for issuance pursuant to Awards granted under the Plan, and Shares delivered by a participant to satisfy tax withholding requirements shall not be added to the Plan share reserve.

(e) To the extent that an Award is canceled, terminates, expires, is forfeited or lapses for any reason, any unissued or forfeited Shares subject to the Award will be added back to the Plan share reserve and again be available for issuance pursuant to Awards granted under the Plan.

(f) Shares subject to Awards settled in cash will be added back to the Plan share reserve and again be available for issuance pursuant to Awards granted under the Plan.

(g) To the extent that the full number of Shares subject to Full Value Award is not issued for any reason, including by reason of failure to achieve maximum performance goals, the unissued Shares originally subject to the Award will be added back to the Plan share reserve and again be available for issuance pursuant to Awards granted under the Plan.

(h) Substitute Awards granted pursuant to Section 13.10 of the Plan shall not count against the Shares otherwise available for issuance under the Plan under Section 5.1.

(i) Subject to applicable Exchange requirements, shares available under a stockholder-approved plan of a company acquired by the Company (as appropriately adjusted to Shares to reflect the transaction) may be issued under the Plan pursuant to Awards granted to individuals who were not employees of the Company or its Affiliates immediately before such transaction and will not count against the maximum share limitation specified in Section 5.1.

5.3 STOCK DISTRIBUTED. Any Stock distributed pursuant to an Award may consist, in whole or in part, of authorized and unissued Stock, treasury Stock or Stock purchased on the open market.

5.4 LIMITATION ON AWARDS. Notwithstanding any provision in the Plan to the contrary (but subject to adjustment as provided in Article 14):

(a) Options. The maximum aggregate number of Shares subject to Options granted under the Plan within a single calendar year to any one Participant shall be 300,000.

(b) SARs. The maximum number of Shares subject to Stock Appreciation Rights granted under the Plan within a single calendar year to any one Participant shall be 300,000.

(c) Restricted Stock or Restricted Stock Units. The maximum aggregate number of Shares underlying Awards of Restricted Stock or Restricted Stock Units under the Plan within a single calendar year to any one Participant shall be 100,000.

(d) Other Stock-Based Awards. The maximum aggregate grant with respect to Other Stock-Based Awards under the Plan within a single calendar year to any one Participant shall be 150,000 Shares at the target level.

(e) Cash-Based Awards. The maximum aggregate amount that may be paid with respect to cash-based Awards under the Plan to any one Participant within a single calendar year shall be \$4,000,000.

(f) Non-Employee Director Awards. The maximum dollar amount of Awards that may be granted under this Plan to any one (1) Non-Employee Director as part of their compensation in any single calendar year is \$450,000 for any director in such year. The value of all Awards shall be calculated based upon the grant date fair value for financial reporting purposes.

5.5 MINIMUM VESTING REQUIREMENTS. Except in the case of substitute Awards granted pursuant to Section 13.10, Full-Value Awards granted under the Plan to an Eligible Participant shall either (i) be subject to a minimum vesting period of three years (which may include graduated vesting within such three-year period), or one year if the vesting is based on performance criteria other than continued service, or (ii) be granted solely in exchange for foregone cash compensation. Notwithstanding the foregoing, (i) the Committee may permit and authorize acceleration of vesting of such Full-Value Awards in the event of the Participant's death, Disability, or Retirement, or the occurrence of a Change in Control, and (ii) the Committee may grant Full-Value Awards without the above described minimum vesting requirements, or may permit and authorize acceleration of vesting of Full-Value Awards otherwise subject to the above-described minimum vesting requirements, with respect to Awards covering 10% or fewer of the total number of Shares authorized under the Plan.

ARTICLE 6 ELIGIBILITY

6.1 GENERAL. Awards may be granted only to Eligible Participants. Incentive Stock Options may be granted only to Eligible Participants who are employees of the Company or a Parent or Subsidiary as defined in Section 424(e) and (f) of the

Code. Eligible Participants who are service providers to an Affiliate may be granted Options or SARs under this Plan only if the Affiliate qualifies as an “eligible issuer of service recipient stock” within the meaning of §1.409A-1(b)(5)(iii)(E) of the final regulations under Code Section 409A.

ARTICLE 7 STOCK OPTIONS

7.1 GENERAL. The Committee is authorized to grant Options to Participants on the following terms and conditions:

(a) EXERCISE PRICE. The exercise price per Share under an Option shall be determined by the Committee, provided, that the exercise price for any Option (other than an Option issued as a substitute Award pursuant to Section 13.10) shall not be less than the Fair Market Value as of the Grant Date.

(b) PROHIBITION ON REPRICING. Except as otherwise provided in Section 14.1, the exercise price of an Option may not be reduced, directly or indirectly by cancellation and re-grant or otherwise, without the prior approval of the stockholders of the Company.

(c) TIME AND CONDITIONS OF EXERCISE. The Committee shall determine the time or times at which an Option may be exercised in whole or in part, subject to Section 7.1(e), including a provision that an Option that is otherwise exercisable and has an exercise price that is less than the Fair Market Value of the Stock on the last day of its term will be automatically exercised on such final date of the term by means of a “net exercise,” thus entitling the optionee to Shares equal to the intrinsic value of the Option on such exercise date, less the number of Shares required for tax withholding. The Committee shall also determine the performance or other conditions, if any, that must be satisfied before all or part of an Option may be exercised or vested.

(d) PAYMENT. The Committee shall determine the methods by which the exercise price of an Option may be paid, the form of payment, and the methods by which Shares shall be delivered or deemed to be delivered to Participants. As determined by the Committee at or after the Grant Date, payment of the exercise price of an Option may be made, in whole or in part, in the form of (i) cash or cash equivalents, (ii) delivery (by either actual delivery or attestation) of previously-acquired Shares based on the Fair Market Value of the Shares on the date the Option is exercised, (iii) withholding of Shares from the Option based on the Fair Market Value of the Shares on the date the Option is exercised, (iv) broker-assisted market sales, or (iv) any other “cashless exercise” arrangement.

(e) EXERCISE TERM. Except for Nonstatutory Options granted to Participants outside the United States, no Option granted under the Plan shall be exercisable for more than ten years from the Grant Date.

(f) NO DEFERRAL FEATURE. No Option shall provide for any feature for the deferral of compensation other than the deferral of recognition of income until the exercise or disposition of the Option.

(g) NO DIVIDEND EQUIVALENTS. No Option shall provide for Dividend Equivalents.

7.2 INCENTIVE STOCK OPTIONS. The terms of any Incentive Stock Options granted under the Plan must comply with the requirements of Section 422 of the Code. Without limiting the foregoing, any Incentive Stock Option granted to a Participant who at the Grant Date owns more than 10% of the voting power of all classes of shares of the Company must have an exercise price per Share of not less than 110% of the Fair Market Value per Share on the Grant Date and an Option term of not more than five years. If all of the requirements of Section 422 of the Code (including the above) are not met, the Option shall automatically become a Nonstatutory Stock Option.

ARTICLE 8 STOCK APPRECIATION RIGHTS

8.1 GRANT OF STOCK APPRECIATION RIGHTS. The Committee is authorized to grant Stock Appreciation Rights to Participants on the following terms and conditions:

(a) RIGHT TO PAYMENT. Upon the exercise of a SAR, the Participant has the right to receive, for each Share with respect to which the SAR is being exercised, the excess, if any, of:

- (1) The Fair Market Value of one Share on the date of exercise; over
- (2) The base price of the SAR as determined by the Committee and set forth in the Award Certificate, which shall not be less than the Fair Market Value of one Share on the Grant Date.

(b) PROHIBITION ON REPRICING. Except as otherwise provided in Section 14.1, the base price of a SAR may not be reduced, directly or indirectly by cancellation and regrant or otherwise, without the prior approval of the stockholders of the Company.

(c) TIME AND CONDITIONS OF EXERCISE. The Committee shall determine the time or times at which a SAR may be exercised in whole or in part, including a provision that a SAR that is otherwise exercisable and has a base price that is less than the Fair Market Value of the Stock on the last day of its term will be automatically exercised on such final date of the term, thus entitling the holder to cash or Shares equal to the intrinsic value of the SAR on such exercise date, less the cash or number of Shares required for tax withholding. Except for SARs granted to Participants outside the United States, no SAR shall be exercisable for more than ten years from the Grant Date.

(d) NO DEFERRAL FEATURE. No SAR shall provide for any feature for the deferral of compensation other than the deferral of recognition of income until the exercise or disposition of the SAR.

(e) NO DIVIDEND EQUIVALENTS. No SAR shall provide for Dividend Equivalents.

ARTICLE 9 RESTRICTED STOCK, RESTRICTED STOCK UNITS AND DEFERRED STOCK UNITS

9.1 GRANT OF RESTRICTED STOCK, RESTRICTED STOCK UNITS AND DEFERRED STOCK UNITS. The Committee is authorized to make Awards of Restricted Stock, Restricted Stock Units or Deferred Stock Units to Participants in such amounts and subject to such terms and conditions as may be selected by the Committee. An Award of Restricted Stock, Restricted Stock Units or Deferred Stock Units shall be evidenced by an Award Certificate setting forth the terms, conditions, and restrictions applicable to the Award.

9.2 ISSUANCE AND RESTRICTIONS. Restricted Stock, Restricted Stock Units or Deferred Stock Units shall be subject to such restrictions on transferability and other restrictions as the Committee may impose (including, for example, limitations on the right to vote Restricted Stock or the right to receive dividends on the Restricted Stock). These restrictions may lapse separately or in combination at such times, under such circumstances, in such installments, upon the satisfaction of performance goals or otherwise, as the Committee determines at the time of the grant of the Award or thereafter. Except as otherwise provided in an Award Certificate or any special Plan document governing an Award, a Participant shall have none of the rights of a stockholder with respect to Restricted Stock Units or Deferred Stock Units until such time as Shares of Stock are paid in settlement of such Awards.

9.3 DIVIDENDS ON RESTRICTED STOCK. In the case of Restricted Stock, the Committee may provide that ordinary cash dividends declared on the Shares before they are vested (i) will be forfeited, (ii) will be deemed to have been reinvested in additional Shares or otherwise reinvested (subject to Share availability under Section 5.1 hereof), or (iii) in the case of Restricted Stock that is not subject to performance-based vesting, will be paid or distributed to the Participant as accrued (in which case, such dividends must be paid or distributed no later than the 15th day of the 3rd month following the later of (A) the calendar year in which the corresponding dividends were paid to stockholders, or (B) the first calendar year in which the Participant's right to such dividends is no longer subject to a substantial risk of forfeiture). Unless otherwise provided by the Committee, dividends accrued on Shares of Restricted Stock before they are vested shall, as provided in the Award Certificate, either (i) be reinvested in the form of additional Shares, which shall be subject to the same vesting provisions as provided for the host Award, or (ii) be credited by the Company to an account for the Participant and accumulated without interest until the date upon which the host Award becomes vested, and any dividends accrued with respect to forfeited Restricted Stock will be reconveyed to the Company without further consideration or any act or action by the Participant.

9.4 FORFEITURE. Subject to the terms of the Award Certificate and except as otherwise determined by the Committee at the time of the grant of the Award or thereafter, upon termination of Continuous Service during the applicable restriction period or upon failure to satisfy a performance goal during the applicable restriction period, Restricted Stock or Restricted Stock Units that are at that time subject to restrictions shall be forfeited.

9.5 DELIVERY OF RESTRICTED STOCK. Shares of Restricted Stock shall be delivered to the Participant at the Grant Date either by book-entry registration or by delivering to the Participant, or a custodian or escrow agent (including, without limitation, the Company or one or more of its employees) designated by the Committee, a stock certificate or certificates registered in the name of the Participant. If physical certificates representing shares of Restricted Stock are registered in the name of the Participant, such certificates must bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Restricted Stock.

ARTICLE 10

PERFORMANCE AWARDS

10.1 GRANT OF PERFORMANCE AWARDS. The Committee is authorized to grant any Award under this Plan, including cash-based Awards, with performance-based vesting criteria, on such terms and conditions as may be selected by the Committee. Any such Awards with performance-based vesting criteria are referred to herein as Performance Awards. The Committee shall have the complete discretion to determine the number of Performance Awards granted to each Participant, subject to Section 5.4, and to designate the provisions of such Performance Awards as provided in Section 4.3. All Performance Awards shall be evidenced by an Award Certificate or a written program established by the Committee, pursuant to which Performance Awards are awarded under the Plan under uniform terms, conditions and restrictions set forth in such written program.

10.2 PERFORMANCE GOALS. The Committee may establish performance goals for Performance Awards which may be based on any criteria selected by the Committee. Such performance goals may be described in terms of Company-wide objectives or in terms of objectives that relate to the performance of the Participant, an Affiliate or a division, region, department or function within the Company or an Affiliate. If the Committee determines that a change in the business, operations, corporate structure or capital structure of the Company or the manner in which the Company or an Affiliate conducts its business, or other events or circumstances render performance goals to be unsuitable, the Committee may modify such performance goals in whole or in part, as the Committee deems appropriate. If a Participant is promoted, demoted or transferred to a different business unit or function during a performance period, the Committee may determine that the performance goals or performance period are no longer appropriate and may adjust, change or eliminate the performance goals or the applicable performance period as it deems appropriate to make such goals and period comparable to the initial goals and period. The Committee may provide in any Performance Award, at the time the performance goals are established, that any evaluation of performance shall exclude or otherwise be objectively adjusted for any specified unusual circumstance or event that occurs during a performance period, including by way of example but without limitation the following: (a) litigation or claim judgments or settlements; (b) the effect of changes in tax laws, accounting principles or other laws or provisions affecting reported results; (c) accruals for reorganization and restructuring programs; and (d) foreign exchange gains and losses.

ARTICLE 11

DIVIDEND EQUIVALENTS

11.1 GRANT OF DIVIDEND EQUIVALENTS. The Committee is authorized to grant Dividend Equivalents with respect to Full-Value Awards granted hereunder, subject to such terms and conditions as may be selected by the Committee. Dividend Equivalents shall entitle the Participant to receive payments equal to ordinary cash dividends or distributions with respect to all or a portion of the number of Shares subject to a Full- Value Award, as determined by the Committee. The Committee may provide that Dividend Equivalents (i) will be deemed to have been reinvested in additional Shares or otherwise reinvested, or (ii) except in the case of Performance Awards, will be paid or distributed to the Participant as accrued (in which case, such Dividend Equivalents must be paid or distributed no later than the 15th day of the 3rd month following the later of (A) the calendar year in which the corresponding dividends were paid to stockholders, or (B) the first calendar year in which the Participant's right to such Dividends Equivalents is no longer subject to a substantial risk of forfeiture). Unless otherwise provided by the Committee, Dividend Equivalents accruing on unvested Full-Value Awards shall, as provided in the Award Certificate, either (i) be reinvested in the form of additional Shares, which shall be subject to the same vesting provisions as provided for the host Award, or (ii) be credited by the Company to an account for the Participant and accumulated without interest until the date upon which the host Award becomes vested, and any Dividend Equivalents accrued with respect to forfeited Awards will be reconveyed to the Company without further consideration or any act or action by the Participant.

ARTICLE 12

STOCK OR OTHER STOCK-BASED AWARDS

12.1 GRANT OF STOCK OR OTHER STOCK-BASED AWARDS. The Committee is authorized, subject to limitations under applicable law, to grant to Participants such other Awards that are payable in, valued in whole or in part by reference to, or otherwise based on or related to Shares, as deemed by the Committee to be consistent with the purposes of the Plan, including without limitation (but subject to the last sentence of Section 5.5) Shares awarded purely as a "bonus" and not subject to any restrictions or conditions, convertible or exchangeable debt securities, other rights convertible or exchangeable into Shares, and Awards valued by reference to book value of Shares or the value of securities of or the performance of specified Parents or Subsidiaries. The Committee shall determine the terms and conditions of such Awards.

ARTICLE 13
PROVISIONS APPLICABLE TO AWARDS

13.1 AWARD CERTIFICATES. Each Award shall be evidenced by an Award Certificate. Each Award Certificate shall include such provisions, not inconsistent with the Plan, as may be specified by the Committee.

13.2 FORM OF PAYMENT FOR AWARDS. At the discretion of the Committee, payment of Awards may be made in cash, Stock, a combination of cash and Stock, or any other form of property as the Committee shall determine. In addition, payment of Awards may include such terms, conditions, restrictions and/or limitations, if any, as the Committee deems appropriate, including, in the case of Awards paid in the form of Stock, restrictions on transfer and forfeiture provisions.

13.3 LIMITS ON TRANSFER. No right or interest of a Participant in any unexercised or restricted Award may be pledged, encumbered, or hypothecated to or in favor of any party other than the Company or an Affiliate, or shall be subject to any lien, obligation, or liability of such Participant to any other party other than the Company or an Affiliate. No unexercised or restricted Award shall be assignable or transferable by a Participant other than by will or the laws of descent and distribution; provided, however, that the Committee may (but need not) permit other transfers (other than transfers for value) where the Committee concludes that such transferability (i) does not result in accelerated taxation, (ii) does not cause any Option intended to be an Incentive Stock Option to fail to be described in Code Section 422(b), and (iii) is otherwise appropriate and desirable, taking into account any factors deemed relevant, including without limitation, state or federal tax or securities laws applicable to transferable Awards.

13.4 BENEFICIARIES. Notwithstanding Section 13.3, a Participant may, in the manner determined by the Committee, designate a beneficiary to exercise the rights of the Participant and to receive any distribution with respect to any Award upon the Participant's death. A beneficiary, legal guardian, legal representative, or other person claiming any rights under the Plan is subject to all terms and conditions of the Plan and any Award Certificate applicable to the Participant, except to the extent the Plan and Award Certificate otherwise provide, and to any additional restrictions deemed necessary or appropriate by the Committee. If no beneficiary has been designated or survives the Participant, any payment due to the Participant shall be made to the Participant's estate. Subject to the foregoing, a beneficiary designation may be changed or revoked by a Participant, in the manner provided by the Company, at any time provided the change or revocation is filed with the Committee.

