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February 22, 2017

2520170900048

**VIA CERTIFIED MAIL**

United States Department of Labor  
Employee Benefits Security Administration  
Top Hat Plan Exemption  
200 Constitution Ave., NW, Suite N-1513  
Washington, DC 20210

**Re: Panther<sub>x</sub> Specialty, LLC  
Phantom Equity Interest Change in Control Plan**

Dear Sir or Madam:

In accordance with Department of Labor Regulation § 2529,104-23, this letter will serve as the alternative method of compliance with the reporting and disclosure requirements of Part 1 of Title I of the Employee Retirement Income Security Act of 1974, as amended, for a pension plan for a select group of management or highly-compensated employees:

1. Panther<sub>x</sub> Specialty, LLC. (the "Sponsor"), a Pennsylvania Limited Liability Company, maintains and sponsors the Panther<sub>x</sub> Specialty, LLC Phantom Equity Interest Change in Control Plan ("Plan"). The Plan was adopted by the Sponsor effective on December 22, 2016.
2. The address of the Sponsor is:  

24 Summit Park Drive  
Pittsburgh, PA 15275
3. The employer identification number assigned by the Internal Revenue Service to the Sponsor is 45-3620087.



4. The Sponsor declares it maintains the Plan primarily for the purpose of providing deferred compensation for a select group of management or highly-compensated employees.
5. There are four (4) employees participating in the Plan.
6. A copy of the Plan document is attached.

If you have any questions or comments concerning the Plan or this letter, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark S. Weis', with a long horizontal flourish extending to the right.

Mark S. Weis

MSW/rtr

Attachment

cc: Dr. Gordon J. Vanscoy  
Tim Davis

ND: 4813-2258-6691, v. 1 | 62526-001

We are required by Treasury Regulations to advise that this writing is not intended as a reliance opinion and cannot be used for purposes of avoiding IRS penalties.

**PANTHERx SPECIALTY, LLC**  
**PHANTOM EQUITY INTEREST CHANGE IN CONTROL PLAN**  
**Effective: December 22, 2016**

**ARTICLE 1**  
**PURPOSE**

The members (the "Members") of Panther<sub>x</sub> Specialty, LLC (the "Company") adopted Panther<sub>x</sub> Specialty, LLC Phantom Equity Interest Change in Control Plan effective December 22, 2016, to:

- (i) Encourage excellence in the performance of individual duties and responsibilities;
- (ii) Motivate key employees by means of incentives to achieve Company profit goals;  
and
- (iii) Reward those key employees with equity based deferred compensation in the event of a Change in Control of the Company.

## ARTICLE 2 DEFINITIONS

“Award” means any Phantom Equity Plan Units granted to a Participant pursuant to the terms of the Plan.

“Award Agreement” means any written agreement, contract or other instrument or document evidencing any Award, which shall not become effective until executed or acknowledged by a Participant.

“Award Date” means the effective date in which an Award has been granted by the Company and accepted (pursuant to the terms of the Plan) by a Participant.

“Affiliate” means any firm, partnership, or corporation that directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with the Company pursuant to Section 414(b) or 414(c) of the Code; provided, however, that control shall constitute at least fifty percent (50%) instead of at least eighty percent (80%) in each place such language appears in Section 1563(a)(1), (2) and (3) of the Code.

“Beneficiary” means the person or persons designated as such in accordance with Section 8.4.

“Cause” means (i) the conviction of a Participant of a felony or of any lesser criminal offense involving moral turpitude; (ii) the willful commission by a Participant of a criminal or other act that, in the judgment of the Managing Member, will likely cause substantial economic damage to the Company or any Affiliate or substantial injury to the business reputation of the Company or any Affiliate; (iii) the commission by the Participant of an act of fraud in the performance of their duties on behalf of the Company or any Affiliate; (iv) the continuing willful failure of a Participant to perform his duties to the Company or any Affiliate (other than any such failure resulting from a Participant’s incapacity due to physical or mental illness) after written notice thereof; or (v) an order of a federal or state regulatory agency or a court of competent jurisdiction requiring the termination of the Participant’s Service with the Company. Notwithstanding the foregoing, if the Participant is subject to a written employment agreement (or other similar written agreement) with the Company or any Affiliate that provides a definition of termination for “Cause,” then, for purposes of this Plan, the term “Cause” shall have meaning set forth in such agreement.

