
Section 1: S-8 (S-8)

Registration No. 333-

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM S-8
REGISTRATION STATEMENT
Under
the Securities Act of 1933

JEFFERIES FINANCIAL GROUP INC.

(Exact name of registrant as specified in its charter)

New York
(State or other jurisdiction of
incorporation or organization)

13-2615557
(I.R.S. Employer
Identification No.)

520 Madison Avenue
New York, New York 10022
(212) 460-1900
(Address of Principal Executive Offices, including Zip Code)

JEFFERIES FINANCIAL GROUP INC.
AMENDED AND RESTATED 1999 STOCK INCENTIVE PLAN (HOMEFED)

JEFFERIES FINANCIAL GROUP INC. 2017 RSU OPPORTUNITY PLAN (HOMEFED)
(Full title of the plan)

Michael J. Sharp
Executive Vice President and General Counsel
Jefferies Financial Group Inc.
520 Madison Avenue
New York, New York 10022
(212) 460-1900
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer

Accelerated Filer

Non-accelerated filer

Smaller reporting company

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 7(a)(2)(B) of the Securities Act.

CALCULATION OF REGISTRATION FEE

Title of securities to be registered	Amount to be registered (1)	Proposed maximum offering price per share (1)(2)	Proposed maximum aggregate offering price (1)(2)	Amount of registration fee (1)(2)
Common Stock, par value \$1.00 per share	457,000 shares (3)	\$18.84	\$8,609,880.00	\$1,043.52

- (1) In accordance with Rule 416 under the Securities Act of 1933, as amended (the “Securities Act”), this Registration Statement on Form S-8 (this “Registration Statement”) shall also cover any additional shares of the registrant’s Common Stock which become issuable under each of the Jefferies Financial Group Inc. Amended and Restated 1999 Stock Incentive Plan (HomeFed) (the “Incentive Plan”) and the Jefferies Financial Group Inc. 2017 RSU Opportunity Plan (HomeFed) (the “RSU Opportunity Plan”, and together with the Incentive Plan, each, a “Plan” and together, the “Plans”) by reason of a stock dividend, stock split, recapitalization or other similar transaction.
 - (2) The proposed maximum offering price per share has been estimated in accordance with Rule 457(c) and Rule 457(h) under the Securities Act, solely for the purpose of calculating the registration fee for shares reserved for future issuance under the Incentive Plan and the RSU Opportunity Plan. The computation is based upon of the average of the high and low prices of the registrant’s Common Stock reported in the consolidated reporting system on June 27, 2019 (\$18.98 and \$18.69, respectively).
 - (3) The number of shares to be registered under the respective plans are as follows: Incentive Plan – 325,000, and RSU Opportunity Plan – 132,000.
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**JEFFERIES FINANCIAL GROUP INC.
AMENDED AND RESTATED 1999 STOCK INCENTIVE PLAN (HOMEFED)**

**JEFFERIES FINANCIAL GROUP INC. 2017 RSU OPPORTUNITY PLAN (HOMEFED)
REGISTRATION STATEMENT ON FORM S-8**

EXPLANATORY NOTE

This Registration Statement registers shares of common stock, par value \$1.00 per share (the “Common Stock”), of Jefferies Financial Group Inc., a New York corporation (the “Registrant”), which may be issued pursuant to each of the (i) Incentive Plan and (ii) RSU Opportunity Plan. On July 1, 2019, the Board of Directors of the Registrant approved the assumption and amendment of each Plan, each of which was assumed by the Registrant in connection with the merger of HomeFed Corporation, a Delaware corporation, with and into a wholly owned subsidiary of the Registrant on July 1, 2019. Up to 325,000 shares of Common Stock are issuable pursuant to outstanding stock options to purchase Common Stock or other unvested awards granted under the Incentive Plan, and up to 132,000 shares of Common Stock issuable pursuant to the RSU Opportunity Plan.

PART I

INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

The documents containing the information specified in Part I of this Registration Statement will be sent or given to employees participating in each Plan, as specified by Rule 428(b)(1) promulgated under the Securities Act. In accordance with the instructions to Part I of Form S-8, such documents will not be filed with the Securities and Exchange Commission (the “SEC”) either as part of this Registration Statement or as prospectuses or prospectus supplements pursuant to Rule 424 promulgated under the Securities Act. These documents and the documents incorporated by reference pursuant to Item 3 of Part II of this Registration Statement, taken together, constitute the prospectus as required by Section 10(a) of the Securities Act.

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents, which have been previously filed with the SEC, are hereby incorporated by reference in this Registration Statement:

- (a) The Registrant's Transition Report on [Form 10-K](#) for the transition period from January 1, 2018 to November 30, 2018, filed on January 29, 2019, as amended by that certain Amendment No. 1 on [Form 10-K/A](#), filed on March 28, 2019.
- (b) All other reports filed by the Registrant pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (other than information contained in Current Reports on Form 8-K that is deemed furnished and not filed), since the end of the fiscal year covered by the annual report referred to in (a) above, including the Registrant's Current Reports on Form 8-K, filed on [February 1, 2019](#), [February 12, 2019](#), [March 29, 2019](#), [April 15, 2019](#), [April 29, 2019](#), and [May 3, 2019](#), and its Quarterly Report on Form 10-Q for the first fiscal quarter of 2019 ended on February 29, 2019, filed on [April 9, 2019](#).
- (c) The description of our common shares, which is contained under the caption "Description of Jefferies Capital Stock" in our Registration Statement on [Form S-4/A](#) (No. 333-231306) as filed with the SEC on May 17, 2019, including any amendment or report filed for the purpose of updating such description.

All documents filed by the Registrant with the SEC pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act subsequent to the effectiveness of this Registration Statement and prior to the filing of a post-effective amendment (other than information contained in documents that are deemed furnished and not filed) which indicate that all securities offered have been sold or which deregisters all securities then remaining unsold shall be deemed to be incorporated by reference in this Registration Statement and to be part hereof from the date of filing of such documents.

The documents incorporated by reference herein contain or will contain forward-looking statements that involve risks and uncertainties. The Registrant's actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such a difference include, but are not limited to, the risks identified in the respective documents incorporated by reference.

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts and Counsel.

Not applicable.

Item 6. Indemnification of Directors and Officers.

Jefferies Financial Group Inc. (the "Company"), a New York corporation, is empowered by Sections 721-726 of the NYBCL, subject to the procedures and limitations therein, to indemnify and hold harmless any director or officer or other person from and against any and all claims and demands whatsoever, subject to such standards and restrictions, if any, as are set forth in its certificate of incorporation or by-laws.