13.5 STOCK TRADING RESTRICTIONS. All Stock issuable under the Plan is subject to any stop-transfer orders and other restrictions as the Committee deems necessary or advisable to comply with federal or state securities laws, rules and regulations and the rules of any national securities exchange or automated quotation system on which the Stock is listed, quoted, or traded. The Committee may place legends on any Stock certificate or issue instructions to the transfer agent to reference restrictions applicable to the Stock.

13.6 ACCELERATION UPON DEATH OR DISABILITY. Except as otherwise provided in the Award Certificate or any special Plan document governing an Award, upon the termination of a person's Continuous Service by reason of death or Disability:

- (1) all of that Participant's outstanding Options and SARs shall become fully exercisable;
- (2) all time-based vesting restrictions on that Participant's outstanding Awards shall lapse as of the date of termination; and
- (3) the payout opportunities attainable under all of that Participant's outstanding performance-based Awards shall be deemed to have been fully earned as of the date of termination as follows:
 - (A) if the date of termination occurs during the first half of the applicable performance period, all relevant performance goals will be deemed to have been achieved at the "target" level, and
 - (B) if the date of termination occurs during the second half of the applicable performance period, the actual level of achievement of all relevant performance goals against target will be measured as of the end of the calendar quarter immediately preceding the date of termination, and
 - (C) in either such case, there shall be a prorata payout to the Participant or his or her estate within thirty (30) days following the date of termination (unless a later date is required by Section 16.3 hereof), based upon the length of time within the performance period that has elapsed prior to the date of termination.

To the extent that this provision causes Incentive Stock Options to exceed the dollar limitation set forth in Code Section 422(d), the excess Options shall be deemed to be Nonstatutory Stock Options.

13.7 EFFECT OF A CHANGE IN CONTROL. The provisions of this Section 13.7 shall apply in the case of a Change in Control, unless otherwise provided in the Award Certificate or any special Plan document or separate agreement with a Participant governing an Award.

(a) Awards not Assumed or Substituted by Surviving Entity. Upon the occurrence of a Change in Control, and except with respect to any Awards assumed by the Surviving Entity or otherwise equitably converted or substituted in connection with the Change in Control in a manner approved by the Committee or the Board: (i) outstanding Options, SARs, and other Awards in the nature of rights that may be exercised shall become fully exercisable, (ii) time-based vesting restrictions on outstanding Awards shall lapse, and (iii) the target payout opportunities attainable under outstanding performance-based Awards shall be deemed to have been fully earned as of the effective date of the Change in Control based upon (A) an assumed achievement of all relevant performance goals at the “target” level if the Change in Control occurs during the first half of the applicable performance period, or (B) the actual level of achievement of all relevant performance goals against target measured as of the date of the Change in Control, if the Change in Control occurs during the second half of the applicable performance period, and, in either such case, subject to Section 16.3, there shall be a prorata payout to Participants within thirty (30) days following the Change in Control (unless a later date is required by Section 16.3 hereof), based upon the length of time within the performance period that has elapsed prior to the Change in Control. Any Awards shall thereafter continue or lapse in accordance with the other provisions of the Plan and the Award Certificate. To the extent that this provision causes Incentive Stock Options to exceed the dollar limitation set forth in Code Section 422(d), the excess Options shall be deemed to be Nonstatutory Stock Options.

(b) Awards Assumed or Substituted by Surviving Entity. With respect to Awards assumed by the Surviving Entity or otherwise equitably converted or substituted in connection with a Change in Control: if within two years after the effective date of the Change in Control, a Participant’s employment is terminated without Cause or the Participant resigns for Good Reason, then (i) all of that Participant’s outstanding Options, SARs and other Awards in the nature of rights that may be exercised shall become fully exercisable, (ii) all time-based vesting restrictions on the his or her outstanding Awards shall lapse, and (iii) the payout level under all of that Participant’s performance-based Awards that were outstanding immediately prior to effective time of the Change in Control shall be determined and deemed to have been earned as of the date of termination based upon (A) an assumed achievement of all relevant performance goals at the “target” level if the date of termination occurs during the first half of the applicable performance period, or (B) the actual level of achievement of all relevant performance goals against target (measured as of the end of the calendar quarter immediately preceding the date of termination), if the date of termination occurs during the second half of the applicable performance period, and, in either such case, there shall be a prorata payout to such Participant within thirty (30) days following the date of termination of employment (unless a later date is required by Section 16.3 hereof), based upon the length of time within the performance period that has elapsed prior to the date of termination of employment. With regard to each Award, a Participant shall not be considered to have resigned for Good Reason unless either (i) the Award Certificate includes such provision or (ii) the Participant is party to an employment, severance or similar agreement with the Company or an Affiliate that includes provisions in which the Participant is permitted to resign for Good Reason. Any Awards shall thereafter continue or lapse in accordance with the other provisions of the Plan and the Award Certificate. To the extent that this provision causes Incentive Stock Options to exceed the dollar limitation set forth in Code Section 422(d), the excess Options shall be deemed to be Nonstatutory Stock Options.

13.8 ACCELERATION FOR OTHER REASONS. Regardless of whether an event has occurred as described in Section 13.6 or 13.7 above and subject to Section 5.5 as to Full-Value Awards, the Committee may in its sole discretion at any time determine that, upon the termination of service of a Participant for any reason, or the occurrence of a Change in Control, all or a portion of such Participant’s Options, SARs and other Awards in the nature of rights that may be exercised shall become fully or partially exercisable, that all or a part of the restrictions on all or a portion of the Participant’s outstanding Awards shall lapse, and/or that any performance-based criteria with respect to any Awards held by that Participant shall be deemed to be wholly or partially satisfied, in each case, as of such date as the Committee may, in its sole discretion, declare. The Committee may discriminate among Participants and among Awards granted to a Participant in exercising its discretion pursuant to this Section 13.8.

13.9 FORFEITURE EVENTS. The Committee may specify in an Award Certificate that the Participant’s rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events may include, but shall not be limited to, (i) termination of employment for cause, (ii) violation of material Company or Affiliate policies, (iii) breach of noncompetition, confidentiality or other restrictive covenants that may apply to the Participant, (iv) other conduct by the Participant that is detrimental to the business or reputation of the Company or any Affiliate, or (v) a later determination that the vesting of, or amount realized from, a Performance Award was based on materially inaccurate financial statements or any other materially inaccurate performance metric criteria, whether or not the Participant caused or contributed to such material inaccuracy.

13.10 SUBSTITUTE AWARDS. The Committee may grant Awards under the Plan in substitution for stock and stock-based awards held by employees of another entity who become employees of the Company or an Affiliate as a result of a merger or consolidation of the former employing entity with the Company or an Affiliate or the acquisition by the Company or an Affiliate of property or stock of the former employing corporation. The Committee may direct that the substitute awards be granted on such terms and conditions as the Committee considers appropriate in the circumstances.

ARTICLE 14

CHANGES IN CAPITAL STRUCTURE

14.1 **MANDATORY ADJUSTMENTS.** In the event of a nonreciprocal transaction between the Company and its stockholders that causes the per-share value of the Stock to change (including, without limitation, any stock dividend, stock split, spin-off, rights offering, or large nonrecurring cash dividend), the authorization limits under Section 5.1 and 5.4 shall be adjusted proportionately, and the Committee shall make such adjustments to the Plan and Awards as it deems necessary, in its sole discretion, to prevent dilution or enlargement of rights immediately resulting from such transaction. Action by the Committee may include: (i) adjustment of the number and kind of shares that may be delivered under the Plan; (ii) adjustment of the number and kind of shares subject to outstanding Awards; (iii) adjustment of the exercise price of outstanding Awards or the measure to be used to determine the amount of the benefit payable on an Award; and (iv) any other adjustments that the Committee determines to be equitable. Notwithstanding the foregoing, the Committee shall not make any adjustments to outstanding Options or SARs that would constitute a modification or substitution of the stock right under Treas. Reg. Sections 1.409A-1(b)(5)(v) that would be treated as the grant of a new stock right or change in the form of payment for purposes of Code Section 409A. Without limiting the foregoing, in the event of a subdivision of the outstanding Stock (stock-split), a declaration of a dividend payable in Shares, or a combination or consolidation of the outstanding Stock into a lesser number of Shares, the authorization limits under Section 5.1 and 5.4 shall automatically be adjusted proportionately, and the Shares then subject to each Award shall automatically, without the necessity for any additional action by the Committee, be adjusted proportionately without any change in the aggregate purchase price therefor.

14.2 **DISCRETIONARY ADJUSTMENTS.** Upon the occurrence or in anticipation of any corporate event or transaction involving the Company (including, without limitation, any merger, reorganization, recapitalization, combination or exchange of shares, or any transaction described in Section 14.1), the Committee may, in its sole discretion, provide (i) that Awards will be settled in cash rather than Stock, (ii) that Awards will become immediately vested and non-forfeitable and exercisable (in whole or in part) and will expire after a designated period of time to the extent not then exercised, (iii) that Awards will be assumed by another party to a transaction or otherwise be equitably converted or substituted in connection with such transaction, (iv) that outstanding Awards may be settled by payment in cash or cash equivalents equal to the excess of the Fair Market Value of the underlying Stock, as of a specified date associated with the transaction, over the exercise or base price of the Award, (v) that performance targets and performance periods for Performance Awards will be modified or (vi) any combination of the foregoing. The Committee's determination need not be uniform and may be different for different Participants whether or not such Participants are similarly situated.

14.3 **GENERAL.** Any discretionary adjustments made pursuant to this Article 14 shall be subject to the provisions of Section 15.2. To the extent that any adjustments made pursuant to this Article 14 cause Incentive Stock Options to cease to qualify as Incentive Stock Options, such Options shall be deemed to be Nonstatutory Stock Options.

ARTICLE 15

AMENDMENT, MODIFICATION AND TERMINATION

15.1 **AMENDMENT, MODIFICATION AND TERMINATION.** The Board or the Committee may, at any time and from time to time, amend, modify or terminate the Plan without stockholder approval; provided, however, that if an amendment to the Plan would, in the reasonable opinion of the Board or the Committee, either (i) materially increase the number of Shares available under the Plan, (ii) expand the types of awards under the Plan, (iii) materially expand the class of participants eligible to participate in the Plan, (iv) materially extend the term of the Plan, or (v) otherwise constitute a material change requiring stockholder approval under applicable laws, policies or regulations or the applicable listing or other requirements of an Exchange, then such amendment shall be subject to stockholder approval; and provided, further, that the Board or Committee may condition any other amendment or modification on the approval of stockholders of the Company for any reason, including by reason of such approval being necessary or deemed advisable (i) to comply with the listing or other requirements of an Exchange, or (ii) to satisfy any other tax, securities or other applicable laws, policies or regulations.

15.2 **AWARDS PREVIOUSLY GRANTED.** At any time and from time to time, the Committee may amend, modify or terminate any outstanding Award without approval of the Participant; provided, however:

(a) Subject to the terms of the applicable Award Certificate, such amendment, modification or termination shall not, without the Participant's consent, reduce or diminish the value of such Award determined as if the Award had been exercised, vested, cashed in or otherwise settled on the date of such amendment or termination (with the per-share value of an Option or SAR for this purpose being calculated as the excess, if any, of the Fair Market Value as of the date of such amendment or termination over the exercise or base price of such Award);

(b) The original term of an Option or SAR may not be extended without the prior approval of the stockholders of the Company;

(c) Except as otherwise provided in Section 14.1, the exercise price of an Option or base price of a SAR may not be reduced, directly or indirectly, without the prior approval of the stockholders of the Company; and

(d) No termination, amendment, or modification of the Plan shall adversely affect any Award previously granted under the Plan, without the written consent of the Participant affected thereby. An outstanding Award shall not be deemed to be “adversely affected” by a Plan amendment if such amendment would not reduce or diminish the value of such Award determined as if the Award had been exercised, vested, cashed in or otherwise settled on the date of such amendment (with the per-share value of an Option or SAR for this purpose being calculated as the excess, if any, of the Fair Market Value as of the date of such amendment over the exercise or base price of such Award).

15.3 COMPLIANCE AMENDMENTS. Notwithstanding anything in the Plan or in any Award Certificate to the contrary, the Board may amend the Plan or an Award Certificate, to take effect retroactively or otherwise, as deemed necessary or advisable for the purpose of conforming the Plan or Award Certificate to any present or future law relating to plans of this or similar nature (including, but not limited to, Section 409A of the Code), and to the administrative regulations and rulings promulgated thereunder. By accepting an Award under this Plan, a Participant agrees to any amendment made pursuant to this Section 15.3 to any Award granted under the Plan without further consideration or action.

ARTICLE 16

GENERAL PROVISIONS

16.1 RIGHTS OF PARTICIPANTS.

(a) No Participant or any Eligible Participant shall have any claim to be granted any Award under the Plan. Neither the Company, its Affiliates nor the Committee is obligated to treat Participants or Eligible Participants uniformly, and determinations made under the Plan may be made by the Committee selectively among Eligible Participants who receive, or are eligible to receive, Awards (whether or not such Eligible Participants are similarly situated).

(b) Nothing in the Plan, any Award Certificate or any other document or statement made with respect to the Plan, shall interfere with or limit in any way the right of the Company or any Affiliate to terminate any Participant’s employment or status as an officer, or any Participant’s service as a director, at any time, nor confer upon any Participant any right to continue as an employee, officer, or director of the Company or any Affiliate, whether for the duration of a Participant’s Award or otherwise.

(c) Neither an Award nor any benefits arising under this Plan shall constitute an employment contract with the Company or any Affiliate and, accordingly, subject to Article 16, this Plan and the benefits hereunder may be terminated at any time in the sole and exclusive discretion of the Committee without giving rise to any liability on the part of the Company or any of its Affiliates.

(d) No Award gives a Participant any of the rights of a stockholder of the Company unless and until Shares are in fact issued to such person in connection with such Award.

16.2 WITHHOLDING. The Company or any Affiliate shall have the authority and the right to deduct or withhold, or require a Participant to remit to the Company or such Affiliate, an amount sufficient to satisfy federal, state, and local taxes (including the Participant’s FICA obligation) required by law to be withheld with respect to any exercise, lapse of restriction or other taxable event arising as a result of the Plan. The obligations of the Company under the Plan will be conditioned on such payment or arrangements and the Company or such Affiliate will, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Participant. Unless otherwise determined by the Committee at the time the Award is granted or thereafter, any such withholding requirement may be satisfied, in whole or in part, by withholding from the Award Shares having a Fair Market Value on the date of withholding equal to the minimum amount (and not any greater amount) required to be withheld for tax purposes, all in accordance with such procedures as the Committee establishes. All such elections shall be subject to any restrictions or limitations that the Committee, in its sole discretion, deems appropriate.

16.3 SPECIAL PROVISIONS RELATED TO SECTION 409A OF THE CODE.

(a) General. It is intended that the payments and benefits provided under the Plan and any Award shall either be exempt from the application of, or comply with, the requirements of Section 409A of the Code. The Plan and all Award Certificates shall be construed in a manner that effects such intent. Nevertheless, the tax treatment of the benefits provided under the Plan or any Award is not warranted or guaranteed. Neither the Company, its Affiliates nor their respective directors, officers, employees or advisers (other than in his or her capacity as a Participant) shall be held liable for any taxes, interest, penalties or other monetary amounts owed by any Participant or other taxpayer as a result of the Plan or any Award.

(b) Definitional Restrictions. Notwithstanding anything in the Plan or in any Award Certificate to the contrary, to the extent that any amount or benefit that would constitute non-exempt “deferred compensation” for purposes of Section 409A of the Code would otherwise be payable or distributable, or a different form of payment (e.g., lump sum or installment) would be effected, under the Plan or any Award Certificate by reason of the occurrence of a Change in Control, or the Participant’s Disability or separation from service, such amount or benefit will not be payable or distributable to the Participant, and/or such different form of payment will not be effected, by reason of such circumstance unless the circumstances giving rise to such Change in Control, Disability or separation from service meet any description or definition of “change in control event”, “disability” or “separation from service”, as the case may be, in Section 409A of the Code and applicable regulations (without giving effect to any elective provisions that may be available under such definition). This provision does not prohibit the vesting of any Award upon a Change in Control, Disability or separation from service, however defined. If this provision prevents the payment or distribution of any amount or benefit, or the application of a different form of payment of any amount or benefit, such payment or distribution shall be made at the time and in the form that would have applied absent the Change in Control, Disability or separation from service, as applicable, as applicable.

(c) Allocation Among Possible Exemptions. If any one or more Awards granted under the Plan to a Participant could qualify for any separation pay exemption described in Treas. Reg. Section 1.409A-1(b)(9), but such Awards in the aggregate exceed the dollar limit permitted for the separation pay exemptions, the Company determine which Awards or portions thereof will be subject to such exemptions.

(d) Six-Month Delay in Certain Circumstances. Notwithstanding anything in the Plan or in any Award Certificate to the contrary, if any amount or benefit that would constitute non-exempt “deferred compensation” for purposes of Section 409A of the Code would otherwise be payable or distributable under this Plan or any Award Certificate by reason of a Participant’s separation from service during a period in which the Participant is a Specified Employee (as defined below), then, subject to any permissible acceleration of payment by the Committee under Treas. Reg. Section 1.409A-3(j)(4)(ii) (domestic relations order), (j)(4)(iii) (conflicts of interest), or (j)(4)(vi) (payment of employment taxes):

(1) the amount of such non-exempt deferred compensation that would otherwise be payable during the six-month period immediately following the Participant’s separation from service will be accumulated through and paid or provided on the first day of the seventh month following the Participant’s separation from service (or, if the Participant dies during such period, within 30 days after the Participant’s death) (in either case, the “Required Delay Period”); and

(2) the normal payment or distribution schedule for any remaining payments or distributions will resume at the end of the Required Delay Period. For purposes of this Plan, the term “Specified Employee” has the meaning given such term in Code Section 409A and the final regulations thereunder; provided, however, that, as permitted in such final regulations, the Company’s Specified Employees and its application of the six-month delay rule of Code Section 409A(a)(2)(B)(i) shall be determined in accordance with rules adopted by the Board or any committee of the Board, which shall be applied consistently with respect to all nonqualified deferred compensation arrangements of the Company, including this Plan.