“Change in Control” means the occurrence of any of the following events:

- (i) During any period of twelve (12) consecutive calendar months, any person or group (as defined in Treasury Regulation Section 1.409A-3(i)(5)(v)(B)) that is not an Affiliate of the Company acquires substantially all of the gross fair market value of the Company’s assets;
- (ii) Any individual, entity or group (as defined in Treasury Regulation Section 1.409A-3(i)(5)(v)(B)) that is not an Affiliate of the Company acquires ownership

of Member Interests of the Company that, together with Member Interests held by such person or group constitutes more than eighty percent (80%) of the total voting power of the Member Interest in the Company; or

- (iii) Any merger or consolidation which results in the voting interests of the Company immediately before such transaction representing less than twenty percent (20%) of the voting interests of the Company or such surviving or acquiring entity outstanding immediately after such merger or consolidation.

“Change In Control Value” means the total value received by or paid to the Company, or the value received by or paid to the Members, in connection with a Change in Control of the Company less any liabilities, transaction costs, and Company-level payroll taxes relating to payments made to Participants under this Plan which shall be paid from the proceeds of such Change in Control transaction. In determining the value received by or paid to the Members, all of the following amounts shall also be excluded:

- (i) Working capital adjustment;
- (ii) Escrow, or any other holdback;
- (iii) Earn-out;
- (iv) Restricted consideration;
- (v) Compensatory payments to the Members; and
- (vi) The value of any ownership interest in the Company (or its successor) retained (or received) by the Members in connection with a Change of Control.

“Closing Date” means the date on which the Company has a Change in Control.

“Code” means the Internal Revenue Code of 1986, as amended.

“Company” means Panther<sub>x</sub> Specialty, LLC, a Pennsylvania limited liability company, and its Affiliates.

“Disabled” or “Disability” A Participant shall be considered to be disabled or to have a disability if the Participant 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 disability of not less than 12 months.

“Eligible Employee” means an Employee who is a member of a group of “key management or other highly compensated employees” within the meaning of Sections 201, 301 and 401 of ERISA and who is designated by the Managing Member and approved Members having a greater than fifty percent (50%) of the Member Interest in the Company as eligible to participate in the Plan.

“Effective Date” means December 22, 2016.

“Employee” means any individual employed by the Company on a regular, full-time basis (in accordance with the personnel policies and practices of the Company).

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“Managing Member” shall mean the Managing Member of Panther<sub>x</sub> Specialty, LLC.

“Member” shall mean a member of Panther<sub>x</sub> Specialty, LLC.

“Member Interest” means an interest in Panther<sub>x</sub> Specialty, LLC owned by a Member.

“Plan” means Panther<sub>x</sub> Specialty, LLC Phantom Equity Interest Change in Control Plan, as amended from time to time.

“Plan Administrator” means Dr. Gordon J. Vanscoy.

“Plan Year” means the 12-month period beginning on each January 1 and ending on the following December 31.

“Participant” means an Eligible Employee who is participating in the Plan in accordance with its terms. In the event of the death or incompetency of a Participant following the Closing Date, the term shall mean the Participant’s Beneficiary, personal representative or guardian. An individual shall remain a Participant until that individual has received the entire amount due to them.

“Separation from Service” means the Participant’s termination of employment with the Company, whether on account of death, Disability or otherwise, whether voluntary or involuntary, for any reason or no reason. The Managing Member will determine whether a Participant has incurred a Separation of Service based on the facts and circumstances and in accordance with Section 409A-1(h)(1)(ii) of the Treasury Regulations.