The Company's amended and restated by-laws require that, to the full extent permitted and in the manner required by the laws of the State of New York, will (i) indemnify any person (and the heirs and legal representatives of such person) made, or threatened to be made, a party in an action or proceeding (including, without limitation, one by or in the right of the Company to procure a judgment in its favor), whether civil, criminal, administrative or investigative, including an action by or in the right of any other corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, employee benefit plan or other enterprise, which any director or officer of the Company served in any capacity at the request of the Company, by reason of the fact that he, his testator or intestate, was a director or officer of the Company or served such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise in any capacity and (ii) provide to any such person (and their heirs and legal representatives of such person) advances for expenses incurred in pursuing such action or proceeding, upon receipt of an undertaking by or on behalf of such director or officer to repay such amount as, and to the extent, required by Section 725(a) of the NYBCL.

The foregoing is only a general summary of certain aspects of New York law and the Company's by-laws dealing with indemnification of directors and officers.

See also the undertakings set forth in response to Item 9 hereof.

Item 7. Exemption from Registration Claimed.

Not applicable.

Item 8. Exhibits.

The Exhibits listed on the accompanying Index to Exhibits are filed as a part hereof, and incorporated by reference into, this Registration Statement. (See Index to Exhibits below).

Item 9. Undertakings.

A. The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

Provided, however, that the undertakings set forth in paragraphs (A)(1)(i) and (A)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the SEC by the Registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in the Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

B. The undersigned Registrant hereby undertakes, that, for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

C. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being

registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

INDEX TO EXHIBITS

Exhibit Number	Exhibit Document
4.1	<u>Restated Certificate of Incorporation of Jefferies Financial Group Inc. (incorporated by reference to Exhibit 3.1 to the Company's Form 10-Q filed on August 1, 2018)</u>
4.2	<u>Amended and Restated By-Laws of Jefferies Financial Group (effective May 23, 2018) (incorporated by reference to Exhibit 3.2 to the Company's Form 10-Q filed on August 1, 2018)</u>
5.1	<u>Opinion of Weil Gotshal & Manges LLP</u>
23.1	<u>Consent of Deloitte & Touche LLP</u>
23.2	<u>Consent of Pricewaterhouse Coopers LLP</u>
23.3	<u>Consent of Grant Thornton LLP</u>
23.4	<u>Consent of Weil Gotshal & Manges LLP (contained in Exhibit 5.1 hereto)</u>
24.1	<u>Power of Attorney (see signature page)</u>
99.1	<u>HomeFed Corporation Amended and Restated 1999 Stock Incentive Plan (as amended, the "Jefferies Financial Group Inc. Amended and Restated 1999 Stock Incentive Plan (HomeFed)")</u>
99.2	<u>Amendment to HomeFed Corporation Amended and Restated 1999 Stock Incentive Plan</u>
99.3	<u>Form of Grant of Non-Qualified Stock Option to Key Employees and Affiliated Participants</u>
99.4	<u>HomeFed Corporation 2017 RSU Opportunity Plan (as amended, the "Jefferies Financial Group Inc. 2017 RSU Opportunity Plan (HomeFed)")</u>
99.5	<u>Amendment to HomeFed Corporation 2017 RSU Opportunity Plan</u>
99.6	Form of RSU Opportunity Notice

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of New York, State of New York, on July 3, 2019.

JEFFERIES FINANCIAL GROUP INC.

By:

/s/ Teresa S. Gendron

Teresa S. Gendron

Vice President and Chief Financial Officer

July 3, 2019

Jefferies Financial Group Inc.
520 Madison Avenue
New York, New York 10022

Ladies and Gentlemen:

We have acted as counsel to Jefferies Financial Group Inc., a New York corporation (the "Company"), in connection with the preparation and filing with the Securities and Exchange Commission of the Company's Registration Statement on Form S-8 (the "Registration Statement") under the Securities Act of 1933, as amended (the "Securities Act"), relating to the registration of an additional 457,000 shares, in the aggregate, under the (i) Jefferies Financial Group Inc. 2017 RSU Opportunity Plan (HomeFed) (the "RSU Opportunity Plan") and (ii) Jefferies Financial Group Inc. Amended and Restated 1999 Stock Incentive Plan (HomeFed) (the "Incentive Plan," and together with the RSU Opportunity Plan, each, a "Plan," and together, the "Plans"), which additional shares may be issued as shares of Jefferies Financial Group Inc. common stock, par value \$1.00 per share (the "Common Stock").

In so acting, we have examined originals or copies (certified or otherwise identified to our satisfaction) of the Registration Statement and each Plan pursuant to which the shares of Common Stock will be issued and such corporate records, agreements, documents and other instruments, and such certificates or comparable documents of public officials and of officers and representatives of the Company, and have made such inquiries of such officers and representatives, as we have deemed relevant and necessary as a basis for the opinion hereinafter set forth.

In such examination, we have assumed the genuineness of all signatures, the legal capacity of all natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified, conformed or photostatic copies and the authenticity of the originals of such latter documents. As to all questions of fact material to this opinion that have not been independently established, we have relied upon certificates or comparable documents of officers and representatives of the Company.

Based on the foregoing, and subject to the qualifications stated herein, we are of the opinion that the 457,000 shares of Common Stock that will be available for issuance pursuant to each Plan have been duly authorized and, when issued and delivered in accordance with the terms of each Plan, will be validly issued, fully paid and nonassessable and free of preemptive rights pursuant to law or in the Company's Certificate of Incorporation.

The opinion expressed herein is limited to the laws of the State of New York, and we express no opinion as to the effect on the matters covered by this letter of the laws of any other jurisdiction.

We hereby consent to the use of this letter as an exhibit to the Registration Statement and to any and all references to our firm in the Prospectus which is a part of the Registration Statement. In giving such consent we do not hereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Securities and Exchange Commission.

Very truly yours,

/s/ Weil, Gotshal & Manges LLP

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Section 3: EX-23.1 (EX-23.1)

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Registration Statement on Form S-8 of our reports dated January 28, 2019, relating to the financial statements and financial statement schedules of Jefferies Financial Group Inc. (which report expresses an unqualified opinion and includes an emphasis of matter paragraph relating to the change in fiscal year end from December 31 to November 30), and the effectiveness of Jefferies Financial Group Inc.'s internal control over financial reporting, appearing in the Transition Report on Form 10-K of Jefferies Financial Group Inc. for the transition period from January 1, 2018 to November 30, 2018.

/s/ *DELOITTE & TOUCHE LLP*

New York, New York

July 3, 2019

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in this Registration Statement on Form S-8 of our report dated January 28, 2019, relating to the consolidated financial statements of Jefferies Finance LLC and Subsidiaries as of November 30, 2018 and for the year then ended, appearing in the Transition Report on Form 10-K of Jefferies Financial Group Inc. for the transition period from January 1, 2018 to November 30, 2018.

/s/ Deloitte & Touche LLP

New York, New York
July 3, 2019

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in this Registration Statement on Form S-8 of our report dated March 14, 2018, relating to the consolidated financial statements of National Beef Packing Company, LLC and its subsidiaries as of December 30, 2017 and for the fiscal year then ended, appearing in Amendment No. 1 to Transition Report on Form 10-K/A of Jefferies Financial Group Inc. for the transition period from January 1, 2018 to November 30, 2018.