(e) Installment Payments. If, pursuant to an Award, a Participant is entitled to a series of installment payments, such Participant’s right to the series of installment payments shall be treated as a right to a series of separate payments and not to a single payment. For purposes of the preceding sentence, the term “series of installment payments” has the meaning provided in Treas. Reg. Section 1.409A-2(b)(2)(iii) (or any successor thereto).

16.4 UNFUNDED STATUS OF AWARDS. The Plan is intended to be an “unfunded” plan for incentive and deferred compensation. With respect to any payments not yet made to a Participant pursuant to an Award, nothing contained in the Plan or any Award Certificate shall give the Participant any rights that are greater than those of a general creditor of the Company or any Affiliate. In its sole discretion, the Committee may authorize the creation of grantor trusts or other arrangements to meet the obligations created under the Plan to deliver Shares or payments in lieu of Shares or with respect to Awards. This Plan is not intended to be subject to ERISA.

16.5 RELATIONSHIP TO OTHER BENEFITS. No payment under the Plan shall be taken into account in determining any benefits under any pension, retirement, savings, profit sharing, group insurance, welfare or benefit plan of the Company or any Affiliate unless provided otherwise in such other plan. Nothing contained in the Plan will prevent the Company from adopting other or additional compensation arrangements, subject to stockholder approval if such approval is required; and such arrangements may be either generally applicable or applicable only in specific cases.

16.6 EXPENSES. The expenses of administering the Plan shall be borne by the Company and its Affiliates.

16.7 TITLES AND HEADINGS. The titles and headings of the Sections in the Plan are for convenience of reference only, and in the event of any conflict, the text of the Plan, rather than such titles or headings, shall control.

16.8 GENDER AND NUMBER. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine; the plural shall include the singular and the singular shall include the plural.

16.9 FRACTIONAL SHARES. No fractional Shares shall be issued and the Committee shall determine, in its discretion, whether cash shall be given in lieu of fractional Shares or whether such fractional Shares shall be eliminated by rounding up or down.

16.10 GOVERNMENT AND OTHER REGULATIONS.

(a) Notwithstanding any other provision of the Plan, no Participant who acquires Shares pursuant to the Plan may, during any period of time that such Participant is an affiliate of the Company (within the meaning of the rules and regulations of the Securities and Exchange Commission under the 1933 Act), sell such Shares, unless such offer and sale is made (i) pursuant to an effective registration statement under the 1933 Act, which is current and includes the Shares to be sold, or (ii) pursuant to an appropriate exemption from the registration requirement of the 1933 Act, such as that set forth in Rule 144 promulgated under the 1933 Act.

(b) Notwithstanding any other provision of the Plan, if at any time the Committee shall determine that the registration, listing or qualification of the Shares covered by an Award upon any Exchange or under any foreign, federal, state or local law or practice, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of, or in connection with, the granting of such Award or the purchase or receipt of Shares thereunder, no Shares may be purchased, delivered or received pursuant to such Award unless and until such registration, listing, qualification, consent or approval shall have been effected or obtained free of any condition not acceptable to the Committee. Any Participant receiving or purchasing Shares pursuant to an Award shall make such representations and agreements and furnish such information as the Committee may request to assure compliance with the foregoing or any other applicable legal requirements. The Company shall not be required to issue or deliver any certificate or certificates for Shares under the Plan prior to the Committee's determination that all related requirements have been fulfilled. The Company shall in no event be obligated to register any securities pursuant to the 1933 Act or applicable state or foreign law or to take any other action in order to cause the issuance and delivery of such certificates to comply with any such law, regulation or requirement.

16.11 GOVERNING LAW. To the extent not governed by federal law, the Plan and all Award Certificates shall be construed in accordance with and governed by the laws of the State of Delaware.

16.12 SEVERABILITY. In the event that any provision of this Plan is found to be invalid or otherwise unenforceable under any applicable law, such invalidity or unenforceability will not be construed as rendering any other provisions contained herein as invalid or unenforceable, and all such other provisions will be given full force and effect to the same extent as though the invalid or unenforceable provision was not contained herein.

16.13 NO LIMITATIONS ON RIGHTS OF COMPANY. The grant of any Award shall not in any way affect the right or power of the Company to make adjustments, reclassification or changes in its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets. The Plan shall not restrict the authority of the Company, for proper corporate purposes, to draft or assume awards, other than under the Plan, to or with respect to any person. If the Committee so directs, the Company may issue or transfer Shares to an Affiliate, for such lawful consideration as the Committee may specify, upon the condition or understanding that the Affiliate will transfer such Shares to a Participant in accordance with the terms of an Award granted to such Participant and specified by the Committee pursuant to the provisions of the Plan.

The foregoing is hereby acknowledged as being the Torchmark Corporation 2018 Incentive Plan as adopted by the Board on February 26, 2018 and by the stockholders on April 26, 2018.

TORCHMARK CORPORATION

By: /s/Carol A. McCoy

Its: Vice President, Associate General Counsel
and Corporate Secretary

TORCHMARK CORPORATION

2018 NON-EMPLOYEE DIRECTOR COMPENSATION PLAN

SECTION 1. GENERAL PURPOSE OF PLAN; DEFINITIONS

The name of this plan is the Torchmark Corporation 2018 Non-Employee Director Compensation Plan (the "Plan"). The purpose of the Plan is to enable Torchmark Corporation (the "Company") and its Subsidiaries and Affiliates to attract and retain directors who contribute to the Company's success by their ability, ingenuity and industry, and to enable such directors to participate in the long-term success and growth of the Company through an equity interest in the Company. The Plan is adopted to be effective as of April 26, 2018, and is intended to replace and supersede the Company's existing 2011 Non-Employee Director Compensation Plan.

The Plan is adopted as a sub-plan of the Torchmark Corporation 2018 Incentive Plan (the "2018 Incentive Plan"). The Plan was adopted by the Board of Directors of the Company on April 25, 2018 to automatically become a sub-plan of the 2018 Incentive Plan upon adoption of the 2018 Incentive Plan by Company shareholders at the 2018 annual meeting. The 2018 Incentive Plan was approved by Company shareholders on April 26, 2018.

Capitalized terms used in the Plan but not otherwise defined shall have the meanings given such terms in the 2018 Incentive Plan. In addition, the following terms shall be defined for purposes of the Plan as set forth below:

"Annual Compensation" means the total annual retainer, expressed as a dollar amount, payable by the Company to a Non-Employee Director for services as a director (excluding, if applicable any retainers or fees payable for services as the member or chairman of a committee of the Board, which shall be payable separate and apart from the provisions of this Plan) of the Company, as such amount may be changed from time to time.

"Award Notice" means a written award notice to a Non-Employee Director from the Company evidencing an award of Stock Options, Restricted Stock or Restricted Stock Units.

"Beneficiary" means any person or persons designated by a Participant, in accordance with procedures established by the Committee or Plan Administrator, to receive benefits hereunder in the event of the Participant's death. If any Participant shall fail to designate a Beneficiary or shall designate a Beneficiary who shall fail to survive the Participant, the Beneficiary shall be the Participant's surviving spouse, or, if none, the Participant's surviving descendants (who shall take per stirpes) and if there are no surviving descendants, the Beneficiary shall be the Participant's estate.

"Business Day" shall mean a day on which the New York Stock Exchange or any national securities exchange or over-the counter market on which the Stock is traded is open for business.

"Committee" means the Compensation Committee of the Board. If at any time no Committee shall be in office, then the functions of the Committee specified in the Plan shall be exercised by the Board.

"Election Date" means the date by which a Non-Employee Director must submit a valid Election Form to the Plan Administrator. For each calendar year, the Election Date is December 31 of the preceding calendar year; provided, however, that the Election Date for a newly eligible Participant shall be the 30th day following the date on which such individual becomes a Non-Employee Director.

"Election Form" means an Election Form for Annual Compensation, substantially in the form attached hereto as Exhibit A, pursuant to which a Non-Employee Director elects to receive all or a portion of his or her Annual Compensation in the form of cash, Stock Options, Restricted Stock or Restricted Stock Units, or to defer Annual Compensation under the Plan.

"Grantee" means a Non-Employee Director to whom a Stock Option, Restricted Stock, or Restricted Stock Unit has been granted.

"Interest Account" means the account established by the Company for each Non-Employee Director for Annual Compensation deferred pursuant to the Plan and which shall be credited with interest on the last day of each calendar quarter (or such other day as determined by Plan Administrator) pursuant to Section 6(f) of the Plan.

"Plan" means this 2018 Non-Employee Director Compensation Plan.

"Plan Administrator" means one or more agents to whom the Board shall have delegated administrative duties under the Plan or the Committee if no such delegation shall have occurred.

"Restricted Stock" means shares of Stock granted to a Participant under Section 5 or 6 that are subject to certain restrictions and to risk of forfeiture.

"Restricted Stock Unit" means a right granted to a Participant under Section 6 to receive shares of Stock in the future, which right is subject to certain restrictions and to risk of forfeiture.

"Stock Option" means any option granted to a Participant to purchase shares of Stock granted pursuant to Section 6.

SECTION 2. ADMINISTRATION.

The Plan shall be administered by the Committee. The Committee shall have the discretionary authority to adopt, alter and repeal such administrative rules, guidelines and practices governing the Plan as it shall, from time to time, deem advisable; to construe and interpret the terms and provisions of the Plan and any award issued under the Plan (and any agreements relating thereto); and to otherwise supervise the administration of the Plan. The Committee may delegate administrative duties under the Plan to one or more agents as it shall deem necessary or advisable. No member of the Committee or the Board or the Plan Administrator shall be personally liable for any action or determination made in good faith with respect to the Plan or any Options, Restricted Stock or Restricted Stock Units, or to any settlement of any dispute between a Non-Employee Director and the Company.

All decisions made by the Board or the Committee pursuant to the provisions of the Plan shall be final and binding on all persons, including the Company and Participants.

SECTION 3. SOURCE OF SHARES FOR THE PLAN.

The shares of Stock that may be issued pursuant to the Plan shall be issued under the 2018 Incentive Plan, subject to all of the terms and conditions of the 2018 Incentive Plan. The terms contained in the 2018 Incentive Plan are incorporated into and made a part of this Plan with respect to Stock Options, Restricted Stock or Restricted Stock Units granted pursuant hereto, and any such Stock Options, Restricted Stock or Restricted Stock Units shall be governed by and construed in accordance with the 2018 Incentive Plan. In the event of any actual or alleged conflict between the provisions of the 2018 Incentive Plan and the provisions of this Plan, the provisions of the 2018 Incentive Plan shall be controlling and determinative. This Plan does not constitute a separate source of shares for the grant of the equity awards described herein.

SECTION 4. ELIGIBILITY.

All Non-Employee Directors are eligible to participate in the Plan.

SECTION 5. INITIAL GRANT OF RESTRICTED STOCK.

On the effective day of a Non-Employee Director's first appointment to the Board (which shall be the "Restricted Stock Grant Date" for purposes of Restricted Stock granted under this Section 5), he or she shall be granted a number of whole shares of Restricted Stock equal to X divided by Y, where:

X= \$100,000; and

Y =the Fair Market Value per Share on the Restricted Stock Grant Date.

Restricted Stock granted under this Section 5 shall be evidenced by an Award Notice in such form as the Committee shall from time to time approve, and shall have terms and conditions identical to Restricted

Stock granted pursuant to Section 6(d).

SECTION 6. ELECTION TO RECEIVE ANNUAL COMPENSATION IN CASH, STOCK OPTIONS, RESTRICTED STOCK, RESTRICTED STOCK UNITS OR TO DEFER ANNUAL COMPENSATION.

- (a) Election Regarding Annual Compensation. With respect to \$100,000 of his or her Annual Compensation, a Non-Employee Director may receive cash, payable in quarterly installments, or may elect (i) to receive Stock Options, Restricted Stock or Restricted Stock Units pursuant to subsections (c), (d) or (e) below, or (ii) to defer receipt of this portion of his or her Annual Compensation pursuant to subsection (f) below for a calendar year, in either case by delivering a properly completed and signed Election Form to the Plan Administrator on or before the Election Date. With respect to the remaining \$135,000 of his or her Annual Compensation, a Non-Employee Director must elect to receive Stock Options, Restricted Stock or Restricted Stock Units pursuant to subsections (c), (d) or (e) below, by delivering a properly completed and signed Election Form to the Plan Administrator on or before the Election Date. Such election will be effective as of the first day of the calendar year beginning after the Plan Administrator receives the Non-Employee Director's Election Form, or, in the case of a newly eligible Participant, on the first day of the calendar month beginning after the Plan Administrator receives such Non-Employee Director's Election Form, provided that the Election Form is received within thirty (30) days following the Non-Employee Director's date of initial eligibility to participate in the Plan. If a Non-Employee Director fails to make a timely election under this Section 6(a), he or she will receive \$100,000 of his or her Annual Compensation in the form of cash, payable in quarterly installments, and the remaining \$135,000 of his or her Annual Compensation in the form of Stock Options.
- (b) Irrevocable Election. A Participant may not revoke or change his or her Election Form.
- (c) Election to Receive Stock Options. A Non-Employee Director may elect to receive \$135,000 or \$235,000 of his or her Annual Compensation in Stock Options in accordance with the provisions of this subsection (c). Stock Options granted under this subsection (c) shall be evidenced by an Award Notice in such form as the Committee shall from time to time approve, which agreements shall comply with and be subject to the following terms and conditions:
- (i) Time of Issuance of Stock Options. If an election is made under this subsection, Stock Options will be issued to the Non-Employee Director on the first Business Day in the calendar year to which the election relates (the "Option Grant Date").
- (ii) Number of Stock Options. The number of shares subject to a Stock Option granted pursuant to this Article 6(c) shall be the number of whole Shares equal to A divided by B, where:
- A = the dollar amount which the Non-Employee Director has elected to receive in Stock Options; and
- B = the per share value of a Stock Option on the Option Grant Date, as determined by the Committee using any recognized option valuation model selected by the Board in its discretion (such value to be expressed as a percentage of the Fair Market Value per Share on the Option Grant Date).
- In determining the number of shares subject to a Stock Option, (A) the Board may designate the assumptions to be used in the selected option valuation model, and (B) any fraction of a Share will be rounded up to the next whole number of Shares.
- (iii) Exercise Price of Stock Options. The exercise price per share of each Stock Option shall be 100% of the Fair Market Value of the underlying Stock on the date of the grant of the Stock Option.
- (iv) Vesting and Forfeiture of Stock Options. Except as provided in Section 9, Stock Options shall vest (become exercisable) on the six-month anniversary of the Option Grant Date, provided that the Grantee is still serving as a Non-Employee Director at such time. Notwithstanding the foregoing vesting schedule, Stock Option shall become fully vested and exercisable upon Grantee's termination of service as a Non-Employee Director due to death, Disability or Retirement. Upon a Grantee's termination of status as a Non-Employee Director with the Company for any reason other than due to death, Disability or Retirement, any unvested Stock Options held by such Grantee shall be forfeited.

- (v) Method of Exercise. Any Stock Option granted pursuant to the Plan may be exercised in whole or in part at any time during the option period, by giving written notice of exercise to the Company specifying the number of shares to be purchased, accompanied by payment in full of the purchase price, in cash, by check or such other instrument as may be acceptable to the Committee (including "net" or "cashless exercise" arrangements). Payment in full or in part may also be made in the form of unrestricted Stock already owned by the Grantee (based on the Fair Market Value of the Stock on the date the Option is exercised). No shares of Stock shall be issued upon exercise of a Stock Option until the exercise price has been fully paid or satisfied.
 - (vi) Transferability of Stock Options. Stock Options shall not be transferable by the Grantee otherwise than by will or by the laws of descent and distribution, and all Stock Options shall be exercisable, during the Grantee's lifetime, only by the Grantee; provided, however, that the Committee may (but need not) permit other transfers where the Committee concludes that such transferability (i) does not result in accelerated taxation, and (ii) is otherwise appropriate and desirable, taking into account any state or federal securities laws applicable to transferable options.
 - (vii) Term of Stock Options. The term of any Stock Option granted pursuant to the Plan shall be for a period of seven years, expiring on the seventh anniversary of the Option Grant Date (the "Expiration Date"). Following Grantee's termination of status as a Non-Employee Director for any reason, vested Stock Options held by such Grantee shall be retained and may thereafter be exercised during the period ending on the Expiration Date.
- (d) Election to Receive Restricted Stock. A Non-Employee Director may elect to receive \$135,000 or \$235,000 of his or her Annual Compensation in Restricted Stock in accordance with the provisions of this subsection (d). Restricted Stock granted under this subsection (d) shall be evidenced by an Award Notice in such form as the Committee shall from time to time approve, which agreements shall comply with and be subject to the following terms and conditions:
- (i) Time of Issuance of Restricted Stock. If an election is made under this subsection, Restricted Stock will be issued to the Non-Employee Director on the first Business Day in the calendar year to which the election relates (which shall be the "Restricted Stock Grant Date" for purposes of Restricted Stock granted under this Section 6).
 - (ii) Number of Shares of Restricted Stock. The number of shares of Restricted Stock granted pursuant to this Article 6 (d) shall be the number of whole Shares equal to A divided by B, where:

A = the dollar amount which the Non-Employee Director has elected to receive in shares of Restricted Stock; and

B = the Fair Market Value per Share on the Restricted Stock Grant Date.