- (i) A Participant incurs a Separation of Service if the Managing Member reasonably anticipates, based on the facts and circumstances, the Participant will not perform any additional services after a certain date or that the level of bona fide services (whether performed as an Employee or as an independent contractor) will permanently decrease to no more than 20% of the average level of bona fide services performed over the immediately preceding 36-month period (or, if less, the period the Employee has rendered service to the Company).
- (ii) A Participant does not incur a Separation of Service if the Participant is on military leave, sick leave, or other bona fide leave of absence if such leave does not exceed a period of six (6) months, or if longer, the period for which a statute or contract provides the Participant with the right to reemployment with the Company. If a Participant’s leave exceeds six (6) months but the Participant is not entitled to reemployment under a statute or contract, the Participant incurs a

Separation of Services on the next day following the expiration of six (6) months (29 months where a leave of absence is due to a condition that constitutes a Disability unless the Company or the Participant terminate the leave sooner).

“Service” means the period of time during which an employment relationship exists between an Employee and the Company, including any period during which the Employee is on an approved leave of absence within the meaning of Section 409A of the Code, whether paid or unpaid. “Service” also includes employment with an Affiliate if an Employee transfers directly between the Company and the Affiliate.

“Phantom Equity Plan Unit” means the contractual right of a Participant to receive a payment with respect to each Phantom Equity Plan Unit credited to a Participant’s Phantom Equity Plan Unit Account in accordance with the terms of the Plan. A Phantom Equity Plan Unit does neither constitute a Member Interest in the Company nor does it convey any rights with respect to a Member Interest in the Company.

“Phantom Equity Plan Unit Account” means the record established and maintained by the Plan Administrator of the amount of Phantom Equity Plan Units Awarded to each Participant in the Plan.

“Phantom Equity Plan Unit Multiplier” means the percentage that each Phantom Equity Plan Unit represents of the Change in Control Value of the Company based upon the following:

<u>Sale Price Over</u>	<u>But Not Over</u>	<u>Phantom Equity Plan Unit Multiplier</u>
0	\$150,000,000	.000000555555556
\$150,000,000	\$225,000,000	.000000666666667
\$225,000,000	\$300,000,000	.000000777777778
\$300,000,000	\$375,000,000	.000000888888889
\$375,000,000	\$450,000,000	.000001000000000
Over \$450,000,000		.000001111111111

“Phantom Equity Plan Unit Value” means the value of one (1) Phantom Equity Plan Unit as defined in Sections 6.2(i) and (ii) of the Plan.

**ARTICLE 3**  
**ADMINISTRATION OF THE PLAN AND DISCRETION**

3.1 Authority of Plan Administrator. The Plan Administrator shall have full power and authority to interpret the Plan, to prescribe, amend and rescind any rules, forms and procedures as the Plan Administrator deems necessary or appropriate for the proper administration of the Plan and to make any other determinations and to take any other such actions as it deems necessary or advisable in carrying out its duties under the Plan. All actions taken by the Plan Administrator arising out of, or in connection with, the administration of the Plan or any rules adopted thereunder, shall in each case, lie within its sole discretion, and shall be final, conclusive and binding upon all Employees, Eligible Employees, Participants, Beneficiaries of Participants and all other persons and entities having an interest therein. The Plan Administrator, may, however, delegate to any person or entity any of its powers or duties under the Plan. To the extent of any such delegation, the delegate shall become the Plan Administrator responsible for administration of the Plan, and references to the Plan Administrator shall apply instead to the delegate. Any action by the Plan Administrator assigning any of its responsibilities to specific persons who are all directors, officers, or employees of Panther, Specialty, LLC shall not constitute delegation of the Plan Administrator's responsibility but rather shall be treated as the manner in which the Plan Administrator has determined internally to discharge such responsibility.

3.2 Appointment of Plan Administrator. The Managing Member shall appoint, and shall have the power to remove, the Plan Administrator. The Plan Administrator shall serve without compensation for its services unless otherwise determined by the Managing Member. All expenses of administering the Plan shall be paid by the Company.