/s/ Deloitte & Touche LLP
Kansas City, Missouri
July 3, 2019
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Section 4: EX-23.2 (EX-23.2)

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-8 of Jefferies Financial Group Inc. (formerly known as Leucadia National Corporation) of our report dated February 27, 2017, except for the change in the manner in which the Company accounts for restricted cash in the statement of cash flows discussed in Note 4, the effects of discontinued operations discussed in Note 28, and the change in composition of reportable segments discussed in Note 29 to the consolidated financial statements, as to which the date is January 28, 2019, relating to the financial statements and financial statement schedule, which appears in Jefferies Financial Group Inc.'s Form 10-KT for the year ended November 30, 2018.

/s/ PricewaterhouseCoopers LLP
New York, New York
July 3, 2019

CONSENT OF INDEPENDENT AUDITORS

We hereby consent to the incorporation by reference in this Registration Statement on Form S-8 of Jefferies Financial Group Inc. of our report dated March 22, 2019 relating to the financial statements of Berkadia Commercial Mortgage Holding LLC which appears in Jefferies Financial Group Inc.'s Form 10-K/A (Amendment No. 1 to its Transition Report on Form 10-K) for the year ended November 30, 2018.

/s/ PricewaterhouseCoopers LLP
McLean, Virginia
July 3, 2019

CONSENT OF INDEPENDENT AUDITORS

We hereby consent to the incorporation by reference in this Registration Statement on Form S-8 of Jefferies Financial Group Inc. of our report dated March 9, 2017, except as to the revision of the statement of cash flows described in Note 2, which is dated March 14, 2018, relating to the financial statements of National Beef Packing Company, LLC, which appears in Jefferies Financial Group Inc.'s Form 10-K/A (Amendment No. 1 to its Transition Report on Form 10-K) for the year ended November 30, 2018.

/s/ PricewaterhouseCoopers LLP
Kansas City, Missouri
July 3, 2019
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Section 5: EX-23.3 (EX-23.3)

Exhibit 23.3

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

We have issued our report dated March 13, 2019, with respect to the consolidated financial statements of National Beef Packing Company, LLC and subsidiaries included in the Transition Report of Jefferies Financial Group Inc. on Form 10-K/A for the transition period from January 1, 2018 to November 30, 2018, which are incorporated by reference in this Registration Statement. We consent to the incorporation by reference of the aforementioned report in this Registration Statement.

/s/ Grant Thornton LLP
Kansas City, Missouri
July 3, 2019
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Section 6: EX-99.1 (EX-99.1)

Exhibit 99.1

HOMEFED CORPORATION

AMENDED AND RESTATED 1999 STOCK INCENTIVE PLAN

I. PURPOSES

HomeFed Corporation (the "Company") desires to afford its directors and certain of its officers, key employees and certain officers and key employees of any subsidiary corporation, parent corporation or affiliated corporation of the Company now existing or hereafter formed or acquired who are responsible for the continued growth of the Company (collectively "Eligible Persons") an opportunity to acquire a proprietary interest in the Company, and thus to create in such persons an increased interest in and a greater concern for the welfare of the Company and its subsidiaries.

The 1999 Stock Incentive Plan became effective on October 25, 1999, and was subsequently amended on July 14, 2003 and July 14, 2004 (the "1999 Plan"). This Amended and Restated 1999 Stock Incentive Plan (the "Amended and Restated Plan") is, subject to Article XXX, effective on July 14, 2009 (the "Amendment Effective Date"). Under the Amended and Restated Plan the number of shares of Company Common Stock, par value \$.01 per share (the "Shares") available for issuance is 500,000 shares, of which 469,900 shares remain available for issuance on the Amendment Effective Date. The Options, Rights and Restricted Stock offered pursuant to the Amended and Restated Plan are a matter of separate inducement and are not in lieu of any salary or other compensation for the services of such persons. The Company will receive no monetary consideration for the grant of any Options and/or Rights or the issuance of any Restricted Stock.

The Company, by means of the Amended and Restated Plan, seeks to retain the services of persons now holding directorships and key positions and to secure and retain the services of persons capable of filling such positions. In addition, with respect to Restricted Stock granted during 2000 only, the Company rewarded Eligible Persons for their past service to the Company during the period from the Company's Chapter 11 bankruptcy reorganization to the date of grant.

The Options granted under the Amended and Restated Plan are intended to be either incentive stock options ("Incentive Options") within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"), or options that do not meet the requirements for Incentive Options ("Non-Qualified Options"), but the Company makes no warranty as to the qualification of any Option as an Incentive Option.

II. AMOUNT OF STOCK SUBJECT TO THE AMENDED AND RESTATED PLAN

The total number of Shares that may be purchased pursuant to the exercise of Options granted under the Amended and Restated Plan, acquired pursuant to the exercise of Rights granted under the Amended and Restated Plan or issued as Restricted Stock under the

Amended and Restated Plan shall not exceed, in the aggregate, five hundred thousand (500,000) Shares, such number to be subject to adjustment in accordance with Article XVIII. As of the Amendment Effective Date, 469,900 shares remain available for issuance under the plan. Shares that are the subject of Rights and/or related Options shall be counted only once in determining whether the maximum number of Shares that may be purchased or awarded under the Amended and Restated Plan has been exceeded.

Shares which may be acquired under the Amended and Restated Plan may be either authorized but unissued Shares, Shares of issued stock held in the Company's treasury, or both, at the discretion of the Company. If and to the extent that Options and/or Rights granted under the Amended and Restated Plan expire or terminate without having been exercised or shares of Restricted Stock awarded under the Amended and Restated Plan are forfeited, the Shares covered by such expired or terminated Options or Rights or such forfeited shares of Restricted Stock may again be subject to an Option, Right or share of Restricted Stock under the Amended and Restated Plan.

Except as provided in Articles IV, X through XIII, XXVI, and XXX hereof, the Committee (as defined in Article III) may, from time to time beginning on the Amendment Effective Date, grant to certain officers and key employees and directors of the Company, or certain officers, key employees of any subsidiary corporation, parent corporation or affiliated corporation of the Company now existing or hereafter formed or acquired, Incentive Options, Non-Qualified Options, Rights and/or shares of Restricted Stock under the terms hereinafter set forth.

Provisions of the Amended and Restated Plan that pertain to Options, Rights or Restricted Stock granted to an Eligible Person shall apply to Options, Rights, Restricted Stock or any combination thereof.

As used in the Amended and Restated Plan, the term "parent corporation" and "subsidiary corporation" shall mean a corporation coming within the definition of such terms contained in Sections 424(e) and 424(f) of the Code, respectively. As used in this Plan, the term "affiliated corporation" shall mean any entity providing managerial, administrative, consulting or advisory services to the Company, or any parent corporation or subsidiary corporation of such affiliated corporation.