In determining the number of shares of Restricted Stock, any fraction of a Share will be rounded up to the next whole number of Shares.
 - (iii) Terms and Conditions of Restricted Stock. Restricted Stock shall comply with and be subject to the following terms and conditions:
 - (1) Vesting. Except as provided in Section 9, Restricted Stock granted under this Section 6 shall become fully vested on the six-month anniversary of the Restricted Stock Grant Date, provided that the Grantee is still serving as a Non-Employee Director at such time. Notwithstanding the foregoing vesting schedule, Restricted Stock shall become fully vested upon Grantee's termination of service as a Non-Employee Director due to death, Disability or Retirement.
 - (2) Restrictions on Unvested Restricted Stock. Unvested Restricted Stock may not be sold, transferred, exchanged, assigned, pledged, hypothecated or otherwise encumbered. If a Non-Employee Director's service as a director of the Company terminates for any reason other than death, Disability or Retirement, then the Non-Employee Director

shall forfeit all of his or her right, title and interest in and to any unvested Restricted Stock as of the date of such termination from the Board, and such Restricted Stock shall be re-conveyed to the Company without further consideration or any act or action by the Non-Employee Director.

- (3) Rights as a Shareholder. A Non-Employee Director shall have full voting and dividend rights with respect to the Restricted Stock. If a Non-Employee Director forfeits any shares of Restricted Stock, he or she shall no longer have any rights as a stockholder with respect to the Restricted Stock or any interest therein and the Participant shall no longer be entitled to receive dividends on such stock.
- (e) Election to Receive Restricted Stock Units. A Non-Employee Director may elect to receive \$135,000 or \$235,000 of his or her Annual Compensation in Restricted Stock Units in accordance with the provisions of this subsection (e). Restricted Stock Units granted under this subsection (e) shall be evidenced by an Award Notice in such form as the Committee shall from time to time approve, which agreements shall comply with and be subject to the following terms and conditions:
- (i) Time of Issuance of Restricted Stock Units. If an election is made under this subsection, Restricted Stock Units will be issued to the Non-Employee Director on the first Business Day in the calendar year to which the election relates (the "Restricted Stock Unit Grant Date").
- (ii) Number of Restricted Stock Units. The number of Restricted Stock Units granted pursuant to this Article 6(d) shall be the number of whole Shares equal to A divided by B, where:
- A = the dollar amount which the Non-Employee Director has elected to receive in Restricted Stock Units; and
- B = the Fair Market Value per Share on the Restricted Stock Unit Grant Date.
- In determining the number of Restricted Stock Units, any fraction of a Share will be rounded up to the next whole number of Shares.
- (iii) Terms and Conditions of Restricted Stock Units. Restricted Stock Units will be credited to a bookkeeping account on behalf of the Non-Employee Director and shall comply with and be subject to the following terms and conditions:
- (1) Vesting and Forfeiture. Except as provided in Section 9, Restricted Stock Units shall vest and become non-forfeitable on the six-month anniversary of the Restricted Stock Unit Grant Date, provided that the Grantee is still serving as a Non-Employee Director at such time. Notwithstanding the foregoing vesting schedule, Restricted Stock Units shall become fully vested upon Grantee's termination of service as a Non-Employee Director due to death, Disability or Retirement. If a Non-Employee Director's service as a director of the Company terminates for any reason other than death, Disability or Retirement, then the Non-Employee Director shall forfeit all of his or her right, title and interest in and to any unvested Restricted Stock Units as of the date of such termination from the Board, and such Restricted Stock Units shall be reconveyed to the Company without further consideration or any act or action by the Non-Employee Director.
- (2) Conversion to Common Stock. Unless forfeited prior to vesting, Restricted Stock Units shall be converted to actual shares of Stock on the Non-Employee Director's termination of service as a director of the Company for any reason. Upon conversion, stock certificates evidencing the conversion of Restricted Stock Units into shares of Stock shall be registered on the books of the Company in the Non-Employee Director's name (or in street name to the Non-Employee Director's brokerage account) in uncertificated (book-entry) form unless the Non-Employee Director requests a stock certificate or certificates for the Shares.
- (3) Dividend Equivalents. If any dividends or other distributions are paid with respect to the Shares while Restricted Stock Units are outstanding, the dollar amount or fair market value of such dividends or distributions with respect to the number of Shares then underlying the outstanding Restricted Stock Units shall be converted into additional Restricted Stock Units in Non-Employee Director's name, based on the Fair Market Value of the Stock as of the date such dividends or distributions were

payable, and such additional Restricted Stock Units shall be immediately vested and non-forfeitable upon grant, and shall convert to actual shares of Stock on the Non-Employee Director's termination of service as a director of the Company for any reason.

- (4) Restrictions on Transfer. Restricted Stock Units are not assignable or transferable other than by will or the laws of descent and distribution. Restricted Stock Units may not be pledged, hypothecated or otherwise encumbered to or in favor of any party other than the Company or an affiliate, or be subjected to any lien, obligation or liability of a Non-Employee Director to any other party other than the Company or an affiliate.
 - (5) Rights as a Shareholder. A Non-Employee Director shall not have voting or any other rights as a shareholder of the Company with respect to the Restricted Stock Units. Upon conversion of the Restricted Stock Units into shares of Stock, the Non-Employee Director will obtain full voting and other rights as a shareholder of the Company.
- (f) Election to Defer Annual Compensation. A Non-Employee Director may elect to defer \$100,000 of his or her Annual Compensation to his or her Interest Account. For bookkeeping purposes, the amount of the Annual Compensation, which the Participant elects to defer pursuant to the Plan, shall be transferred to and held in individual Interest Accounts (in annual designations) pending distribution in cash pursuant to subsection (iii) below.
 - (i) Interest Accounts. Amounts in a Participant's Interest Account will be credited with interest as of the last day of each calendar quarter (or such other day as determined by the Plan Administrator) at the rate set from time to time by the Committee to be applicable to the Interest Accounts of all Participants under the Plan. To the extent required for bookkeeping purposes, a Participant's Interest Accounts will be segregated to reflect Deferred Compensation on a year-by-year basis. Within a reasonable time after the end of each calendar year, the Plan Administrator shall report in writing to each Participant the amount held in his or her Interest Accounts at the end of the year.
 - (ii) Payment Commencement Date. Payment of the balances in a Participant's Interest Accounts shall commence on the earliest to occur of (a) December 31 of the fifth year after the year with respect to which the deferral was made, (b) the first Business Day of the fourth month after the Participant's death, or (c) the Participant's termination as a Non-Employee Director of the Company or any of its Subsidiaries or Affiliates, other than by reason of death.
 - (iii) Optional Forms of Payment. Distributions from a Participant's Interest Accounts may be paid to the Participant either in a lump sum or in a number (not to exceed ten) of approximately equal annual installments designated by the Participant on his or her Election Form. In the event of the Participant's death during the payout period, the remaining balance shall be payable to the Participant's Beneficiary in a lump sum on or about the first Business Day of the fourth month after the Participant's death. If a Participant elects to receive a distribution of his or her Interest Accounts in installments, the Plan Administrator may purchase an annuity from an insurance company which annuity will pay the Participant the desired annual installments. If the Plan Administrator purchases an annuity contract, the Participant will have no further rights to receive payments from the Company or the Plan with respect to the amounts subject to the annuity. If the Plan Administrator does not purchase an annuity contract, the value of the Interest Accounts remaining unpaid shall continue to receive allocations of return as provided in subsection (f) above. If the Participant fails to designate a payment method in the Participant's Election Form, the Participant's Account shall be distributed in a lump sum.
 - (iv) Irrevocable Elections. A Participant may elect a different payment form for each year's Annual Compensation deferred under the Plan. The payment form elected or deemed elected on the Participant's election form shall be irrevocable.
 - (v) Acceleration of Payment. If a Participant elects an installment distribution and the aggregate value of the Participant's Interest Accounts at the time the installments are due to commence is less than \$16,500, the Plan Administrator will accelerate payment of the Participant's benefits in a single lump sum.

- (vi) Effect of Adverse Determination. Notwithstanding the Election Form or any provision set forth herein, if the Internal Revenue Service determines that all or any portion of the amounts credited under this Plan is currently includable in the taxable income of any Participant due to a failure of the Plan to meet the requirements of Code Section 409A or the regulations thereunder, then the amounts so determined to be includable in income shall be distributed in a lump sum to such Participant as soon as practicable.
- (g) Unforeseeable Emergency. The Plan Administrator may, in its sole discretion, accelerate the making of payment to a Participant in the event that a participant incurs a financial hardship as a result of an "unforeseeable emergency" (as such term is defined below). All unforeseeable emergency distributions shall be made in cash in a lump sum. Such payments will be made on a first-in, first-out basis so that the oldest Annual Compensation deferred under the Plan shall be deemed distributed first. For purposes hereof, an "unforeseeable emergency" means a severe financial hardship to the Participant resulting from illness or accident of the Participant, the Participant's spouse, or a dependent (as defined in Section 152 of the Code without regard to Section 152(b)(1), (b)(2), and (d)(1)(B)) of the Participant, loss of the Participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. The amounts distributable because of an unforeseeable emergency cannot exceed the amounts necessary to satisfy such emergency plus amounts necessary to pay taxes reasonably anticipated as a result of the distribution, after taking into account the extent to which such emergency is or may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the Participant's assets (to the extent the liquidation of such assets would not itself cause severe financial hardship). Notwithstanding any provision in the Plan to the contrary, any payment made pursuant to this Section 6(g) shall comply with Section 409A(a)(2)(A)(vi) of the Code and the regulations (or similar guidance) promulgated thereunder (or any successor provisions).
- (h) Payment to Minors and Incapacitated Persons. In the event that any amount is payable to a minor or to any person who, in the judgment of the Plan Administrator, is incapable of making proper disposition thereof, such payment shall be made for the benefit of such minor or such person in any of the following ways as the Plan Administrator, in its sole discretion, shall determine:
 - (i) By payment to the legal representative of such minor or such person;
 - (ii) By payment directly to such minor or such person;
 - (iii) By payment in discharge of bills incurred by or for the benefit of such minor or such person. The Plan Administrator shall make such payments without the necessary intervention of any guardian or like fiduciary, and without any obligation to require bond or to see to the further application of such payment. Any payment so made shall be in complete discharge of the Plan's obligation to the Participant and his or her Beneficiaries.
- (i) Application for Benefits. The Plan Administrator may require a Participant or Beneficiary to complete and file certain forms as a condition precedent to receiving the payment of benefits. The Plan Administrator may rely upon all such information given to it, including the Participant's current mailing address. It is the responsibility of all persons interested in receiving a distribution pursuant to the Plan to keep the Plan Administrator informed of their current mailing addresses.
- (j) Designation of Beneficiary. Each Participant from time to time may designate any person or persons (who may be designated contingently or successively and who may be an entity other than a natural person) as his or her Beneficiary or Beneficiaries to whom the Participant's Interest Accounts are to be paid if the Participant dies before receipt of all such benefits. Each Beneficiary designation shall be on the form prescribed by the Plan Administrator and will be effective only when filed with the Plan Administrator during the Participant's lifetime. Each Beneficiary designation filed with the Plan Administrator will cancel all Beneficiary designations previously filed with the Plan Administrator. The revocation of a Beneficiary designation, no matter how effected, shall not require the consent of any designated Beneficiary.

SECTION 7. AMENDMENTS AND TERMINATION.

The Board may amend, alter, or discontinue the Plan, but no amendment, alteration, or discontinuation shall be made which would impair the right of a Participant or a Grantee of an award of

Stock Options, Restricted Stock or Restricted Stock Units heretofore granted, without the Participant's or Grantee's consent.

Amendments may be made without stockholder approval except as required to satisfy stock exchange listing requirements or other regulatory requirements.

The Board may amend the terms of any Stock Option, Restricted Stock or Restricted Stock Unit award theretofore granted, prospectively or retroactively; provided, however, (a) no such amendment shall impair the rights of any holder without his/her consent; (b) the original term of a Stock Option may not be extended without prior approval of the stockholders of the Company; and (c) the exercise price of a Stock Option may not be reduced, directly or indirectly, without prior approval of the stockholders of the Company.

SECTION 8. UNFUNDED STATUS OF PLAN.

The Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. With respect to any payments not yet made to a Participant or Grantee by the Company, nothing set forth herein shall give any such Participant or Grantee any rights that are greater than those of a general creditor of the Company. In its sole discretion, the Committee may authorize the creation of trusts or other arrangements to meet the obligations created under the Plan to deliver Stock or payments in lieu of or with respect to awards hereunder, provided, however, that the existence of such trusts or other arrangements is consistent with the unfunded status of the Plan.

SECTION 9. CHANGE IN CONTROL.

In the event of a "Change in Control," unless otherwise determined by the Board in writing at or after grant, but prior to the occurrence of such Change in Control, any Stock Options awarded under the Plan not previously exercisable and vested shall become fully exercisable and vested, and any Restricted Stock or Restricted Stock Units awarded under the Plan not previously vested shall become fully vested.

SECTION 10. GENERAL PROVISIONS.

- (a) Nothing set forth in this Plan shall prevent the Board from adopting other or additional compensation arrangements, subject to stockholder approval if such approval is required; and such arrangements may be either generally applicable or applicable only in the specified cases. The adoption of the Plan shall not confer upon any director of the Company, any Subsidiary or any Affiliate, any right to continued retention as a director with the Company, a Subsidiary or an Affiliate, as the case may be.
- (b) At the time of grant or exercise, the Committee may provide in connection with any grant or exercise made under this Plan that the shares of Stock received as a result of such grant or purchase shall be subject to a right of first refusal, pursuant to which the Participant shall be required to offer to the Company any shares that the participant wishes to sell, with the price being the then Fair Market Value of the Stock, subject to the provisions of Section 9 hereof and to such other terms and conditions as the Board may specify at the time of grant.
- (c) No member of the Board or the Committee, nor any officer or employee of the Company acting on behalf of the Board or the Committee, shall be personally liable for any action, determination, or interpretation taken or made in good faith with respect to the Plan, and all members of the Board or the Committee and each and any officer or employee of the Company acting on their behalf shall, to the extent permitted by law, be fully indemnified and protected by the Company in respect of any such action, determination or interpretation.
- (d) In the event that any provision of the Plan or any related Award Notice is held to be invalid, void or unenforceable, the same shall not affect, in any respect whatsoever, the validity of any other provision of the Plan or any related Award Notice.
- (e) The rights and obligations under the Plan and any related agreements shall inure to the benefit of, and shall be binding upon the Company, its successors and assigns, and the Non-Employee Directors and their beneficiaries.
- (f) Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of the Plan.

- (g) The Plan shall be construed, governed and enforced in accordance with the Law of Delaware, except as such laws are preempted by applicable federal law.

SECTION 11. EFFECTIVE DATE OF PLAN.

The Plan shall be effective as of April 26, 2018.

SECTION 12 TERM OF PLAN.

No Stock Options, Restricted Stock or Restricted Stock Units shall be granted pursuant to the Plan following the termination of the 2011 Incentive Plan, as applicable, but awards theretofore granted may extend beyond that date.

TORCHMARK CORPORATION

PERFORMANCE SHARE AWARD CERTIFICATE

Non-transferable

G R A N T T O

("Grantee")

by Torchmark Corporation (the "Company") of Performance Shares (the "Performance Shares") representing the right to earn, on a one-for-one basis, shares of the Company's Common Stock, \$1.00 par value ("Stock"), pursuant to and subject to the provisions of the Torchmark Corporation 2018 Incentive Plan (the "Plan") and to the terms and conditions set forth on the following pages of this award certificate (this "Certificate").

The target number of Performance Shares subject to this award is _____ (the "Target Award"). Depending on the Company's level of attainment of specified targets for earnings per share, underwriting income, and return on equity for fiscal years ____, ____, and _____. Grantee may earn 0% to 200% of the Target Award, in accordance with the matrices attached hereto as Exhibit A and the terms of this Certificate.

By accepting this Award, Grantee shall be deemed to have agreed to the terms and conditions of this Certificate and the Plan.

IN WITNESS WHEREOF, Torchmark Corporation, acting by and through its duly authorized officers, has caused this Certificate to be executed.

TORCHMARK CORPORATION

By: _____
Its: Authorized Officer

Grant Date: _____

Accepted by Grantee: _____

TERMS AND CONDITIONS

1. Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Plan. In addition, for purposes of this Certificate:

(i) “Confirmation Date” the date of the Committee’s certification of achievement of the Performance Objectives and determination of the Performance Multiplier following the end of the Performance Period.

(ii) “Early Retirement” means resignation or termination of employment without Cause from the Company at or after age 60 and before age 65.

(iii) “Normal Retirement” means resignation or termination of employment without Cause from the Company at or after age 65.

(ii) “Performance Multiplier” means the percentage, from 0% to 200%, that will be applied to the Target Award to determine the number of Performance Shares that will convert to shares of Stock on the Conversion Date, as more fully described in Exhibit A hereto.

(iii) “Performance Objectives” are the performance objectives relating to Earnings per Share, Underwriting Income, and Return on Equity set forth on Exhibit A that must be achieved in order for any Performance Shares to be earned by Grantee pursuant to this Award.

(iv) “Performance Period” means the three-year period commencing on January 1, ____ and ending on December 31, ____.

(v) “Prorated Target Award” means, in the case of Grantee’s Early Retirement prior to the Vesting Date, a specified percentage of the Target Award, as follows:

Age at Early Retirement	Prorated Target Award
60	10% of Target Award
61	20% of Target Award
62	40% of Target Award
63	60% of Target Award
64	80% of Target Award

(vi) “Vesting Date” is defined in Section 3 of this Agreement.