3.3 Indemnification. The Company shall indemnify and hold harmless the Plan Administrator from any and all claims, losses, damages, expenses (including counsel fees) and liability (including any amounts paid in settlement of any claim or any other matter with the consent of the Members) arising from any act or omission, except when the same is due to gross negligence or willful misconduct.

3.4 Uniformity. Any decisions, actions or interpretations to be made under the Plan by the Company, its Members or the Plan Administrator shall be made in its respective sole discretion, not as a fiduciary, and need not be uniformly applied to similarly situated individuals and shall be final, binding and conclusive on all persons interested in the Plan.

**ARTICLE 4  
PARTICIPATION**

4.1 Participation. Upon the selection by the Managing Member, and the approval by the Members holding greater than fifty percent (50%) of the Member Interests of the Company, the Company shall, in its sole discretion, at any time and from time to time, award Phantom Equity Plan Units to Participants and/or to Eligible Employees. No more than forty-five thousand (45,000) Phantom Equity Plan Units may be awarded by the Company and, correspondingly, no more than five percent (5%) of the Change of Control Value of the Company may be distributed pursuant to the terms of the Plan. The Phantom Equity Plan Units shall be subject to the terms and conditions as set forth in this Plan.

4.2 Notice and Acknowledgement. Each Award of Phantom Equity Plan Units shall be evidenced by an Award Agreement sent by the Plan Administrator to the Plan Participant. The Award Agreement will set forth the amount of Phantom Equity Plan Units issued to a Plan Participant and the Award Date Phantom Equity Plan Unit Value. The Award of the Phantom Equity Plan Units shall be effective upon the Participant's execution of the Award Agreement, in which the Participant shall acknowledge and agree to the terms and conditions of the Plan.

4.3 Phantom Equity Plan Unit Account. The Phantom Equity Plan Units awarded to a Participant shall be credited to the Participant's Phantom Equity Plan Unit Account. The establishment of a Phantom Equity Plan Unit Account for each Participant shall not require the segregation of any Company assets.

**ARTICLE 5**  
**VESTING**

5.1 Vesting of Awards. All Phantom Equity Plan Units shall become fully vested on the Closing Date.

5.2 Lapse of Non-Vested Units. A Participant's Phantom Equity Plan Units shall lapse upon his or her termination of full-time employment by the Company for any reason (including, but not limited to a Separation of Service, a termination for Cause, or retirement) prior to a Change in Control.

**ARTICLE 6**  
**BENEFITS TO PARTICIPANTS**

6.1 Payment for Phantom Equity Plan Units. Payment with respect to a Participant's Phantom Equity Plan Units shall be triggered upon the Change in Control of the Company.

6.2 Amount of Benefit Payment. The amount of the benefit payable to a Plan Participant shall be equal to the product of the following amounts:

- (i.) Change in Control Value; multiplied by
- (ii.) Phantom Equity Plan Unit Multiplier; multiplied by  
(the product of these amounts shall be referred to as "Phantom Equity Plan Unit Value")
- (iii.) The amount of the Participant's Phantom Equity Plan Units.

6.3 Payment of Benefit. A Participant's benefit shall be paid in a lump-sum on the Closing Date.

**ARTICLE 7**  
**CLAIMS PROCEDURE**

7.1 Claims Procedure.

(a) Claim. Any person who believes that they are being denied a payment to which they are entitled to under the Plan (hereinafter referred to as a "Claimant") may file a written request for such benefit with the Plan Administrator, setting forth the claim.

(b) Claim Decision. Upon receipt of a claim, the Plan Administrator shall advise the Claimant within ninety (90) days of receipt of the claim whether the claim is denied. If special circumstances require more than ninety (90) days for processing, the Claimant will be notified in writing within ninety (90) days of filing the claim that the Plan Administrator requires up to an additional ninety (90) days to reply. The notice will explain what special circumstances make an extension necessary and indicate the date a final decision is expected to be made.