III. ADMINISTRATION

The Amended and Restated Plan will be administered by the Board of Directors of the Company or by a committee (the "Committee") appointed by the Board of Directors of the Company from among its members that is comprised, unless otherwise determined by the Board of Directors, solely of not less than two members who shall be "Non-Employee Directors" within the meaning of Rule 16b-3(b)(3) (or any successor rule) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). If the Board of Directors of the Company administers the Amended and Restated Plan rather than a committee of the Board of Directors, then all references to "Committee" in the Amended and Restated Plan shall be deemed to mean a reference to the Board of Directors of the Company.

The Committee is authorized, subject to the provisions of the Amended and Restated Plan, to establish such rules and regulations as it deems necessary for the proper administration of the Amended and Restated Plan and to make such determinations and interpretations and to take such action in connection with the Amended and Restated Plan and any benefits granted hereunder as it deems necessary or advisable. Subject to the express provisions of the Amended and Restated Plan, including, without limitation, Articles X through XIII hereof, the Committee also shall have authority to construe the Amended and Restated Plan and the Options, Rights or Restricted Stock granted thereunder, to amend the Options, Rights or Restricted Stock granted hereunder, to prescribe, amend and rescind rules and regulations relating to the Amended and Restated Plan, to determine the terms and provisions of the Options, Rights and Restricted Stock (none of which need be identical) and to make all other determinations necessary or advisable for administering the Amended and Restated Plan.

The Committee also shall have the authority to require, in its discretion, as a condition of the granting of any such Option or Right, that the employee agree (a) not to sell or otherwise dispose of Shares acquired pursuant to the exercise of such Option or Right for a period of six (6) months following the date of the acquisition of such Option or Right and (b) that in the event of termination of employment of such employee, other than as a result of dismissal without cause, such employee will not, for a period to be fixed at the time of the grant of the Option or Right, enter into any other employment or participate directly or indirectly in any other business or enterprise which is competitive with the business of the Company or any subsidiary corporation or parent corporation of the Company, or enter into any employment in which such employee will be called upon to utilize special knowledge obtained through employment with the Company or any subsidiary corporation or parent corporation thereof.

All determinations and interpretations made by the Committee shall be binding and conclusive on all participants and their legal representatives. No member of the Committee and no employee of the Company shall be liable for any act or failure to act hereunder, except in circumstances involving his or her bad faith, gross negligence or willful misconduct, or for any act or failure to act hereunder by any other member or employee or by any agent to whom duties in connection with the administration of this Amended and Restated Plan have been delegated. The Company shall indemnify members of the Committee and any agent of the Committee who is an employee of the Company, a subsidiary or an affiliate against any and all liabilities or expenses to which they may be subjected by reason of any act or failure to act with respect to their duties on behalf of the Amended and Restated Plan, except in circumstances involving such person's bad faith, gross negligence or willful misconduct.

The Committee may delegate to one or more of its members, or to one or more agents, such administrative duties as it may deem advisable, and the Committee, or any person to whom it has delegated duties as aforesaid, may employ one or more persons to render advice with respect to any responsibility the Committee or such person may have under the Amended and Restated Plan. The Committee may employ such legal or other counsel, consultants and agents as it may deem desirable for the administration of the Amended and Restated Plan and may rely upon any opinion or computation received from any such counsel, consultant or agent. Expenses incurred by the Committee in the engagement of such counsel, consultant or agent shall be paid by the Company, or the subsidiary or affiliate whose employees have benefited from the Amended and Restated Plan, as determined by the Committee.

IV. ELIGIBILITY

Incentive Options may be granted only to salaried key employees of the Company or any subsidiary corporation or parent corporation of the Company now existing or hereafter formed or acquired, except as hereinafter provided. Non-Qualified Options, Rights may be granted to officers or key employees of the Company or any subsidiary corporation, parent corporation or affiliated corporation, provided, however, that only those employees of an affiliated corporation who provide or have provided service to the Company and who are responsible for the continued growth of the Company are eligible to receive grants of Options or Rights under the Amended and Restated Plan. Non-Qualified Options may be granted to directors of the Company (including former officers or key employees), solely in their capacity as directors (“Director Participants”), but only pursuant to and in accordance with the provisions of Articles X through XIII hereof. Restricted Stock may be awarded to persons now serving as directors of the Company or employed as officers or key employees of the Company or any subsidiary corporation, parent corporation or affiliated corporation, provided, however, that only those employees of an affiliated corporation who provide or have provided service to the Company and who are responsible for the continued growth of the Company are eligible to receive grants of Restricted Stock under the Amended and Restated Plan.

The Amended and Restated Plan does not create a right in any person to participate in the Amended and Restated Plan, nor does it create a right in any person to have any Options, Rights or Restricted Stock granted to him or her.

The aggregate number of Shares with respect to which Options, Rights or shares of Restricted Stock may be granted under the Amended and Restated Plan to any grantee in any one taxable year is 30,000.

Notwithstanding any other provision of this Amended and Restated Plan, if the grant of an Option or Right would cause any person (whether the grantee or any other person) to become a “5 percent stockholder” of the Company within the meaning of Section 382 of the Code and the regulations promulgated thereunder as a result of the grant of the Option or Right to the grantee, such grant shall only be effective to acquire the number of Shares (or, in the case of a Right, Shares and/or cash) of the Company as could be acquired without causing such person to become a “5 percent stockholder,” and if the exercise of an Option or Right would cause any person (whether the grantee or any other person) to become a “5 percent stockholder” of the Company as a result of the exercise of such Option or Right, such exercise shall be effective only for the number of Shares (or, in the case of a Right, Shares and/or cash) that such grantee can acquire without causing such person to become a “5 percent stockholder” and the issuance of any Shares (or, in the case of a Right, any Shares and/or cash) in excess of such amount shall be null and void. Furthermore, notwithstanding any other provision of this Plan, if the grant of (i) Restricted Stock, (ii) the lapse or termination of the Restricted Period and/or (iii) the filing by a grantee of an election under Section 83(b) of the Code with respect to such Restricted Stock (hereinafter (ii) and (iii) are referred to collectively as “vesting”) would cause any person (whether the grantee or any other person) to become a “5 percent stockholder” of the Company within the meaning of Section 382 of the Code and the regulations promulgated thereunder as a result of such grant and/or vesting of the Restricted Stock, such grant of

Restricted Stock shall only be effective as to the number of shares of the Company as could be acquired without causing such person to become a “5 percent stockholder.” Upon the (i) grant or exercise of an Option or Right or (ii) upon the grant or vesting of Restricted Stock, the Committee may, at the Committee’s discretion, request that the grantee submit any appropriate certifications or affidavits to satisfy the Committee that such grant, exercise, and/or vesting will not cause any person to become a “5 percent stockholder” of the Company as a result of such grant, exercise, and/or vesting.