2. Earning and Vesting of Performance Shares. The Performance Shares have been credited to a bookkeeping account on behalf of Grantee and do not represent actual shares of Stock. The Performance Shares are being awarded to the Grantee in return for Grantee’s promises contained herein including the terms and provisions of Section 6. The Performance Shares represent the right to earn up to 200% of the Target Award (or up to the Prorated Target Award, in the event of Grantee’s Early Retirement prior to the Vesting Date or up to the full Target Award, in the event of Grantee’s Normal Retirement prior to the Vesting Date), based on (i) the Company’s attainment of the Performance Objectives and (ii) the application of the Performance Multiplier to the Target Award in accordance with Exhibit A. Notwithstanding the foregoing, in the event of Grantee’s death or Disability during the Performance Period, Grantee shall be deemed to have earned 100% of the Target Award upon such event (without application of any Performance Multiplier). In addition, notwithstanding the foregoing or anything in the Plan to the contrary, upon a Change in Control of the Company in which the Performance Shares are not assumed by the Surviving Entity or otherwise equitably converted or substituted in connection with the Change in Control in a manner approved by the Committee or the Board, Grantee shall be deemed to have earned 100% of the Target Award upon such event (without application of any Performance Multiplier), and there shall be a prorata payout to Grantee within thirty (30) days following the Change in Control, based upon the length of time within the Performance Period that has elapsed prior to the Change in Control. Further, upon a Change in Control of the Company in which

the Performance Shares are assumed by the Surviving Entity or otherwise equitably converted or substituted in connection with the Change in Control, if within two years after the effective date of the Change in Control, Grantee's employment is terminated without Cause or Grantee resigns for Good Reason, Grantee shall be deemed to have earned 100% of the Target Award as of the date of termination (without application of any Performance Multiplier), and there shall be a prorata payout to Grantee within thirty (30) days following the date of termination, based upon the length of time within the Performance Period that has elapsed prior to the date of termination.

Any earned Performance Shares will vest and become non-forfeitable on the earliest to occur of the following (the "Vesting Date"):

- (a) the Confirmation Date, provided either (i) Grantee has continued in the employment of the Company or its Affiliates through such date or (ii) Grantee's employment with the Company has terminated due to Grantee's Normal Retirement or Early Retirement, or
- (b) the termination of Grantee's employment due to death or Disability, or
- (c) a Change in Control of the Company.

In the event Grantee's employment terminates for any reason other than as described above at any time prior to the applicable Vesting Date, all of Grantee's Performance Shares will immediately be forfeited to the Company without further consideration or any act or action by Grantee.

- 3. Conversion to Stock. Any earned and vested Performance Shares will be converted to actual unrestricted shares of Stock (one share per vested Performance Share) within thirty (30) days following the Vesting Date (and in no event later than March 15, 2020). These shares will be registered on the books of the Company in Grantee's name as of the Conversion Date and stock certificates for the Stock shall be delivered to Grantee or Grantee's designee upon request of the Grantee. Any Performance Shares that fail to vest in accordance with the terms of this Certificate will be forfeited and reconveyed to the Company without further consideration or any act or action by Grantee.
- 4. Restrictions on Transfer and Pledge. No right or interest of Grantee in the Performance Shares may be pledged, encumbered, or hypothecated or be made subject to any lien, obligation, or liability of Grantee to any other party other than the Company or an Affiliate. The Performance Shares may not be sold, assigned, transferred or otherwise disposed of by Grantee other than by will or the laws of descent and distribution.
- 5. Restrictions on Issuance of Stock. If at any time the Committee shall determine, in its discretion, that registration, listing or qualification of the Stock underlying the Performance Shares upon any securities exchange or similar self-regulatory organization or under any foreign, federal, or local law or practice, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition to the settlement of the Performance Shares, stock units will not be converted to Stock in whole or in part unless and until such registration, listing, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.
- 6. Noncompetition/Confidentiality/Nonsolicitation. Upon Grantee's separation from employment from the Company for any reason for a period of two (2) years from the date of such separation or in the event of termination due to Early Retirement or Normal Retirement, during the remaining vesting period prior to the Vesting Date, whichever is longer (the "Restriction Period"), Grantee agrees not to engage or participate, directly or indirectly, in any capacity, including but not limited to as an employee, consultant, advisor, contractor, partner, owner or otherwise, in a competing business, which is one that provides the same or substantially similar products or services as the Business. "Business" is defined as product development, marketing, sales and servicing of life insurance, health insurance and annuity products through captive agents, independent agents and direct response marketing channels. Life insurance includes individual life or group life, with or without return-of-premium benefit. Health insurance includes accidental death or supplemental health insurance products, with or without return-of premium benefits, including cancer, critical illness, hospital indemnity, Medicare supplement or Medicare Part D prescription drug coverage. Annuity includes deferred annuities or single premium immediate annuities. (All of the foregoing are referred to collectively as the "Business"). Grantee further agrees that he will not serve as a Board member for any company that provides the same or similar products or services as the Business. Grantee also agrees and understands that this noncompetition agreement extends to

competition in any state in which Grantee worked or directed work for the Company or in which the Company has plans or intentions for future business operations for which the Grantee was involved (referred to as the "Restricted Area").

Grantee acknowledges that the Restricted Area, scope of prohibited activities, and the Restriction Period are reasonable and are no broader than are necessary to protect Company's legitimate business interests. Grantee also acknowledges that the Company would not be providing the benefits set forth in this Agreement but for Grantee's covenants and promises contained in this Section. Grantee further agrees that during the non-competition term, Grantee shall immediately notify the Company in writing of any employment, work, or business he undertakes with or on behalf of any person (including himself) or entity other than the Company and acknowledges and agrees that the Company may place Grantee's future employer on notice of the Grantee's post-employment obligations.

Grantee further expressly agrees and understands that the Company has disclosed confidential, proprietary and/or trade secret information to Grantee. Grantee agrees that he will not utilize nor disclose to any third party any of the Company's confidential, proprietary or trade secret information at any time in the future. In consideration of the Company disclosing such information to Grantee and/or for the consideration provided to Grantee by the Company in this Agreement, which Grantee acknowledges is sufficient and reasonable consideration, Grantee has agreed to the non-competition provisions set forth herein.

Notwithstanding any other provision of this Agreement, nothing herein shall prohibit Grantee from reporting possible violations of federal law or regulation to any governmental agency or entity or making other disclosures that are protected pursuant to federal law or regulation. Prior authorization from the Company is not required in order to make any such reports or disclosures and Grantee is not required to notify the Company that such reports or disclosures have been made.

IMMUNITY NOTICE. Pursuant to the Defend Trade Secrets Act of 2016, Grantee may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and solely for the purpose of reporting or investigating a suspected violation of the law; or is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Should any provision in this Agreement conflict with this provision, this provision shall control.

Grantee also agrees that during the Restriction Period he will not solicit the clients or customers of the Company in order to request or advise such clients or customers to end, change or curtail their business relationship with the Company. In addition, Grantee agrees that during the Restriction Period he will not solicit any employee of the Company in order to request or advise any such employee to end, change or curtail their employment relationship with the Company.

If for any reason any court of competent jurisdiction finds any provision of this Section to be unreasonable in duration or scope or otherwise, Company and Grantee agree that the restrictions and prohibitions contained in this Section shall be effective to the fullest extent allowed under applicable law. Each covenant set forth in this Section shall survive the termination of this Agreement and Grantee's employment for any reason and shall be construed as an agreement independent of any other provision of this Agreement.

Grantee acknowledges and agrees that the covenants, obligations and agreements of Grantee contained in this Section concern special, unique and extraordinary matters and that a violation of any of the terms of these covenants, obligations or agreements will cause Company irreparable injury for which adequate remedies at law are not available. Therefore, Grantee agrees that Company will be entitled to an injunction, restraining order, or any other equitable relief (without the requirement to post bond) as a court of competent jurisdiction may deem necessary or appropriate to restrain Grantee from committing any violation of the covenants, obligations or agreements referred to in this Agreement. These injunctive remedies are cumulative and in addition to any other rights and remedies Company may have against Grantee.

In addition, Grantee agrees that if he violates the terms of this Section or if the terms of this Section are determined to be unenforceable by any court of competent jurisdiction, Grantee shall forfeit and not be entitled to receive the Performance Shares granted herein. If Grantee has already received the Performance Shares, Grantee agrees that he shall repay the Company the value of the Performance Shares on the date it was received by Grantee upon five (5) days written notice.

7. Limitation of Rights. The Performance Shares do not confer to Grantee or Grantee's beneficiary, executors or administrators any rights of a shareholder of the Company unless and until shares of Stock are in fact issued to such person in connection with the units. Nothing in this Certificate shall interfere with or limit in any way the

right of the Company or any Affiliate to terminate Grantee's employment at any time, nor confer upon Grantee any right to continue in employment of the Company or any Affiliate.

8. No Entitlement to Future Awards. The grant of the Performance Shares does not entitle Grantee to the grant of any additional units or other awards under the Plan in the future. Future grants, if any, will be at the sole discretion of the Company, including, but not limited to, the timing of any grant, the number of units, and vesting provisions.
9. Payment of Taxes. The Company or any Affiliate employing Grantee has the authority and the right to deduct or withhold, or require Grantee to remit to the employer, an amount sufficient to satisfy federal, state, and local taxes (including Grantee's FICA obligation) required by law to be withheld with respect to any taxable event arising as a result of the vesting or settlement of the Performance Shares. With respect to withholding required upon any taxable event arising as a result of the Performance Awards, the employer may satisfy the tax withholding requirement by withholding shares of Stock having a Fair Market Value as of the date that the amount of tax to be withheld is to be determined as nearly equal as possible to (but no more than) the total minimum statutory tax required to be withheld. The obligations of the Company under this Agreement will be conditional on such payment or arrangements, and the Company, and, where applicable, its Affiliates will, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to Grantee.
10. Recoupment. Any shares of Stock issued upon conversion of the Performance Shares shall be subject to forfeiture and recoupment by the Company based on a later determination that the vesting of such Performance Shares was based on materially inaccurate financial statements or any other materially inaccurate performance metric criteria, whether or not the Participant caused or contributed to such material inaccuracy.
11. Amendment. Subject to the terms of the Plan, the Committee may amend, modify or terminate this Certificate without approval of Grantee; provided, however, that such amendment, modification or termination shall not, without Grantee's consent, reduce or diminish the value of this award determined as if it had been fully vested and subject to application of the Performance Multiplier (i.e., as if all restrictions on the Performance Shares hereunder had expired) on the date of such amendment or termination. Notwithstanding the foregoing, Grantee hereby expressly agrees to any amendment to the Plan and this Agreement to the extent necessary to comply with applicable law or changes to applicable law (including, but not limited to, Code Section 409A) and related regulations or other guidance and federal securities laws.
12. Plan Controls. The terms contained in the Plan shall be and are hereby incorporated into and made a part of this Certificate and this Certificate shall be governed by and construed in accordance with the Plan. Without limiting the foregoing, the terms and conditions of the Performance Shares, including the number of shares and the class or series of capital stock which may be delivered upon settlement of the Performance Shares, are subject to adjustment as provided in Article 15 of the Plan. In the event of any actual or alleged conflict between the provisions of the Plan and the provisions of this Certificate, the provisions of the Plan shall be controlling and determinative. Any conflict between this Certificate and the terms of a written employment with Grantee that has been approved, ratified or confirmed by the Committee shall be decided in favor of the provisions of such employment agreement.
13. Governing Law/Venue. Except as noted below, this Certificate shall be construed in accordance with and governed by the laws of the State of Delaware, United States of America, regardless of the law that might be applied under principles of conflict of laws. However, the terms and provisions set forth in Section 6 shall be governed by the laws of the State of Texas. In addition, Grantee and the Company agree that any disputes or claims concerning or relating to the terms and provisions of this Agreement (including Section 6) shall be filed in Collin County, State of Texas or the United States District Court for the Eastern District of Texas.
14. Severability. If any one or more of the provisions contained in this Certificate is deemed to be invalid, illegal or unenforceable, the other provisions of this Certificate will be construed and enforced as if the invalid, illegal or unenforceable provision had never been included.
15. Relationship to Other Benefits. The Performance Shares shall not affect the calculation of benefits under any other compensation plan or program of the Company, except to the extent specially provided in such other plan or program.

16. Notice. Notices and communications hereunder must be in writing and either personally delivered or sent by registered or certified United States mail, return receipt requested, postage prepaid. Notices to the Company must be addressed to Torchmark Corporation, 3700 South Stonebridge Drive, McKinney, Texas 75070, Attn: Corporate Secretary, or any other address designated by the Company in a written notice to Grantee. Notices to Grantee will be directed to the address of Grantee then currently on file with the Company, or at any other address given by Grantee in a written notice to the Company.

EXHIBIT A

The Performance Shares will be earned, in whole or in part, based on the Company's achievement of Performance Objectives relating to Earnings per Share, Underwriting Income, and Return on Equity (each as defined below).

Performance Measure	Weighting	Performance Goals/ Percent Earned			Actual Performance	Performance Multiplier Earned ¹	Weighted Performance Multiplier Earned ²
		Threshold 50%	Target 100%	Maximum 200%			
Cumulative EPS ³	%	\$	\$	\$			
Underwriting Income ⁴ (\$million)	%	\$	\$	\$			
Return on Equity ⁵	%	%	%	%			
Performance Multiplier⁶							

(1) Performance below the Threshold level results in 0% earned. All other percentages earned are determined by pro-ratio between the appropriate Performance Goals.

(2) Performance Multiplier for the Performance Measure multiplied by the Weighting assigned to that Performance Measure

(3) "Earning per Share" means the cumulative sum of "total diluted net operating income per share," as reported on the Company's Operating Summary for each fiscal year in the Performance Period.

(4) "Underwriting Income" means the cumulative sum of the insurance underwriting margins of the life, health and annuity segments, plus other income, less insurance administrative expenses (excluding the investment segment, parent company expense and income taxes) for each fiscal year during the Performance Period (rounded to the nearest one hundred thousand dollar amount).

(5) "Return on Equity" means average return on equity earned for the three-year Performance Period (calculated to two decimal places) using "Net Operating Income" per the Company's Operating Summary as the numerator in this ratio and excluding the effect of unrealized gains and losses on available-for-sale fixed maturity investments on Shareholder's Equity in the denominator. Thus if the ROE earned for ____, ____ and ____ were __%, __% and __% respectively, average ROE would be __%.

(6) Total of the Weighted Performance Multiplier Earned.

STATE OF TEXAS

COLLIN COUNTY

TORCHMARK CORPORATION NON-QUALIFIED STOCK OPTION
GRANT AGREEMENT

TORCHMARK CORPORATION, a corporation organized and existing under the laws of the state of Delaware (the "Company"), does hereby grant and give unto _____ (the "Optionee"), the following non-qualified stock option (the "Option") upon the terms and conditions hereinafter set forth.

AUTHORITY FOR GRANT

1. Stock Incentive Plan. The Option is granted under the provisions of the Torchmark Corporation 2018 Incentive Plan (the "Plan"), as a non-qualified option and is subject to the terms and provisions of the Plan. Capitalized terms used but not defined herein shall have the meanings given them in the Plan which is incorporated by reference herein.

TERMS OF OPTION

2. Number of Shares. The Optionee is hereby granted an option to purchase from the Company _____ shares (the "Shares") of the company's common capital stock.

3. Option Price Per Share. The option price for each Share subject to the Option shall be \$_____, the closing price of the Stock on the New York Stock Exchange Composite Tape on _____, which is the "Grant Date".

4. Option Period. The Option shall be and become first exercisable to the extent of 50% of the Shares on and after _____. The remaining Shares shall become exercisable on and after _____. Notwithstanding any other provision of this Agreement, if the Option is not exercised with respect to all Shares prior to seven (7) years from the Grant Date, the Option shall terminate and the parties hereto shall have no further rights or obligations hereunder. For the purposes of this agreement, "Option Period" shall mean the seven (7) year period commencing on the Grant Date.

5. Method of Exercise. The Option may be exercised in whole or in part at any time during the Option Period, by giving written notice of exercise to the Company specifying the number of Shares to be purchased, accompanied by payment in full of the purchase price, in cash, by check or such other instrument as may be acceptable to the Compensation Committee of the Torchmark Board of Directors (the "Committee"). Payment in full or in part may also be made in the form of unrestricted stock already owned by the Optionee (based on the fair market value of the stock on the date the Option is exercised). The Optionee shall have the rights to dividends or other rights of a stockholder with respect to the Shares subject to the option when the Optionee has given written notice of exercise and has paid in full for such Shares.

6. Transferability of Option. The Option may be transferred by the Optionee to members of his or her Immediate Family (the children, grandchildren or spouse of the Optionee), to one or more trusts for the benefit of such Immediate Family members or to one or more partnerships where such Immediate Family members are the only partners if (i) the Optionee has received express written approval of such transfer from the Committee and (ii) the Optionee does not receive any consideration in any form whatsoever for said transfer. Except as provided in the foregoing sentence, the Option shall not be transferable by the Optionee other than by will or by the laws of descent and distribution.

TERMINATION OF OPTION

7. Termination by Death. If the Optionee's employment with the Company, any Subsidiary and/or any Affiliate terminates by reason of death (or if Optionee dies following termination of employment by reason of disability or retirement at or after age 65), the Option shall become immediately exercisable and may thereafter be exercised by the legal representative of the estate or by the legatee of the Optionee under the will of the Optionee, during the period ending on the expiration of the stated term of the Option or the first anniversary of the Optionee's death, whichever is later.

8. Termination by Reason of Disability. If the Optionee's employment with the Company, any Subsidiary, and/or any Affiliate terminates by reason of Disability, the Option shall be immediately exercisable and may thereafter be exercised during the period ending on the expiration of the stated term of the Option.

9. Termination by Reason of Retirement. If the Optionee's employment with the Company, any Subsidiary, and/or any Affiliate terminates by reason of retirement at or after age 65, the Option shall become

immediately exercisable and may thereafter be exercised during the period ending on the expiration of the stated term of the Option.