If the claim is denied in whole or in part, the Claimant shall be provided a written opinion, using language calculated to be understood by the Claimant, setting forth:

- (i) The specific reason or reasons for such denial;
- (ii) The specific reference to pertinent provisions of this Plan on which such denial is based;
- (iii) A description of any additional material or information necessary for the Claimant to perfect the claim and an explanation why such material or such information is necessary;
- (iv) Appropriate information as to the steps to be taken if the Claimant wishes to submit the claim for review; and
- (v) The time limits for requesting a review under subsection (c) and for review under subsection (d) hereof.

(c) Request for Review. Within sixty (60) days after the receipt by the Claimant of the written opinion described above, the Claimant may request in writing that the Managing Member review the Plan Administrator's determination. The Claimant or the Claimant's duly authorized representative may, but need not, review the pertinent documents and submit issues and comments in writing for consideration by the Managing Member. If the Claimant does not request a review of the initial determination within such sixty (60) day period, the Claimant shall be barred and estopped from challenging the determination.

(d) Review of Decision. Within sixty (60) days after the Managing Member's receipt of a request for review, it will review the Plan Administrator's initial determination. After considering all materials presented by the Claimant, the Managing Member will render a written opinion, written in a manner calculated to be understood by the Claimant, setting forth the specific reasons for the decision and containing specific references to the pertinent provisions of this Agreement on which the decision is based. If special circumstances require that the sixty (60) day time period be extended, the Managing Member will so notify the Claimant and will render the decision as soon as possible, but no later than one hundred twenty (120) days after receipt of the request for review.

## ARTICLE 8 MISCELLANEOUS

8.1 Amendment and Termination. The Plan may be amended, suspended, discontinued or terminated at any time by the Company [Members holding greater than a fifty percent (50%) of the Membership Interests in the Company]; provided, however, that no such amendment, suspension, discontinuance or termination shall reduce or in any manner adversely affect the rights of any Participant with respect to benefits that are payable or may become payable under the Plan based upon the vested balance of the Participant's Phantom Equity Plan Units as of the effective date of such amendment, suspension, discontinuance or termination.

8.2 Voting and Dividend Rights. Participants shall not be entitled to any voting rights or any dividend rights or have their Phantom Equity Plan Unit Account credited or increased as a result of any dividends or other distributions with respect to the Shares of the Company.

8.3 Changes in Capital and Corporate Structure. In the event of any change in the Membership Interests of the Company by reason of an issuance of additional Membership Interests, recapitalization, reclassification, reorganization, Membership Interest split, reverse Membership Interest split, combination of Membership Interest, Membership Interest dividend or similar transaction, the Plan Administrator shall proportionately adjust, in an equitable manner, the number of Phantom Equity Plan Units held by Participants under the Plan. The foregoing adjustment shall be made in a manner that will cause the relationship between aggregate outstanding Membership Interests and the amount of Phantom Equity Plan Units held by each Participant hereunder to remain unchanged as a result of the applicable transaction.

8.4 Designation of Benefit. Each Participant may designate on forms to be provided by the Plan Administrator a Beneficiary or Beneficiaries (which Beneficiary may be an entity other than a natural person) to receive any payments which may be made following the Participant's death. Such designation may be changed or canceled at any time without the consent of any such Beneficiary. Any such designation, change or cancellation must be made in a form approved by the Plan Administrator and shall not be effective until received by the Plan Administrator, or its designee. If no Beneficiary has been named, or the designated beneficiary or Beneficiaries shall have predeceased the Participant, the Beneficiary shall be the Participant's estate. If a Participant designates more than one Beneficiary, the interests of such Beneficiaries shall be paid in equal shares, unless the Participant has specifically designated otherwise.

8.5 Limitation of Participant's Right. Nothing in this Plan shall be construed as conferring upon any Participant any right to continue in the employment of the Company, nor shall it interfere with the rights of the Company to terminate the employment of any Participant and/or to take any personnel action affecting any Participant without regard to the effect which such action may have upon such Participant as a recipient or prospective recipient of benefits under the Plan. Any amounts payable hereunder shall not be deemed salary or other compensation to a Participant for the purposes of computing benefits to which the Participant may be entitled under any other arrangement established by the Company for the benefit of its employees.