V. OPTION PRICE AND PAYMENT

The price for each Share purchasable under any Option granted hereunder shall be such amount as the Committee may determine; provided, however, that the exercise price of an Incentive Option shall not be less than one hundred percent (100%) of the Fair Market Value (as defined below) of the Shares on the date the Option is granted; provided, further, that in the case of an Incentive Option granted to a person who, at the time such Option is granted, owns shares of the Company or any subsidiary corporation or parent corporation of the Company possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or of any subsidiary corporation or parent corporation of the Company, the purchase price for each Share shall not be less than one hundred ten percent (110%) of the Fair Market Value per Share at the date the Option is granted. In determining the stock ownership of an employee for any purpose under the Amended and Restated Plan, the rules of Section 424(d) of the Code shall be applied, and the Committee may rely on representations of fact made to it by the employee and believed by it to be true.

Except as set forth in Article XVIII, for purposes of this Amended and Restated Plan and any Options, Rights and/or Restricted Stock awarded hereunder, Fair Market Value shall be the closing price of the Shares on the date of calculation (or on the last preceding trading date if Shares were not traded on such date) if the Shares are readily tradable on a national securities exchange or other market system, and if the Shares are not readily tradable, Fair Market Value shall mean the amount determined in good faith by the Committee as the fair market value of the Shares of the Company.

Upon the exercise of an Option granted hereunder, the Company shall cause the purchased Shares to be issued only when it shall have received the full purchase price for the Shares in cash; provided, however, that in lieu of cash, the holder of an Option may, if the terms of such Option so provide and to the extent permitted by applicable law, exercise an Option (a) in whole or in part, by delivering to the Company Shares (in proper form for transfer and accompanied by all requisite stock transfer tax stamps or cash in lieu thereof) owned by such holder having a Fair Market Value equal to the cash exercise price applicable to that portion of the Option being exercised by the delivery of such Shares, the Fair Market Value of the Shares so delivered to be determined as of the date immediately preceding the date on which the Option is exercised, or as may be required in order to comply with or to conform to the requirements of any applicable laws or regulations, or (b) in part, by delivering to the Company an executed promissory note on such terms and conditions as the Committee shall determine, at the time of grant, in its sole discretion; provided, however, that (i) the principal amount of such note shall not exceed ninety percent (90%) (or such lesser percentage as would be permitted by applicable

margin regulations) of the aggregate purchase price of the Shares then being purchased pursuant to the exercise of such Option and (ii) payment for Shares with a promissory note is permissible under applicable law. The Committee may prescribe any other method of paying the exercise price that it determines to be consistent with applicable law and the purpose of the Amended and Restated Plan.

VI. TERMS OF OPTIONS AND LIMITATIONS ON THE RIGHT OF EXERCISE

Any Option granted hereunder shall be exercisable at such times, in such amounts and during such period or periods as the Committee shall determine at the date of the grant of such Option; provided, however, that an Incentive Option shall not be exercisable after the expiration of ten (10) years from the date such Option is granted; provided, further, that in the case of an Incentive Option granted to a person who, at the time such Incentive Option is granted, owns stock of the Company or any subsidiary corporation or parent corporation of the Company possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or of any subsidiary corporation or parent corporation of the Company, such Incentive Option shall not be exercisable after the expiration of five (5) years from the date such Incentive Option is granted.

Each Option shall be subject to such additional terms and conditions as may from time to time be prescribed by the Committee (which terms and conditions may be subsequently waived by the Committee), subject to the limitations contained in the Amended and Restated Plan. The Committee shall have the right to accelerate, in whole or in part, from time to time, conditionally or unconditionally, rights to exercise any Option granted hereunder.

To the extent that an Option is not exercised within the period of exercisability specified therein, it shall expire as to the then unexercised part.

Except to the extent otherwise provided under the Code, to the extent that the aggregate Fair Market Value of stock for which Incentive Options (under all stock option plans of the Company and of any parent corporation or subsidiary corporation of the Company) are exercisable for the first time by an employee during any calendar year exceeds one hundred thousand dollars (\$100,000), such Options shall be treated as Non-Qualified Options. For purposes of this limitation, (a) the Fair Market Value of stock is determined as of the time the Option is granted and (b) the limitation will be applied by taking into account Options in the order in which they were granted.

In no event shall an Option granted hereunder be exercised for a fraction of a Share.

A person entitled to receive Shares upon the exercise of an Option shall not have the rights of a stockholder with respect to such Shares until the date of issuance of a stock certificate in accordance with applicable law to him for such Shares; provided, however, that until such stock certificate is issued, any holder of an Option using previously acquired Shares in payment of an option exercise price shall continue to have the rights of a stockholder with respect to such previously acquired Shares.

VII. STOCK APPRECIATION RIGHTS

At the discretion of the Committee, a Right may be granted (a) alone, (b) simultaneously with the grant of an Option (either Incentive or Non-Qualified) and in conjunction therewith or in the alternative thereto or (c) subsequent to the grant of a Non-Qualified Option and in conjunction therewith or in the alternative thereto.

The exercise price of a Right granted alone shall be determined by the Committee but shall not be less than one hundred percent (100) of the Fair Market Value of one Share on the date of grant of such Right. A Right granted simultaneously with or subsequent to the grant of an Option and in conjunction therewith or in the alternative thereto shall have the same exercise price as the related Option, shall be transferable only upon the same terms and conditions as the related Option, and shall be exercisable only to the same extent as the related Option; provided, however, that a Right, by its terms, shall be exercisable only when the Fair Market Value of the Shares subject to the Right and related Option exceeds the exercise price thereof.

Upon exercise of a Right granted simultaneously with or subsequent to an Option and in the alternative thereto, the number of Shares for which the related Option shall be exercisable shall be reduced by the number of Shares for which the Right shall have been exercised. The number of Shares for which a Right shall be exercisable shall be reduced upon any exercise of a related Option by the number of Shares for which such Option shall have been exercised.

Any Right shall be exercisable upon such additional terms and conditions as may from time to time be prescribed by the Committee.

A Right shall entitle the holder upon exercise thereof to receive from the Company, upon a written request filed with the Secretary of the Company at its principal offices (the "Request"), a number of Shares (with or without restrictions as to substantial risk of forfeiture and transferability, as determined by the Committee in its sole discretion), an amount of cash, or any combination of Shares and cash, as specified in the Request (but subject to the approval of the Committee, in its sole discretion, at any time up to and including the time of payment, as to the making of any cash payment), having an aggregate Fair Market Value equal to the product of (a) the excess of the Fair Market Value, on the day of such Request, of one Share over the exercise price per Share specified in such Right or its related Option, multiplied by (b) the number of Shares for which such Right shall be exercised; provided, however, that the Committee, in its discretion, may impose a maximum limitation on the amount of cash, the Fair Market Value of Shares, or a combination thereof, which may be received by a holder upon exercise of a Right.

Any election by a holder of a Right to receive cash in full or partial settlement of such Right, and any exercise of such Right for cash, may be made only by a Request filed with the Corporate Secretary of the Company during the period beginning on the third business day following the date of release for publication by the Company of quarterly or annual summary statements of earnings and ending on the twelfth business day following such date. Within thirty (30) days after the receipt by the Company of a Request to receive cash in full or partial settlement of a Right or to exercise such Right for cash, the Committee shall, in its sole discretion, either consent to or disapprove, in whole or in part, such Request.