If the Optionee's employment with the Company, any Subsidiary, and/or any Affiliate terminates by reason of retirement at or after age 60, the Option shall terminate five (5) years from the date of such retirement or upon the expiration of the stated term of the Option, whichever is shorter. If the Optionee's employment with the Company, any Subsidiary and/or any Affiliate terminates by reason of retirement at or after age 55, the Option shall terminate three (3) years from the date of such retirement or upon the expiration of the stated term of the Option, whichever is shorter. In the event of retirement at or after ages 55 or 60, there shall be no acceleration of vesting of the Option, but the Option shall continue to vest in accordance with its regular schedule and may be exercised to the extent it is or becomes exercisable prior to the termination of the Option (the "Continued Vesting Shares"); provided that the Participant's Retirement occurs after the first anniversary of the Grant Date.

10. Termination for Cause. If the Optionee's employment with the Company, any Subsidiary and/or any Affiliate is terminated for Cause, or the Committee determines that the Optionee has engaged in conduct that would be grounds for termination with cause, the Option shall be immediately forfeited to the Company upon the giving of notice of termination of employment.

11. Other Termination. If the Optionee's employment with the Company, any Subsidiary and/or any Affiliate is involuntarily terminated by the Optionee's employer without Cause, the Option shall terminate three (3) months from the date of termination of employment or upon the expiration of the stated term of the Option, whichever is shorter. If the Optionee's employment with the Company, any Subsidiary and/or any Affiliate is voluntarily terminated for any reason, the Option shall terminate one (1) month from the date of termination of employment or upon the expiration of the stated term of the Option, whichever is shorter. In the event of involuntary termination without Cause or voluntary termination, there shall be no acceleration of vesting, but the Option shall continue to vest in accordance with its regular schedule and may only be exercised to the extent it is or becomes exercisable prior to such termination.

GENERAL TERMS AND PROVISIONS

12. Shares Listed on the Exchange. The Shares for which the Option is hereby granted shall have been listed on the New York Stock Exchange at the time the Option is exercised.

13. Shares May be Newly Issued or Purchased. The Shares to be delivered upon exercise of the Option shall be made available, at the discretion of the Company, either from authorized but previously unissued Shares or from Shares held in the treasury of the Company.

14. Adjustment of Shares for Recapitalization. In the event of any merger, reorganization, consolidation, recapitalization, stock dividend, or other change in corporate structure affecting the Stock, a substitution or adjustment shall be made in the number and price of Shares.

15. Payment of Taxes. The Optionee shall, no later than the date as of which the value of any portion of the Option first becomes includable in his/her gross income for Federal income tax purposes, pay to the Company, or make other arrangements satisfactory to the Committee, in its sole discretion, regarding payment of, the minimum Federal, state, local or FICA taxes of any kind required by the law to be withheld with respect to the Option. The obligations of the Company under this Agreement shall be conditional on such payment or arrangements.

The Optionee may elect, subject to the approval of the Committee, to satisfy his/her minimum Federal, and where applicable, FICA, state and local tax withholding obligations arising from all awards by the reduction in an amount necessary to pay any such minimum withholding tax obligations, of the number of Shares of stock or amount of cash otherwise issuable or payable to said Optionee upon the issuance of Shares or payment of cash in respect of an Option. The Company and, where applicable, its Subsidiaries and Affiliates shall, to the extent permitted by law, have the right to deduct any such minimum withholding taxes owed by an Optionee who is not subject to Section 16 of the 1934 Act from any payment of any kind otherwise due to said Optionee.

16. Headings. The headings contained herein are for convenience of reference only, do not constitute a part of this Grant Agreement and shall not be deemed to limit or affect any of the provisions hereof.

17. Notices. Any notices required by or permitted to be given to the Company under this Agreement shall be made in writing and addressed to the Secretary of the Company in care of the Company's Legal Department, 3700 South Stonebridge Drive, McKinney, Texas 75070. Any such notice shall be deemed to have been given when received by the Company.

18. Effective Date of Stock Option. This Option has been executed this _____ day of _____, _____, effective as of _____.

TORCHMARK CORPORATION

By: _____
Its: Authorized Officer

Optionee

STATE OF TEXAS
COLLIN COUNTY

TORCHMARK CORPORATION NON-QUALIFIED STOCK OPTION
GRANT AGREEMENT

TORCHMARK CORPORATION, a corporation organized and existing under the laws of the state of Delaware (the "Company"), does hereby grant and give unto _____ (the "Optionee"), the following non-qualified stock option (the "Option") upon the terms and conditions hereinafter set forth.

AUTHORITY FOR GRANT

1. Stock Incentive Plan/Consideration. The Option is granted under the provisions of the Torchmark Corporation 2018 Incentive Plan (the "Plan"), as a non-qualified option and is subject to the terms and provisions of the Plan and in return for Optionee's promises contained herein including the terms and provisions of Section 12. Capitalized terms used but not defined herein shall have the meanings given them in the Plan which is incorporated by reference herein.

TERMS OF OPTION

2. Number of Shares. The Optionee is hereby granted an option to purchase from the Company _____ shares (the "Shares") of the company's common capital stock.

3. Option Price Per Share. The option price for each Share subject to the Option shall be \$_____, the closing price of the Stock on the New York Stock Exchange Composite Tape on _____, which is the "Grant Date".

4. Option Period. The Option shall be and become first exercisable to the extent of 50% of the Shares on and after _____. The remaining Shares shall become exercisable on and after _____. Notwithstanding any other provision of this Agreement, if the Option is not exercised with respect to all Shares prior to seven (7) years from the Grant Date, the Option shall terminate and the parties hereto shall have no further rights or obligations hereunder. For the purposes of this agreement, "Option Period" shall mean the seven (7) year period commencing on the Grant Date.

5. Method of Exercise. The Option may be exercised in whole or in part at any time during the Option Period, by giving written notice of exercise to the Company specifying the number of Shares to be

purchased, accompanied by payment in full of the purchase price, in cash, by check or such other instrument as may be acceptable to the Compensation Committee of the Torchmark Board of Directors (the "Committee"). Payment in full or in part may also be made in the form of unrestricted stock already owned by the Optionee (based on the fair market value of the stock on the date the Option is exercised). The Optionee shall have the rights to dividends or other rights of a stockholder with respect to the Shares subject to the option when the Optionee has given written notice of exercise and has paid in full for such Shares.

6. Transferability of Option. The Option may be transferred by the Optionee to members of his or her Immediate Family (the children, grandchildren or spouse of the Optionee), to one or more trusts for the benefit of such Immediate Family members or to one or more partnerships where such Immediate Family members are the only partners if (i) the Optionee has received express written approval of such transfer from the Committee and (ii) the Optionee does not receive any consideration in any form whatsoever for said transfer. Except as provided in the foregoing sentence, the Option shall not be transferable by the Optionee other than by will or by the laws of descent and distribution.

TERMINATION OF OPTION

7. Termination by Death. If the Optionee's employment with the Company, any Subsidiary and/or any Affiliate terminates by reason of death (or if Optionee dies following termination of employment by reason of disability or retirement at or after age 65), the Option shall become immediately exercisable and may thereafter be exercised by the legal representative of the estate or by the legatee of the Optionee under the will of the Optionee, during the period ending on the expiration of the stated term of the Option or the first anniversary of the Optionee's death, whichever is later.

8. Termination by Reason of Disability. If the Optionee's employment with the Company, any Subsidiary, and/or any Affiliate terminates by reason of Disability, the Option shall be immediately exercisable and may thereafter be exercised during the period ending on the expiration of the stated term of the Option.

9. Termination by Reason of Retirement. If the Optionee's employment with the Company, any Subsidiary, and/or any Affiliate terminates by reason of Retirement (i) at or after age 65 and (ii) after the first anniversary of the Grant Date, the Option shall become immediately exercisable (the "Retirement Acceleration") and may thereafter be exercised during the period ending on the expiration of the stated term of the Option.

If the Optionee's employment with the Company, any Subsidiary, and/or any Affiliate terminates by reason of Retirement at or after age 60, the Option shall terminate five (5) years from the date of such Retirement or upon the expiration of the stated term of the Option, whichever is shorter. If the Optionee's employment with the Company, any Subsidiary and/or any Affiliate terminates by reason of Retirement at or after age 55, the Option shall terminate three (3) years from the date of such Retirement or upon the expiration of the stated term of the Option, whichever is shorter. In the event of Retirement at or after ages 55 or 60, there shall be no acceleration of vesting of the Option, but the Option shall continue to vest in accordance with its regular schedule and may be exercised to the extent it is or becomes exercisable prior to the termination of the Option (the "Continued Vesting Shares"); provided that the Participant's Retirement occurs after the first anniversary of the Grant Date.

In the event the Participant's employment is terminated due to Retirement prior to the first anniversary of the Grant Date, all Options shall be forfeited.

10. Termination for Cause. If the Optionee's employment with the Company, any Subsidiary and/or any Affiliate is terminated for Cause, or the Committee determines that the Optionee has engaged in conduct that would be grounds for termination with Cause, the Option shall be immediately forfeited to the Company upon the giving of notice of termination of employment.

11. Other Termination. If the Optionee's employment with the Company, any Subsidiary and/or any Affiliate is involuntarily terminated by the Optionee's employer without Cause, the Option shall terminate three (3) months from the date of termination of employment or upon the expiration of the stated term of the Option, whichever is shorter. If the Optionee's employment with the Company, any Subsidiary and/or any Affiliate is voluntarily terminated for any reason, the Option shall terminate one (1) month from the date of termination of employment or upon the expiration of the stated term of the Option, whichever is shorter. In the event of involuntary termination without Cause or voluntary termination, there shall be no acceleration of vesting, but the Option shall continue to vest in accordance with its regular schedule and may only be exercised to the extent it is or becomes exercisable prior to such termination.

12. Noncompetition/Confidentiality/Nonsolicitation. Upon Participant's separation from employment from the Company for any reason for a period of two (2) years from the date of such separation or in the event of termination under circumstances that entitle him to Retirement Acceleration or Continued Vesting

Shares, during the remaining vesting period prior to the Vesting Date, whichever is longer (the "Restriction Period"), Participant agrees not to engage or participate, directly or indirectly, in any capacity, including but not limited to as an employee, consultant, advisor, contractor, partner, owner or otherwise, in a competing business, which is one that provides the same or substantially similar products or services as the Business. "Business" is defined as product development, marketing, sales and servicing of life insurance, health insurance and annuity products through captive agents, independent agents and direct response marketing channels. Life insurance includes individual life or group life, with or without return-of-premium benefit. Health insurance includes accidental death or supplemental health insurance products, with or without return-of premium benefits, including cancer, critical illness, hospital indemnity, Medicare supplement or Medicare Part D prescription drug coverage. Annuity includes deferred annuities or single premium immediate annuities. (All of the foregoing are referred to collectively as the "Business"). Participant further agrees that he will not serve as a Board member for any company that provides the same or similar products or services as the Business. Participant also agrees and understands that this noncompetition agreement extends to competition in any state in which Participant worked or directed work for the Company or in which the Company has plans or intentions for future business operations for which the Participant was involved (referred to as the "Restricted Area").

Participant acknowledges that the Restricted Area, scope of prohibited activities, and the Restriction Period are reasonable and are no broader than are necessary to protect Company's legitimate business interests. Participant also acknowledges that the Company would not be providing the benefits set forth in this Agreement but for Participant's covenants and promises contained in this Section. Participant further agrees that during the non-competition term, Participant shall immediately notify the Company in writing of any employment, work, or business he undertakes with or on behalf of any person (including himself) or entity other than the Company and acknowledges and agrees that the Company may place Participant's future employer on notice of the Participant's post-employment obligations.

Participant further expressly agrees and understands that the Company has disclosed confidential, proprietary and/or trade secret information to Participant. Participant agrees that he will not utilize nor disclose to any third party any of the Company's confidential, proprietary or trade secret information at any time in the future. In consideration of the Company disclosing such information to Participant and/or for the

consideration provided to Participant by the Company in this Agreement, which Participant acknowledges is sufficient and reasonable consideration, Participant has agreed to the non-competition provisions set forth herein.

Notwithstanding any other provision of this Agreement, nothing herein shall prohibit Participant from reporting possible violations of federal law or regulation to any governmental agency or entity or making other disclosures that are protected pursuant to federal law or regulation. Prior authorization from the Company is not required in order to make any such reports or disclosures and Participant is not required to notify the Company that such reports or disclosures have been made.

IMMUNITY NOTICE. Pursuant to the Defend Trade Secrets Act of 2016, Participant may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and solely for the purpose of reporting or investigating a suspected violation of the law; or is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Should any provision in this Agreement conflict with this provision, this provision shall control.

Participant also agrees that during the Restriction Period he will not solicit the clients or customers of the Company in order to request or advise such clients or customers to end, change or curtail their business relationship with the Company. In addition, Participant agrees that during the Restriction Period he will not solicit any employee of the Company in order to request or advise any such employee to end, change or curtail their employment relationship with the Company.

If for any reason any court of competent jurisdiction finds any provision of this Section to be unreasonable in duration or scope or otherwise, Company and Participant agree that the restrictions and prohibitions contained in this Section shall be effective to the fullest extent allowed under applicable law. Each covenant set forth in this Section shall survive the termination of this Agreement and Participant's employment for any reason and shall be construed as an agreement independent of any other provision of this Agreement.

Participant acknowledges and agrees that the covenants, obligations and agreements of Participant contained in this Section concern special, unique and extraordinary matters and that a violation of any of the terms of these covenants, obligations or agreements will cause Company irreparable injury for which

adequate remedies at law are not available. Therefore, Participant agrees that Company will be entitled to an injunction, restraining order, or any other equitable relief (without the requirement to post bond) as a court of competent jurisdiction may deem necessary or appropriate to restrain Participant from committing any violation of the covenants, obligations or agreements referred to in this Agreement. These injunctive remedies are cumulative and in addition to any other rights and remedies Company may have against Participant.

In addition, Participant agrees that if he violates the terms of this Section or if the terms of this Section are determined to be unenforceable by any court of competent jurisdiction, Participant shall forfeit and not be entitled to receive Retirement Acceleration or the Continued Vesting Shares herein. The Company shall be relieved from any obligation to provide Participant with Retirement Acceleration or the Continued Vesting Shares. If Participant has already received the Retirement Acceleration or the Continued Vesting Shares, Participant agrees that he shall repay the Company the value of the Retirement Acceleration or the Continued Vesting Shares on the date it was received by Participant upon five (5) days written notice.

GENERAL TERMS AND PROVISIONS

13. Shares Listed on the Exchange. The Shares for which the Option is hereby granted shall have been listed on the New York Stock Exchange at the time the Option is exercised.

14. Shares May be Newly Issued or Purchased. The Shares to be delivered upon exercise of the Option shall be made available, at the discretion of the Company, either from authorized but previously unissued Shares or from Shares held in the treasury of the Company.

15. Adjustment of Shares for Recapitalization. In the event of any merger, reorganization, consolidation, recapitalization, stock dividend, or other change in corporate structure affecting the Stock, a substitution or adjustment shall be made in the number and price of Shares.

16. Payment of Taxes. The Optionee shall, no later than the date as of which the value of any portion of the Option first becomes includable in his/her gross income for Federal income tax purposes, pay to the Company, or make other arrangements satisfactory to the Committee, in its sole discretion, regarding payment of, the minimum Federal, state, local or FICA taxes of any kind required by the law to be withheld with respect to the Option. The obligations of the Company under this Agreement shall be conditional on such payment or arrangements.

The Optionee may elect, subject to the approval of the Committee, to satisfy his/her minimum Federal, and where applicable, FICA, state and local tax withholding obligations arising from all awards by the reduction in an amount necessary to pay any such minimum withholding tax obligations, of the number of Shares of stock or amount of cash otherwise issuable or payable to said Optionee upon the issuance of Shares or payment of cash in respect of an Option. The Company and, where applicable, its Subsidiaries and Affiliates shall, to the extent permitted by law, have the right to deduct any such minimum withholding taxes owed by an Optionee who is not subject to Section 16 of the 1934 Act from any payment of any kind otherwise due to said Optionee.

17. Headings. The headings contained herein are for convenience of reference only, do not constitute a part of this Grant Agreement and shall not be deemed to limit or affect any of the provisions hereof.

18. Notices. Any notices required by or permitted to be given to the Company under this Agreement shall be made in writing and addressed to the Secretary of the Company in care of the Company's Legal Department, 3700 South Stonebridge Drive, McKinney, Texas 75070. Any such notice shall be deemed to have been given when received by the Company.

19. Governing Law/Venue. All questions pertaining to the construction, regulation, validity and effect of the provisions of this Agreement shall be determined in accordance with the laws of the State of Texas. In addition, Participant and Company agree that any disputes or claims concerning or relating to the terms and provisions of this Agreement shall be filed in Collin County, State of Texas or the United States District Court for the Eastern District of Texas.

20. Effective Date of Stock Option. This Option has been executed this ____ day of _____, _____, effective as of _____.

TORCHMARK CORPORATION

By: _____
Its: Authorized Officer

Optionee

STATE OF TEXAS

COLLIN COUNTY

TORCHMARK CORPORATION NON-QUALIFIED STOCK OPTION
GRANT AGREEMENT

TORCHMARK CORPORATION, a corporation organized and existing under the laws of the state of Delaware (the "Company"), does hereby grant and give unto _____ (the "Optionee"), the following non-qualified stock option (the "Option") upon the terms and conditions hereinafter set forth.

AUTHORITY FOR GRANT

1. Stock Incentive Plan. The Option is granted under the provisions of the Torchmark Corporation 2018 Incentive Plan (the "Plan"), as a non-qualified option and is subject to the terms and provisions of the Plan. Capitalized terms used but not defined herein shall have the meaning given them in the Plan which is incorporated by reference herein.

TERMS OF OPTION

2. Number of Shares. The Optionee is hereby granted an option to purchase from the Company _____ shares (the "Shares") of the company's common capital stock.