8.6 No Limitation on Company Actions. Nothing contained in the Plan shall be construed to prevent the Company from taking any action which is deemed by it to be appropriate or in its best interest. No Participant, Beneficiary, or other person shall have any claim against the Company as a result of such action.

8.7 Obligations to Company. If a Participant becomes entitled to a distribution of benefits under the Plan, and if at such time the Participant has outstanding any debt, obligation, or other liability representing an amount owing to the Company, then the Company may offset such amount owed to it against the amount of benefits otherwise distributable. Such determination shall be made by the Plan Administrator.

8.8 Nonalienation of Benefits. Except as expressly provided herein, no Participant or Beneficiary shall have the power or right to transfer (otherwise than by will or the laws of descent and distribution), alienate, or otherwise encumber the Participant's or Beneficiary's interest under the Plan. A Participant's or Beneficiary's interest under the Plan is not assignable or transferable pursuant to a domestic relations order. The provision of the Plan shall inure to the benefit of each Participant and the Participant's Beneficiaries, heirs, executors, administrators or successors in interest.

8.9 Protective Provisions. Each Participant shall cooperate with the Company by furnishing any and all information requested by the Company in order to facilitate the payment of benefits hereunder. If a Participant refuses to cooperate, the Company shall have no further obligation to the Participant under the Plan, other than the payment to such Participant of their then current balance, if any, in accordance with Article 6 of the Plan.

8.10 Taxes. The Company may make such provisions and take such action as it may deem appropriate for the withholding of any taxes which the Company is required by any law or regulation of any governmental authority, whether Federal, state, or local, to withhold in connection with any benefits under the Plan, including, but not limited to, the withholding of appropriate sums from any amount otherwise payable to the Participant (or the Participant's Beneficiary). Each Participant, however, shall be responsible for the payment of all individual tax liabilities relating to any such benefits.

8.11 Section 409A of the Code. It is intended that the payments and benefits provided under the Plan shall comply with the requirements of Code Section 409A. The Plan and all Award Agreements shall be construed in a manner that effects such intent. Nevertheless, the tax treatment of the benefits provided under the Plan 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 as a result of the Plan.

8.12 Unfunded Status of Plan. The Plan is intended to constitute an "unfunded" plan of deferred compensation for Participants. Benefits payable hereunder shall be payable out of the general assets of the Company. Nothing contained herein shall give any such participant any rights to assets that are greater than those of a general creditor of the Company.

8.13 Severability. If any provision of this Plan is held unenforceable, the remainder of the Plan shall continue in full force and effect without regard to such unenforceable provision and shall be applied as though the unenforceable provision were not contained in the Plan.

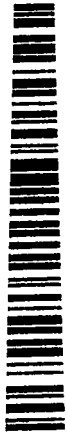
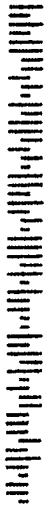
8.14 Governing Law. The Plan shall be construed in accordance with and governed by the laws of the Commonwealth of Pennsylvania, without reference to the principles of conflict of laws.

8.15 Headings. Headings are inserted in this Plan for convenience of reference only and are to be ignored in the construction of the provisions of the Plan.

8.16 Gender, Singular and Plural. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, or neuter, as the identity of the person or persons may require. As the context may require, the singular may read as the plural and the plural as the singular.

8.17 Notice. Any notice or filing required or permitted to be given to the Plan Administrator under the Plan shall be sufficient if in writing and hand delivered, or sent by registered or certified mail, to Panther<sub>x</sub> Specialty, LLC, 24 Summit Drive, Suite 101, Pittsburgh, PA 15275, Attn.: Emily Bowman, or to such other entity as the Plan Administrator may designate from time to time. Such notice shall be deemed given as to the date of delivery, or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification.

**CERTIFIED MAIL**



7016 2340 0000 8987 2513

**ROTHMAN  
&  
GORDON**

Rothman Gordon P.C.  
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310 Grant Street, Third Floor  
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MSW 62526-4

United States Department of Labor  
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