If the Committee disapproves in whole or in part any election by a holder to receive cash in full or partial settlement of a Right or to exercise such Right for cash, such disapproval shall not affect such holder's right to exercise such Right at a later date, to the extent that such Right shall be otherwise exercisable, or to elect the form of payment at a later date, provided that an election to receive cash upon such later exercise shall be subject to the approval of the Committee. Additionally, such disapproval shall not affect such holder's right to exercise any related Option or Options granted to such holder under the Amended and Restated Plan.

A holder of a Right shall not be entitled to request or receive cash in full or partial payment of such Right during the first six (6) months of its term; provided, however, that such prohibition shall not apply if the holder of such Right is not subject to the reporting requirements of Section 16(a) of the Exchange Act.

For all purposes of this Article VII, the fair market value of Shares shall be determined in accordance with the principles set forth in Article V hereof.

VIII. TERMINATION OF EMPLOYMENT

Upon termination of employment of any employee with the Company and all subsidiary corporations and parent corporations of the Company, any Option or Right previously granted to the employee, unless otherwise specified by the Committee in the Option or Right, shall, to the extent not theretofore exercised, terminate and become null and void; provided, however, that:

(a) if the employee shall die while in the employ of such corporation or during either the three (3) month or one (1) year period, whichever is applicable, specified in clause (b) below and at a time when such employee was entitled to exercise an Option or Right as herein provided, the legal representative of such employee, or such person who acquired such Option or Right by bequest or inheritance or by reason of the death of the employee, may, not later than one (1) year from the date of death, exercise such Option or Right, to the extent not theretofore exercised, in respect of any or all of such number of Shares as specified by the Committee in such Option or Right; and

(b) if the employment of any employee to whom such Option or Right shall have been granted shall terminate by reason of the employee's retirement (at such age or upon such conditions as shall be specified by the Committee), disability (as described in Section 22(e)(3) of the Code) or dismissal by the employer other than for cause (as defined below), and while such employee is entitled to exercise such Option or Right as herein provided, such employee shall have the right to exercise such Option or Right so granted in respect of any or all of such number of Shares as specified by the Committee in such Option or Right, at any time up to and including (i) three (3) months after the date of such termination of employment in the case of termination by reason of retirement or dismissal other than for cause, and (ii) one (1) year after the date of termination of employment in the case of termination by reason of disability.

In no event, however, shall any person be entitled to exercise any Option or Right after the expiration of the period of exercisability of such Option or Right, as specified therein.

If an employee voluntarily terminates his or her employment, or is discharged for cause, any Option or Right granted hereunder shall, unless otherwise specified by the Committee, forthwith terminate with respect to any unexercised portion thereof.

If an Option or Right granted hereunder shall be exercised by the legal representative of a deceased grantee or by a person who acquired an Option or Right granted hereunder by bequest or inheritance or by reason of the death of any employee or former employee, written notice of such exercise shall be accompanied by a certified copy of letters testamentary or equivalent proof of the right of such legal representative or other person to exercise such Option or Right.

For the purposes of the Amended and Restated Plan, the term “for cause” shall mean (a) with respect to an employee who is a party to a written employment agreement with, or, alternatively, participates in a compensation or benefit plan of the Company or a subsidiary corporation or parent corporation of the Company, which agreement or plan contains a definition of “for cause” or “cause” (or words of like import) for purposes of termination of employment thereunder by the Company or such subsidiary corporation or parent corporation of the Company, “for cause” or “cause” as defined therein; or (b) in all other cases, as determined by the Committee or the Board of Directors, in its sole discretion, (i) the willful commission by an employee of an act that causes or may cause substantial damage to the Company or a subsidiary corporation or parent corporation of the Company; (ii) the commission by an employee of an act of fraud in the performance of such employee’s duties on behalf of the Company or a subsidiary corporation or parent corporation of the Company; (iii) conviction of the employee for commission of a felony in connection with the performance of his duties on behalf of the Company or a subsidiary corporation or parent corporation of the Company, or (iv) the continuing failure of an employee to perform the duties of such employee to the Company or a subsidiary corporation or parent corporation of the Company after written notice thereof and a reasonable opportunity to be heard and cure such failure are given to the employee by the Committee.

For the purposes of the Amended and Restated Plan, an employment relationship shall be deemed to exist between an individual and a corporation if, at the time of the determination, the individual was an “employee” of such corporation for purposes of Section 422(a) of the Code. If an individual is on leave of absence taken with the consent of the corporation by which such individual was employed, or is on active military service, and is determined to be an “employee” for purposes of the exercise of an Option or Right, such individual shall not be entitled to exercise such Option or Right during such period and while the employment is treated as continuing intact unless (a) such individual shall have obtained the prior written consent of such corporation, which consent shall be signed by the chairman of the board of directors, the president, a senior vice-president or other duly authorized officer of such corporation or (b) such exercise is otherwise authorized by the Committee.

A termination of employment shall not be deemed to occur by reason of (i) the transfer of an employee from employment by the Company to employment by a subsidiary

corporation or a parent corporation of the Company, (ii) the transfer of an employee from employment by a subsidiary corporation or a parent corporation of the Company to employment by the Company or by another subsidiary corporation or parent corporation of the Company, or (iii) the transfer of an employee from employment by the Company or any subsidiary corporation or parent corporation of the Company to employment by any affiliated corporation, provided that such employee continues to provide services to the Company.

In the event of the complete liquidation or dissolution of a subsidiary corporation, or if ownership of 50% or more of such corporation ceases to be held by the Company or another subsidiary corporation, any unexercised Options or Rights theretofore granted to any person employed by such subsidiary corporation will be deemed cancelled unless such person is employed by the Company or by any parent corporation or another subsidiary corporation after the occurrence of such event. If an Option or Right is to be cancelled pursuant to the provisions of the previous sentence, notice of such cancellation will be given to each employee holding unexercised Options, and, subject to Article IV, such holder will have the right to exercise such Options or Rights in full (without regard to any limitation set forth or imposed pursuant to Article VI) during the thirty (30) day period following notice of such cancellation.

IX. EXERCISE OF OPTIONS

Options granted under the Amended and Restated Plan shall be exercised by the optionee as to all or part of the Shares covered thereby by the giving of written notice of the exercise thereof to the Corporate Secretary of the Company at the principal business office of the Company, specifying the number of Shares to be purchased and accompanied by payment of the purchase price. Subject to the terms of Articles XX through XXIII hereof, the Company shall cause certificates for the Shares so purchased to be delivered at the principal business office of the Company, against payment of the full purchase price, on the date specified in the notice of exercise.