3. Option Price Per Share. The option price for each Share subject to the Option shall be \$____, the closing price of the Stock on the New York Stock Exchange Composite Tape on _____, which is the "Grant Date".

4. Option Period. The Option shall be and become first exercisable to the extent of the Shares shown in the schedule below on and after the dates set forth therein:

<u>Shares as to which Option is First Exercisable</u>	<u>Date First Exercisable</u>
25%	
50%	
75%	
100%	

Notwithstanding any other provision of this Agreement, if the Option is not exercised with respect to all Shares prior to ten (10) years from the Grant Date, it shall terminate and the parties hereto shall have no further rights or obligations hereunder. For the purposes of this agreement, "Option Period" shall mean the ten (10) year period commencing on the Grant Date.

5. Method of Exercise. The Option may be exercised in whole or in part at any time during the Option Period, by giving written notice of exercise to the Company specifying the number of Shares to be purchased, accompanied by payment in full of the purchase price, in cash, by check or such other instrument as may be acceptable to the Compensation Committee of the Torchmark Board of Directors (the "Committee"). Payment in full or in part may also be made in the form of unrestricted stock already owned by the Optionee (based on the fair market value of the stock on the date the Option is exercised). The Optionee shall have the rights to dividends or other rights of a stockholder with respect to the Shares subject to the option when the Optionee has given written notice of exercise and has paid in full for such Shares.

6. Transferability of Option. The Option may be transferred by the Optionee to members of his or her Immediate Family (the children, grandchildren or spouse of the Optionee), to one or more trusts for the benefit of such Immediate Family members or to one or more partnerships where such Immediate Family members are the only partners if (i) the Optionee has received express written approval of such transfer from the Committee and (ii) the Optionee does not receive any consideration in any form whatsoever for said transfer. Except as provided in the foregoing sentence, the Option shall not be transferable by the Optionee other than by will or by the laws of descent and distribution.

TERMINATION OF OPTION

7. Termination by Death. If the Optionee's employment with the Company, any Subsidiary and/or any Affiliate terminates by reason of death (or if Optionee dies following termination of employment by reason of disability or retirement at or after age 65), the Option shall become immediately exercisable and may thereafter be exercised by the legal representative of the estate or by the legatee of the Optionee under the will of the Optionee, during the period ending on the expiration of the stated term of the Option or the first anniversary of the Optionee's death, whichever is later.

8. Termination by Reason of Disability. If the Optionee's employment with the Company, any Subsidiary, and/or any Affiliate terminates by reason of Disability, the Option shall be immediately exercisable and may thereafter be exercised during the period ending on the expiration of the stated term of the Option.

9. Termination by Reason of Retirement. If the Optionee's employment with the Company, any Subsidiary, and/or any Affiliate terminates by reason of Retirement (i) at or after age 65 and (ii) after the first anniversary of the Grant Date, the Option shall become immediately exercisable (the "Retirement Acceleration") and may thereafter be exercised during the period ending on the expiration of the stated term of the Option.

If the Optionee's employment with the Company, any Subsidiary, and/or any Affiliate terminates by reason of retirement at or after age 60, the Option shall terminate five (5) years from the date of such retirement or upon the expiration of the stated term of the Option, whichever is shorter. If the Optionee's employment with the Company, any Subsidiary and/or any Affiliate terminates by reason of retirement at or after age 55, the Option shall terminate three (3) years from the date of such retirement or upon the expiration of the stated term of the Option, whichever is shorter. In the event of retirement at or after ages 55 or 60, there shall be no acceleration of vesting of the Option, but the Option shall continue to vest in accordance with its regular schedule and may be exercised to the extent it is or becomes exercisable prior to the termination of the Option; provided that the Participant's Retirement occurs after the first anniversary of the Grant Date.

In the event the Participant's employment is terminated due to Retirement prior to the first anniversary of the Grant Date, all Options shall be forfeited.

10. Termination for Cause. If the Optionee's employment with the Company, any Subsidiary and/or any Affiliate is terminated for Cause, or the Committee determines that the Optionee has engaged in conduct that would be grounds for termination with cause, the Option shall be immediately forfeited to the Company upon the giving of notice of termination of employment.

11. Other Termination. If the Optionee's employment with the Company, any Subsidiary and/or any Affiliate is involuntarily terminated by the Optionee's employer without Cause, the Option shall terminate three (3) months from the date of termination of employment or upon the expiration of the stated term of the Option, whichever is shorter. If the Optionee's employment with the Company, any Subsidiary and/or

any Affiliate is voluntarily terminated for any reason, the Option shall terminate one (1) month from the date of termination of employment or upon the expiration of the stated term of the Option, whichever is shorter. In the event of involuntary termination without Cause or voluntary termination, there shall be no acceleration of vesting of the Option, but the Option shall continue to vest in accordance with its regular schedule and may only be exercised to the extent it is or becomes exercisable prior to such termination.

GENERAL TERMS AND PROVISIONS

12. Shares Listed on the Exchange. The Shares for which the Option is hereby granted shall have been listed on the New York Stock Exchange at the time the Option is exercised.

13. Shares May be Newly Issued or Purchased. The Shares to be delivered upon exercise of the Option shall be made available, at the discretion of the Company, either from authorized but previously unissued Shares or from Shares held in the treasury of the Company.

14. Adjustment of Shares for Recapitalization. In the event of any merger, reorganization, consolidation, recapitalization, stock dividend, or other change in corporate structure affecting the Stock, a substitution or adjustment shall be made in the number and price of Shares.

15. Payment of Taxes. The Optionee shall, no later than the date as of which the value of any portion of the Option first becomes includable in his/her gross income for Federal income tax purposes, pay to the Company, or make other arrangements satisfactory to the Committee, in its sole discretion, regarding payment of, the minimum Federal, state, local or FICA taxes of any kind required by the law to be withheld with respect to the Option. The obligations of the Company under this Agreement shall be conditional on such payment or arrangements.

The Optionee may elect, subject to the approval of the Committee, to satisfy his/her minimum Federal, and where applicable, FICA, state and local tax withholding obligations arising from all awards by the reduction in an amount necessary to pay any such minimum withholding tax obligations, of the number of Shares of stock or amount of cash otherwise issuable or payable to said Optionee upon the issuance of Shares or payment of cash in respect of an Option. The Company and, where applicable, its Subsidiaries and Affiliates shall, to the extent permitted by law, have the right to deduct any such minimum withholding taxes owed by an Optionee who is not subject to Section 16 of the 1934 Act from any payment of any kind otherwise due to said Optionee.

16. Headings. The headings contained herein are for convenience of reference only, do not constitute a part of this Grant Agreement and shall not be deemed to limit or affect any of the provisions hereof.

17. Notices. Any notices required by or permitted to be given to the Company under this Agreement shall be made in writing and addressed to the Secretary of the Company in care of the Company's Legal Department, 3700 South Stonebridge Drive, McKinney, Texas 75070. Any such notice shall be deemed to have been given when received by the Company.

18. Effective Date of Stock Option. This Option has been executed this _____ day of _____, _____, effective as of _____.

TORCHMARK CORPORATION

By: _____
Its: Authorized Officer

Optionee

STATE OF TEXAS

COLLIN COUNTY

TORCHMARK CORPORATION NON-QUALIFIED
STOCK OPTION GRANT AGREEMENT

TORCHMARK CORPORATION, a corporation organized and existing under the laws of the state of Delaware (the "Company"), does hereby grant and give unto _____ (the "Optionee"), the following non-qualified stock option (the "Option") upon the terms and conditions hereinafter set forth.

AUTHORITY FOR GRANT

1. Stock Incentive Plan/Consideration. The Option is granted under the provisions of the Torchmark Corporation 2018 Incentive Plan (the "Plan"), as a non-qualified option and is subject to the terms and provisions of the Plan and in return for Optionee's promises contained herein including the terms and provisions of Section 12. Capitalized terms used but not defined herein shall have the meaning given them in the Plan which is incorporated by reference herein.

TERMS OF OPTION

2. Number of Shares. The Optionee is hereby granted an option to purchase from the Company _____ shares (the "Shares") of the company's common capital stock.

3. Option Price Per Share. The option price for each Share subject to the Option shall be \$_____, the closing price of the Stock on the New York Stock Exchange Composite Tape on _____, which is the "Grant Date".

4. Option Period. The Option shall be and become first exercisable to the extent of the Shares shown in the schedule below on and after the dates set forth therein:

<u>Shares as to which Option is First Exercisable</u>	<u>Date First Exercisable</u>
25%	
50%	
75%	
100%	

Notwithstanding any other provision of this Agreement, if the Option is not exercised with respect to all Shares prior to ten (10) years from the Grant Date, it shall terminate and the parties hereto shall have no further rights or obligations hereunder. For the purposes of this agreement, "Option Period" shall mean the ten (10) year period commencing on the Grant Date.

5. Method of Exercise. The Option may be exercised in whole or in part at any time during the Option Period, by giving written notice of exercise to the Company specifying the number of Shares to be purchased, accompanied by payment in full of the purchase price, in cash, by check or such other instrument as may be acceptable to the Compensation Committee of the Torchmark Board of Directors (the "Committee"). Payment in full or in part may also be made in the form of unrestricted stock already owned by the Optionee (based on the fair market value of the stock on the date the Option is exercised). The Optionee shall have the rights to dividends or other rights of a stockholder with respect to the Shares subject to the option when the Optionee has given written notice of exercise and has paid in full for such Shares.

6. Transferability of Option. The Option may be transferred by the Optionee to members of his or her Immediate Family (the children, grandchildren or spouse of the Optionee), to one or more trusts for the benefit of such Immediate Family members or to one or more partnerships where such Immediate Family members are the only partners if (i) the Optionee has received express written approval of such transfer from the Committee and (ii) the Optionee does not receive any consideration in any form whatsoever for said transfer. Except as provided in the foregoing sentence, the Option shall not be transferable by the Optionee other than by will or by the laws of descent and distribution.

TERMINATION OF OPTION

7. Termination by Death. If the Optionee's employment with the Company, any Subsidiary and/or any Affiliate terminates by reason of death (or if Optionee dies following termination of employment by reason of disability or retirement at or after age 65), the Option shall become immediately exercisable and may thereafter be exercised by the legal representative of the estate or by the legatee of the Optionee under the will of the Optionee, during the period ending on the expiration of the stated term of the Option or the first anniversary of the Optionee's death, whichever is later.

8. Termination by Reason of Disability. If the Optionee's employment with the Company, any Subsidiary, and/or any Affiliate terminates by reason of Disability, the Option shall be immediately exercisable and may thereafter be exercised during the period ending on the expiration of the stated term of the Option.

9. Termination by Reason of Retirement. If the Optionee's employment with the Company, any Subsidiary, and/or any Affiliate terminates by reason of Retirement (i) at or after age 65 and (ii) after the first anniversary of the Grant Date, the Option shall become immediately exercisable (the "Retirement Acceleration") and may thereafter be exercised during the period ending on the expiration of the stated term of the Option.

If the Optionee's employment with the Company, any Subsidiary, and/or any Affiliate terminates by reason of Retirement at or after age 60, the Option shall terminate five (5) years from the date of such Retirement or upon the expiration of the stated term of the Option, whichever is shorter. If the Optionee's employment with the Company, any Subsidiary and/or any Affiliate terminates by reason of Retirement at or after age 55, the Option shall terminate three (3) years from the date of such Retirement or upon the expiration of the stated term of the Option, whichever is shorter. In the event of Retirement at or after ages 55 or 60, there shall be no acceleration of vesting of the Option, but the Option shall continue to vest in accordance with its regular schedule and may be exercised to the extent it is or becomes exercisable prior to the termination of the Option (the "Continued Vesting Shares"); provided that the Participant's Retirement occurs after the first anniversary of the Grant Date.

In the event the Participant's employment is terminated due to Retirement prior to the first anniversary of the Grant Date, all Options shall be forfeited.

10. Termination for Cause. If the Optionee's employment with the Company, any Subsidiary and/or any Affiliate is terminated for Cause, or the Committee determines that the Optionee has engaged in conduct that would be grounds for termination with cause, the Option shall be immediately forfeited to the Company upon the giving of notice of termination of employment.

11. Other Termination. If the Optionee's employment with the Company, any Subsidiary and/or any Affiliate is involuntarily terminated by the Optionee's employer without Cause, the Option shall terminate three (3) months from the date of termination of employment or upon the expiration of the stated term of the Option, whichever is shorter. If the Optionee's employment with the Company, any Subsidiary and/or

any Affiliate is voluntarily terminated for any reason, the Option shall terminate one (1) month from the date of termination of employment or upon the expiration of the stated term of the Option, whichever is shorter. In the event of involuntary termination without Cause or voluntary termination, there shall be no acceleration of vesting of the Option, but the Option shall continue to vest in accordance with its regular schedule and may only be exercised to the extent it is or becomes exercisable prior to such termination.

12. Noncompetition/Confidentiality/Nonsolicitation. Upon Participant's separation from employment from the Company for any reason for a period of two (2) years from the date of such separation or in the event of termination under circumstances that entitle him to Retirement Acceleration or Continued Vesting Shares, during the remaining vesting period prior to the Vesting Date, whichever is longer (the "Restriction Period"), Participant agrees not to engage or participate, directly or indirectly, in any capacity, including but not limited to as an employee, consultant, advisor, contractor, partner, owner or otherwise, in a competing business, which is one that provides the same or substantially similar products or services as the Business. "Business" is defined as product development, marketing, sales and servicing of life insurance, health insurance and annuity products through captive agents, independent agents and direct response marketing channels. Life insurance includes individual life or group life, with or without return-of-premium benefit. Health insurance includes accidental death or supplemental health insurance products, with or without return-of premium benefits, including cancer, critical illness, hospital indemnity, Medicare supplement or Medicare Part D prescription drug coverage. Annuity includes deferred annuities or single premium immediate annuities. (All of the foregoing are referred to collectively as the "Business"). Participant further agrees that he will not serve as a Board member for any company that provides the same or similar products or services as the Business. Participant also agrees and understands that this noncompetition agreement extends to competition in any state in which Participant worked or directed work for the Company or in which the Company has plans or intentions for future business operations for which the Participant was involved (referred to as the "Restricted Area").

Participant acknowledges that the Restricted Area, scope of prohibited activities, and the Restriction Period are reasonable and are no broader than are necessary to protect Company's legitimate business interests. Participant also acknowledges that the Company would not be providing the benefits set forth in this Agreement but for Participant's covenants and promises contained in this Section. Participant further

agrees that during the non-competition term, Participant shall immediately notify the Company in writing of any employment, work, or business he undertakes with or on behalf of any person (including himself) or entity other than the Company and acknowledges and agrees that the Company may place Participant's future employer on notice of the Participant's post employment obligations.

Participant further expressly agrees and understands that the Company has disclosed confidential, proprietary and/or trade secret information to Participant. Participant agrees that he will not utilize nor disclose to any third party any of the Company's confidential, proprietary or trade secret information at any time in the future. In consideration of the Company disclosing such information to Participant and/or for the consideration provided to Participant by the Company in this Agreement, which Participant acknowledges is sufficient and reasonable consideration, Participant has agreed to the non-competition provisions set forth herein.

Notwithstanding any other provision of this Agreement, nothing herein shall prohibit Participant from reporting possible violations of federal law or regulation to any governmental agency or entity or making other disclosures that are protected pursuant to federal law or regulation. Prior authorization from the Company is not required in order to make any such reports or disclosures and Participant is not required to notify the Company that such reports or disclosures have been made.

IMMUNITY NOTICE. Pursuant to the Defend Trade Secrets Act of 2016, Participant may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and solely for the purpose of reporting or investigating a suspected violation of the law; or is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Should any provision in this Agreement conflict with this provision, this provision shall control.

Participant also agrees that during the Restriction Period he will not solicit the clients or customers of the Company in order to request or advise such clients or customers to end, change or curtail their business relationship with the Company. In addition, Participant agrees that during the Restriction Period he will not solicit any employee of the Company in order to request or advise any such employee to end, change or curtail their employment relationship with the Company.

If for any reason any court of competent jurisdiction finds any provision of this Section to be unreasonable in duration or scope or otherwise, Company and Participant agree that the restrictions and prohibitions contained in this Section shall be effective to the fullest extent allowed under applicable law. Each covenant set forth in this Section shall survive the termination of this Agreement and Participant's employment for any reason and shall be construed as an agreement independent of any other provision of this Agreement.

Participant acknowledges and agrees that the covenants, obligations and agreements of Participant contained in this Section concern special, unique and extraordinary matters and that a violation of any of the terms of these covenants, obligations or agreements will cause Company irreparable injury for which adequate remedies at law are not available. Therefore, Participant agrees that Company will be entitled to an injunction, restraining order, or any other equitable relief (without the requirement to post bond) as a court of competent jurisdiction may deem necessary or appropriate to restrain Participant from committing any violation of the covenants, obligations or agreements referred to in this Agreement. These injunctive remedies are cumulative and in addition to any other rights and remedies Company may have against Participant.

In addition, Participant agrees that if he violates the terms of this Section or if the terms of this Section are determined to be unenforceable by any court of competent jurisdiction, Participant shall forfeit and not be entitled to receive Retirement Acceleration or the Continued Vesting Shares herein. The Company shall be relieved from any obligation to provide Participant with Retirement Acceleration or the Continued Vesting Shares. If Participant has already received the Retirement Acceleration or the Continued Vesting Shares, Participant agrees that he shall repay the Company the value of the Retirement Acceleration or the Continued Vesting Shares on the date it was received by Participant upon five (5) days written notice.

GENERAL TERMS AND PROVISIONS

13. Shares Listed on the Exchange. The Shares for which the Option is hereby granted shall have been listed on the New York Stock Exchange at the time the Option is exercised.

14. Shares May be Newly Issued or Purchased. The Shares to be delivered upon exercise of the Option shall be made available, at the discretion of the Company, either from authorized but previously unissued Shares or from Shares held in the treasury of the Company.

15. Adjustment of Shares for Recapitalization. In the event of any merger, reorganization, consolidation, recapitalization, stock dividend, or other change in corporate structure affecting the Stock, a substitution or adjustment shall be made in the number and price of Shares.

16. Payment of Taxes. The Optionee shall, no later than the date as of which the value of any portion of the Option first becomes includable in his/her gross income for Federal income tax purposes, pay to the Company, or make other arrangements satisfactory to the Committee, in its sole discretion, regarding payment of, the minimum Federal, state, local or FICA taxes of any kind required by the law to be withheld with respect to the Option. The obligations of the Company under this Agreement shall be conditional on such payment or arrangements.

The Optionee may elect, subject to the approval of the Committee, to satisfy his/her minimum Federal, and where applicable, FICA, state and local tax withholding obligations arising from all awards by the reduction in an amount necessary to pay any such minimum withholding tax obligations, of the number of Shares of stock or amount of cash otherwise issuable or payable to said Optionee upon the issuance of Shares or payment of cash in respect of an Option. The Company and, where applicable, its Subsidiaries and Affiliates shall, to the extent permitted by law, have the right to deduct any such minimum withholding taxes owed by an Optionee who is not subject to Section 16 of the 1934 Act from any payment of any kind otherwise due to said Optionee.

17. Headings. The headings contained herein are for convenience of reference only, do not constitute a part of this Grant Agreement and shall not be deemed to limit or affect any of the provisions hereof.

18. Notices. Any notices required by or permitted to be given to the Company under this Agreement shall be made in writing and addressed to the Secretary of the Company in care of the Company's Legal Department, 3700 South Stonebridge Drive, McKinney, Texas 75070. Any such notice shall be deemed to have been given when received by the Company.

19. Governing Law/Venue. All questions pertaining to the construction, regulation, validity and effect of the provisions of this Agreement shall be determined in accordance with the laws of the State of Texas. In addition, Participant and Company agree that any disputes or claims concerning or relating to the terms and provisions of this Agreement shall be filed in Collin County, State of Texas or the United States District Court for the Eastern District of Texas.

20. Effective Date of Stock Option. This Option has been executed this _____ day of _____, _____, effective as of _____.

TORCHMARK CORPORATION

By: _____
Its: Authorized Officer

Optionee

STATE OF TEXAS)
COLLIN COUNTY)

TORCHMARK CORPORATION
DIRECTOR STOCK OPTION
AWARD NOTICE

TORCHMARK CORPORATION, a corporation organized and existing under the laws of the state of Delaware (the "Company") hereby awards _____ (the "Optionee"), the following non-qualified stock option (the "Option") upon the terms and conditions hereinafter set forth.

AUTHORITY FOR GRANT

1. Stock Incentive Plan. The Option is granted under the provisions of the Torchmark Corporation 2018 Non-Employee Director Compensation Plan, a sub-plan of the Torchmark Corporation 2018 Incentive Plan (the "Plan"), as a Director Stock Option and is subject to the terms and provisions of the Plan, as amended, which shall be controlling. Capitalized terms used but not defined herein shall have the meaning given them in the Plan, which is incorporated by reference herein.

TERMS OF OPTION

2. Number of Shares. The Optionee is hereby awarded an option to purchase from the Company _____ shares (the "Shares") of the Company's common capital stock.

3. Option Price Per Share. The option price for each Share subject to the Option shall be \$_____, the closing price of the Stock on the New York Stock Exchange Composite Tape on _____ (the "Option Grant Date").

4. Vesting of Options; Option Period. The Option shall be and become first exercisable in full six (6) months from the Grant Date of the Option. This Agreement shall terminate on the date which is seven (7) years from the Option Grant Date, and the parties hereto shall have no further rights or obligation hereunder. For the purposes of this Agreement, "Option Period" shall mean the seven (7) year period commencing on the Grant Date.

5. Method of Exercise. The Option may be exercised to the extent then exercisable in whole or in part at any time during the Option Period, by giving written notice of exercise to the Company specifying the number of Shares to be purchased, accompanied by payment in full of the purchase price, in cash, by

check or such other instrument as may be acceptable to the Compensation Committee of the Board of Directors of the Company (the "Committee"). Payment in full or in part may also be made in the form of unrestricted Stock already owned by the Optionee (based on the Fair Market Value of the Stock on the date the Option is exercised). The Optionee shall have the right to dividends or other rights of a stockholder with respect to the Shares subject to the Option when the Optionee has given written notice of exercise and has paid in full for such Shares.

6. Transferability of Options. The Option shall not be assignable or transferable by the Optionee otherwise than by will or by laws of descent and distribution; provided, however, that the Committee may (but need not) permit other transfers where it concludes that such transferability (i) does not result in accelerated taxation, and (ii) is otherwise appropriate and desirable, taking into account any state or federal securities laws applicable to transferable Options and such Option shall be exercisable during the Optionee's lifetime, only by the Optionee.

TERMINATION OF OPTION

7. Accelerated Vesting. Notwithstanding paragraph 4 above, the Option shall become immediately fully exercisable and vested upon the occurrence of a Change in Control as defined in the Plan, the Optionee's death, the Optionee's Retirement, or the Optionee's Disability.

GENERAL TERMS AND PROVISIONS

8. Shares Listed on the Exchange. The Shares for which the Option is hereby granted shall have been listed on the New York Stock Exchange at the time the Option is exercised.

9. Shares May Be Newly Issued or Purchased. The Shares to be delivered upon the exercise of the Option shall be made available, at the discretion of the Company, either from authorized but previously unissued Shares or from Shares held in the treasury of the Company.

10. Change in Corporate Structure Affecting Shares. In the event of any change in the number of issued Shares without new consideration to the Company such as by stock split, reorganization, exchange of shares, recapitalization, liquidation, combination, stock dividend, or other change in corporate structure affecting the Stock, on any distribution of cash or property which has a substantial impact on the value of issued Shares such adjustment shall be made in the number and price of Shares subject to the Option so

that the consideration payable to the Company and the value of the Option shall not be changed.

11. Certain Reorganizations. The Committee shall authorize the issuance, continuation or assumption of any outstanding portion of the Option or provide for other equitable adjustments to the Option after changes in the Shares resulting from any merger, consolidation, sale of assets, acquisition of property or stock, recapitalization, reorganization or similar occurrence in which the Company is the continuing or surviving corporation.

12. Payment of Taxes. If the Option is or becomes subject to any minimum withholding requirement, the Committee may require the Optionee to remit such minimum withholding to the Company, or make other arrangements satisfactory to the Committee, in its sole discretion, regarding minimum withholding as a condition to exercising the Option or any portion thereof. The obligations of the Company under this Stock Option Award Notice shall be conditional on such payment or arrangements.

13. Headings. The headings contained herein are for convenience of reference only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

14. Notices. Any notices required by or permitted to be given to the Company under this Agreement shall be made in writing and addressed to the Secretary of the Company in care of the Company's Legal Department, 3700 South Stonebridge Drive, McKinney, Texas 75070. Any such notice shall be deemed to have been given when received by the Company.

15. Effective Date of Stock Option. This Option has been executed this ____ day of _____, ____ effective as of this ____ day of _____.

TORCHMARK CORPORATION

By:
Its Duly Authorized Officer

OPTIONEE

RESTRICTED STOCK AWARD NOTICE

Non-transferable

GRANT TO

(“Grantee”)

by Torchmark Corporation (the “Company”) of

_____ **Shares** of its common stock, \$1.00 par value (the “Shares”)

pursuant to and subject to the provisions of the Torchmark Corporation 2018 Non-Employee Director Compensation Plan, which is a sub-plan of the Torchmark Corporation 2018 Incentive Plan (collectively, the “Plans”) and to the terms and conditions set forth on the following page (the “Terms and Conditions”). By accepting the Shares, Grantee shall be deemed to have agreed to the terms and conditions set forth in this Notice and the Plans. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Plans.

Unless vesting is accelerated in accordance with the Plans, the Shares shall vest in accordance with the following schedule:

<u>Vesting Date</u>	<u>Percent of Shares Vested</u>
Six (6) months after Grant Date	100%

IN WITNESS WHEREOF, Torchmark Corporation, acting by and through its duly authorized officers, has caused this Notice to be duly executed as of the Grant Date, as indicated below.

TORCHMARK CORPORATION

By: _____

Grant Date: _____

TERMS AND CONDITIONS

1. Restrictions. The Shares are subject to each of the following restrictions. “Restricted Shares” mean those Shares that are subject to the restrictions imposed hereunder which restrictions have not then expired or terminated. Restricted Shares may not be sold, transferred, exchanged, assigned, pledged, hypothecated or otherwise encumbered. If Grantee’s service as a director of the Company terminates for any reason other than as described in (b) below, then Grantee shall forfeit all of Grantee’s right, title and interest in and to any unvested Restricted Shares as of the date of termination, and such Restricted Shares shall be reconveyed to the Company without further consideration or any act or action by the Grantee. The restrictions imposed under this Paragraph shall apply to all shares of the Company’s Stock or other securities issued with respect to Restricted Shares hereunder in connection with any merger, reorganization, consolidation, recapitalization, stock dividend or other change in corporate structure affecting the Stock of the Company.
2. Expiration and Termination of Restrictions. The restrictions imposed under Paragraph 1 will expire on the earliest to occur of the following (the period prior to such expiration being referred to herein as the “Restricted Period”):
 - (a) as to all of the Shares, on the six (6) month anniversary of the Grant Date, or
 - (b) the termination of Grantee’s service as a director of the Company by reason of his or her Retirement, death or Disability, or
 - (c) the effective date of a Change in Control.
3. Delivery of Shares. The Shares will be registered in the name of Grantee as of the Grant Date and may be held by the Company during the Restricted Period in certificated or uncertificated form. If a certificate for Restricted Shares is issued during the Restricted Period, such certificate shall be registered in the name of Grantee and shall bear a legend in substantially the following form: “This certificate and the shares of stock represented hereby are subject to the terms and conditions contained in a Restricted Stock Award Notice between the registered owner and Torchmark Corporation. Release from such terms and conditions shall be made only in accordance with the provisions of such Notice, copies of which are on file in the offices of Torchmark Corporation.” Stock certificates for the Shares, without the above legend, shall be delivered to Grantee or Grantee’s designee upon request of Grantee after the expiration of the Restricted Period, but delivery may be postponed for such period as may be required for the Company with reasonable diligence to comply, if deemed advisable by the Company, with registration requirements under the 1933 Act, listing requirements of any Exchange, and requirements under any other law or regulation applicable to the issuance or transfer of the Shares.
4. Voting and Dividend Rights. Grantee, as beneficial owner of the Shares, shall have full voting and dividend rights with respect to the Shares during and after the Restricted Period. If Grantee forfeits any rights he may have under this Notice, Grantee shall no longer have any rights as a stockholder with respect to the Restricted Shares or any interest therein and Grantee shall no longer be entitled to receive dividends on such stock. In the event that for any reason Grantee shall have received dividends upon such stock after such forfeiture, Grantee shall repay to the Company any amount equal to such dividends.
5. Limitation of Rights. Nothing in this Notice shall interfere with or limit in any way the right of the Company or any Affiliate to terminate Grantee’s service at any time, nor confer upon Grantee any right to continue in the service of the Company or any Affiliate.
6. Payment of Taxes. Upon issuance of the Shares hereunder, Grantee may make an election to be taxed upon such award under Section 83(b) of the Code. To effect such election, Grantee may file an appropriate election with Internal Revenue Service within thirty (30) days after award of the Shares and otherwise in accordance with applicable Treasury Regulations. Grantee will, no later than the date as of which any amount related to the Shares first becomes includable in Grantee’s gross income for federal income tax purposes, pay to the Company, or make other arrangements satisfactory to the Committee regarding payment of, any federal, state and local taxes of any kind required by law to be withheld with respect to such amount. The obligations of the Company under this Certificate will be conditional on such payment or arrangements, and the Company, and, where applicable, its Affiliates will, to the extent permitted by law, have the right to deduct any such taxes from the award or any payment of any kind otherwise due to Grantee.
7. Plans Control. The terms contained in the Plans are incorporated into and made a part of this Notice and this Notice shall be governed by and construed in accordance with the Plans. In the event of any actual or alleged conflict between the provisions of the Plans and the provisions of this Notice, the provisions of the Plans shall be controlling and determinative.
8. Successors. This Notice shall be binding upon any successor of the Company, in accordance with the terms of this Notice and the Plans.

9. Severability. If any one or more of the provisions contained in this Notice is invalid, illegal or unenforceable, the other provisions of this Notice will be construed and enforced as if the invalid, illegal or unenforceable provision had never been included.

10. Notice. Notices and communications under this Notice must be in writing and either personally delivered or sent by registered or certified United States mail, return receipt requested, postage prepaid. Notices to the Company must be addressed to Torchmark Corporation, 3700 South Stonebridge Drive, McKinney, Texas 75070, Attn: Secretary, or any other address designated by the Company in a written notice to Grantee. Notices to Grantee will be directed to the address of Grantee then currently on file with the Company, or at any other address given by Grantee in a written notice to the Company.

RESTRICTED STOCK UNIT AWARD NOTICE

Non-transferable

GRANT TO

(“Grantee”)

by Torchmark Corporation (the “Company”) of

_____ restricted stock units convertible into shares of its common stock, par value \$1.00 per share (the “Units”)

pursuant to and subject to the provisions of the Torchmark Corporation 2018 Non-Employee Director Compensation Plan, as amended, which is a sub-plan of the Torchmark Corporation 2018 Incentive Plan (collectively, the “Plans”) and to the terms and conditions set forth on the following page (the “Terms and Conditions”). By accepting the Units, Grantee shall be deemed to have agreed to the terms and conditions set forth in this Notice and the Plans. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Plans.

Unless vesting is accelerated in accordance with the Plans, the Shares shall vest in accordance with the following schedule:

<u>Vesting Date</u>	<u>Percent of Shares Vested</u>
Six (6) months after Grant Date	100%

IN WITNESS WHEREOF, Torchmark Corporation, acting by and through its duly authorized officers, has caused this Notice to be duly executed as of the Grant Date, as indicated below.

Torchmark Corporation

By: _____

Grant Date: _____

TERMS AND CONDITIONS

1. Vesting of Units. The Units have been credited to a bookkeeping account on behalf of Grantee. The Units will vest and become non-forfeitable on the earliest to occur of the following (the “Vesting Date”):

- (a) as to all of the Units, on the six (6) month anniversary of the Grant Date, or
- (b) the termination of Grantee’s service as a director of the Company by reason of his or her Retirement, death or Disability, or
- (c) the effective date of a Change in Control.

If Grantee’s service as a director of the Company terminates prior to the Vesting Date for any reason other than as described in (b) above, Grantee shall forfeit all right, title and interest in and to the Units as of the date of such termination and the Units will be reconveyed to the Company without further consideration or any act or action by Grantee.

2. Conversion to Stock. Unless the Units are forfeited prior to the Vesting Date as provided in section 1 above, the Units will be converted to actual shares of Stock on the date of termination of Grantee’s service as a director of the Company for any reason. Shares of Stock will be registered on the books of the Company in Grantee’s name as of the date of conversion and delivered to Grantee as soon as practical thereafter, in certificated or uncertificated form, as Grantee shall direct.

3. Dividend Equivalents. If and when dividends or other distributions are paid with respect to the Stock while the Units are outstanding, the dollar amount or fair market value of such dividends or distributions with respect to the number of shares of Stock then underlying the Units shall be converted into additional Units in Grantee’s name, based on the Fair Market Value of the Stock as of the date such dividends or distributions were payable, and such additional Units shall be fully vested as of such date.

4. Restrictions on Transfer and Pledge. No right or interest of Grantee in the Units may be pledged, hypothecated or otherwise encumbered to or in favor of any party other than the Company or an Affiliate, or be subjected to any lien, obligation or liability of Grantee to any other party other than the Company or an Affiliate. Units are not assignable or transferable by Grantee other than by will or the laws of descent and distribution; but the Committee may permit other transfers in accordance with the Plans.

5. Limitation of Rights. The Units do not confer to Grantee or Grantee’s beneficiary any rights of a stockholder of the Company unless and until shares of Stock are in fact issued to such person in connection with the Units. Nothing in this Notice shall interfere with or limit in any way the right of the Company or any Affiliate to terminate Grantee’s service at any time, nor confer upon Grantee any right to continue in the service of the Company or any Affiliate.

6. Amendment. The Committee may amend, modify or terminate this Notice without approval of Grantee; provided, however, that such amendment, modification or termination shall not, without Grantee’s consent, reduce or diminish the value of this award in any way. Notwithstanding anything herein to the contrary, the Committee may, without Grantee’s consent, amend or interpret this Certificate to the extent necessary to comply with Section 409A of the Code and Treasury regulations and guidance with respect to such law.

7. Plans Control. The terms contained in the Plans shall be and are hereby incorporated into and made a part of this Notice and this Notice shall be governed by and construed in accordance with the Plans. In the event of any actual or alleged conflict between the provisions of the approved Plans and the provisions of this Notice, the provisions of the Plans shall be controlling and determinative.

8. Successors. This Notice shall be binding upon any successor of the Company, in accordance with the terms of this Notice and the Plans.

9. Severability. If any one or more of the provisions contained in this Notice is invalid, illegal or unenforceable, the other provisions of this Notice will be construed and enforced as if the invalid, illegal or unenforceable provision had never been included.

10. Notice. Notices hereunder must be in writing and either personally delivered or sent by registered or certified United States mail, return receipt requested, postage prepaid. Notices to the Company must be addressed to Torchmark Corporation, 3700 South Stonebridge Drive, McKinney, Texas 75070, Attn: Secretary, or any other address designated by the Company in a written notice to Grantee. Notices to Grantee will be directed to the address of Grantee then currently on file with the Company, or at any other address given by Grantee in a written notice to the Company.