X. STOCK OPTION GRANTS TO DIRECTOR PARTICIPANTS

Subject to the terms and conditions of Articles X through XIII hereof, commencing with the Annual Meeting of Stockholders of the Company held in 2000, each Director Participant shall automatically be granted a grant of Non-Qualified Option to purchase 1,000 Shares on the date on which the annual meeting of the Company's stockholders (including any adjournments thereof) is held in each year. The purchase price of the Shares covered by the Non-Qualified Options granted pursuant to this Article X shall be the Fair Market Value of such Shares on the date of grant.

XI. DIRECTOR PARTICIPANT'S EXERCISE OF OPTIONS

A Non-Qualified Option granted to any Director Participant of the Company shall not be exercisable for the twelve-month period immediately following the grant of such Non-Qualified Option. Thereafter, the Non-Qualified Option shall be exercisable for the period ending five years from the date of grant of such Non-Qualified Option, except to the extent such exercise is further limited or restricted pursuant to the provisions hereof.

If, in any year of the Non-Qualified Option, such Non-Qualified Option shall not be exercised for the total number of Shares available for purchase during that year, the Non-Qualified Option shall not thereby terminate as to such unexercised portion, but shall be cumulative. As used herein, the term “year of the Non-Qualified Option” shall mean a one (1) year period commencing with the date of, or the anniversary of the date of, the granting of such Non-Qualified Option.

XII. DIRECTOR PARTICIPANT'S TERMINATION

If a Director Participant's service as a director of the Company is terminated, any Non-Qualified Option previously granted to such Director Participant shall, to the extent not theretofore exercised, terminate and become null and void; provided, however, that:

(a) if a Director Participant holding an outstanding Non-Qualified Option dies, such Non-Qualified Option shall, to the extent not theretofore exercised, remain exercisable for one (1) year after such Director Participant's death, by such Director Participant's legatee, distributee, guardian or legal or personal representative; and

(b) if the service of a Director Participant to whom such Non-Qualified Option shall have been granted shall terminate by reason of (i) such Director Participant's disability (as described in Section 22(e)(3) of the Code), (ii) voluntary retirement from service as a director of the Company, or (iii) failure of the Company to retain or nominate for re-election such Director Participant who is otherwise eligible, unless due to any act of (A) fraud or intentional misrepresentation, or (B) embezzlement, misappropriation or conversion of assets or opportunities of the Company or any direct or indirect subsidiary of the Company, while such Director Participant is entitled to exercise such Non-Qualified Option as herein provided, such Director Participant shall have the right to exercise such Non-Qualified Option so granted in respect of any or all of such number of Shares subject to such Non-Qualified Option at any time up to and including (X) three (3) years after the date of such termination of service in the case of termination by reason of voluntary retirement or failure of the Company to retain or nominate for re-election such Director Participant who is otherwise eligible, unless due to any act of (1) fraud or intentional misrepresentation, or (2) embezzlement, misappropriation or conversion of assets or opportunities of the Company or any direct or indirect subsidiary of the Company, and (Y) three (3) years after the date of termination of service in the case of termination by reason of disability; and

(c) if the Director Participant shall die during either of the three (3) year periods, whichever is applicable, specified in clause (b) above and at a time when such Director Participant was entitled to exercise a Non-Qualified Option as herein provided, the legal representative of such Director Participant, or such person who acquired such Non-Qualified Option by bequest or inheritance or by reason of the death of the Director Participant may, not later than one (1) year from the date of death, exercise such Non-Qualified Option, to the extent not theretofore exercised, in respect of any or all of such number of Shares subject to such Non-Qualified Option.

In no event, however, shall a Director Participant be entitled to exercise any Option after the expiration of the period of exercisability of such Option, as specified therein.

XIII. DIRECTOR PARTICIPANT'S ELIGIBILITY FOR OTHER GRANTS

Any Director Participant eligible to receive an Option pursuant to Article X hereof shall also be eligible to receive any other grant or award under any other Article of this Plan.

XIV. TERMINATION OF SERVICE TO THE COMPANY OF AN AFFILIATED PARTICIPANT

If an Affiliated Participant's service to the Company is terminated, any Non-Qualified Option and/or Right previously granted to such Affiliated Participant, unless otherwise specified by the Committee, shall to the extent not theretofore exercised, terminate and become null and void; provided, however that:

(a) if the Affiliated Participant shall die while in the service of the Company, any parent corporation, subsidiary corporation or affiliated corporation or during either the three (3) month or one (1) year period, whichever is applicable, specified in clause (b) below and at a time when such Affiliated Participant was entitled to exercise an Option or Right as herein provided, the legal representative of such Affiliated Participant, or such person who acquired such Option or Right by bequest or inheritance or by reason of the death of the Affiliated Participant, may, not later than one (1) year from the date of death, exercise such Option or Right, to the extent not theretofore exercised, in respect of any or all of such number of Shares as specified by the Committee in such Option or Right; and

(b) if the service of any Affiliated Participant to whom such Option or Right shall have been granted shall terminate by reason of the Affiliated Participant's retirement (at such age or upon such conditions as shall be specified by his or her Committee), disability (as described in Section 22(e)(3) of the Code) or dismissal by the employer other than for cause (as defined below), and while such Affiliated Participant is entitled to exercise such Option or Right as herein provided, such Affiliated Participant shall have the right to exercise such Option or Right so granted in respect of any or all of such number of Shares as specified by the Committee in such Option or Right, at any time up to and including (i) three (3) months after the date of such termination of employment in the case of termination by reason of retirement or dismissal other than for cause, and (ii) one (1) year after the date of termination of employment in the case of termination by reason of disability.

In no event, however, shall any person be entitled to exercise any Option or Right after the expiration of the period of exercisability of such Option or Right, as specified therein.

If an Affiliated Participant voluntarily terminates his or her service to the Company and all parent corporations, subsidiary corporations and affiliated corporations or such service is terminated for cause, any Option or Right granted hereunder shall, unless otherwise specified by the Committee, forthwith terminate with respect to any unexercised portion thereof.

If an Option or Right granted hereunder shall be exercised by the legal representative of a deceased grantee or by a person who acquired an Option or Right granted hereunder by bequest or inheritance or by reason of the death of any Affiliated Participant or former Affiliated Participant, written notice of such exercise shall be accompanied by a certified copy of letters testamentary or equivalent proof of the right of such legal representative or other person to exercise such Option or Right.

For the purposes of the Amended and Restated Plan, the term “for cause” shall mean (a) with respect to an employee who is a party to a written employment agreement with, or, alternatively, participates in a compensation or benefit plan of an affiliated corporation of the Company, which agreement or plan contains a definition of “for cause” or “cause” (or words of like import) for purposes of termination of employment thereunder by such an affiliated corporation of the Company, “for cause” or “cause” as defined therein; or (b) in all other cases, as determined by the Committee or the Board of Directors, in its sole discretion, (i) the willful commission by an Affiliated Participant of an act that causes or may cause substantial damage to the Company or a subsidiary corporation, parent corporation or affiliated corporation of the Company; (ii) the commission by an Affiliated Participant of an act of fraud in the performance of such Affiliated Participant’s duties on behalf of the Company or a subsidiary corporation, parent corporation or affiliated corporation of the Company; (iii) conviction of the Affiliated Participant for commission of a felony in connection with the performance of his duties on behalf of the Company or a subsidiary corporation, parent corporation or affiliated corporation of the Company, or (iv) the continuing failure of an Affiliated Participant to perform the duties of such Affiliated Participant to the Company or a subsidiary corporation, parent corporation or affiliated corporation of the Company after written notice thereof and a reasonable opportunity to be heard and cure such failure are given to the Affiliated Participant by the Committee.

For purposes of the Amended and Restated Plan, an “Affiliated Participant” is a grantee who is neither an “employee” of the Company or any subsidiary corporation or parent corporation of the Company for purposes of the Amended and Restated Plan nor a director of the Company.

A termination of services shall not be deemed to have occurred by reason of the transfer of an Affiliated Person from employment by an affiliated company to employment by the Company or any subsidiary or parent corporation of the Company.

XV. RESTRICTED STOCK

Subject to the express provisions of the Amended and Restated Plan, the Committee shall determine to whom Restricted Stock shall be granted, the number of Shares subject to each grant of Restricted Stock and the date of any grant of Restricted Stock.

Shares of Restricted Stock shall be forfeited and revert to the Company upon the grantee's termination of service to the Company determined in accordance with the provisions of Articles VIII, XII, and XIV of the Amended and Restated Plan for any reason other than death or permanent disability, according to the following schedule:

<u>Termination Prior To</u>	<u>Percentage Forfeited</u>
First anniversary of award date	100%
Second anniversary of award date	50%
Third anniversary of award date	25%

Shares of Restricted Stock shall not be forfeited as a result of the grantee's death or his or her termination of service to the Company by reason of permanent disability, as determined by the Committee. The Committee may require medical evidence of permanent disability, including medical examinations by physicians selected by it. The Committee shall have the authority to waive forfeiture for any other reason in its discretion.

The period during which any Restricted Stock is subject to forfeiture is the "Restricted Period" with respect to such shares of Restricted Stock. During the Restricted Period, the grantee shall not be permitted to sell, transfer, pledge or assign the shares of Restricted Stock. Stock certificates for Restricted Stock shall be issued upon grant of the Restricted Stock and registered in the name of the grantee, but shall be appropriately legended and returned to the Company by the grantee, together with a stock power, endorsed in blank by the grantee. The grantee shall be entitled to vote shares of Restricted Stock and shall be entitled to all dividends paid thereon, except that dividends paid in the Company's stock shall also be subject to the same restrictions.

Restricted Stock shall become free of the foregoing restrictions upon the expiration of the Restricted Period (or otherwise in accordance with the terms of the Amended and Restated Plan) and the Company shall deliver new certificates with the restrictive legend deleted evidencing such stock.

Restricted Stock will also be subject to such other restrictions as the Committee shall determine at the time of the grant.

XVI. USE OF PROCEEDS

The cash proceeds of the sale of Shares subject to the Options granted hereunder are to be added to the general funds of the Company and used for its general corporate purposes as the Board of Directors shall determine.

XVII. NON-TRANSFERABILITY OF OPTIONS AND STOCK APPRECIATION RIGHTS

Neither an Option nor a Right granted hereunder shall be transferable, whether by operation of law or otherwise, other than by will or the laws of descent and distribution, and any Option or Right granted hereunder shall be exercisable, during the lifetime of the holder, only by such holder. Except to the extent provided above, Options and Rights may not be assigned, transferred, pledged, hypothecated or disposed of in any way (whether by operation of law or otherwise) and shall not be subject to execution, attachment or similar process. Notwithstanding the foregoing, at the discretion of the Committee, an award of an Option (other than an Incentive Option) and/or a Right may permit the transferability of such Option and/or Right by a participant solely to the participant's spouse, siblings, parents, children and grandchildren or trusts for the benefit of such persons or partnerships, corporations, limited liability companies or other entities owned solely by such persons, including trusts for such persons, subject to any restriction included in the award of the Option and/or Right.

XVIII. ADJUSTMENT PROVISIONS; EFFECT OF CERTAIN TRANSACTIONS

(a) If there shall be any change in the Shares of the Company, through merger, consolidation, reorganization, recapitalization, stock dividend, stock split, reverse stock split, split up, spin-off, combination of shares, exchange of shares, dividend in kind or other like change in capital structure or distribution to stockholders of the Company (other than normal cash dividends), in order to prevent dilution or enlargement of participants' rights under the Amended and Restated Plan, the Committee shall adjust, in an equitable manner, the number and kind of shares that may be issued under the Amended and Restated Plan, the number and kind of shares subject to outstanding Options and Rights, the consideration to be received upon exercise of Options or in respect of Rights, the exercise price applicable to outstanding Options and Rights, and/or the fair market value of the Shares and other value determinations applicable to outstanding Options and Rights. Appropriate adjustments may also be made by the Committee in the terms of any Options and Rights under the Amended and Restated Plan to reflect such changes or distributions and to modify any other terms of outstanding Options and Rights on an equitable basis. In addition, the Committee is authorized to make adjustments to the terms and conditions of, and the criteria included in, Options and Rights in recognition of unusual or nonrecurring events affecting the Company or the financial statements of the Company, or in response to changes in applicable laws, regulations, or accounting principles.

(b) Subject to the provisions of Article IV, but notwithstanding any other provision of this Plan, if there is an Extraordinary Event with respect to the Company, all then outstanding Options and Rights that have not vested or become exercisable at the time of such Extraordinary Event shall immediately vest and become exercisable and all restrictions on outstanding Restricted Stock shall immediately terminate. For purposes of this Article XVIII(b), an "Extraordinary Event" with respect to the Company shall be deemed to have occurred upon any of the following events:

(i) A change in control of the direction and administration of the Company's business of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A (or any successor rule or regulation) of Regulation 14A promulgated under the Exchange Act whether or not the Company is then subject to such reporting requirement; or

(ii) The Company's Board of Directors shall approve a sale of all or substantially all of the assets of the Company, a partial liquidation of the Company under Section 302(b)(4) of the Code or other extraordinary corporate contraction or distribution or other extraordinary transaction that is determined by the Board of Directors to be appropriate and in the best interests of the Company and which by its terms precludes the existence of Company securities convertible into Shares; or

(iii) The Company's Board of Directors shall approve any merger, consolidation, or like business combination or reorganization of the Company, the consummation of which would result in the occurrence of any event described in Article XVIII(b)(i) or (ii) above.

Notwithstanding the foregoing, (A) any spin-off of a division or subsidiary of the Company to its stockholders and (B) any event listed in (i) through (iii) above that the Board of Directors determines not to be an Extraordinary Event with respect to the Company, shall not constitute an Extraordinary Event with respect to the Company.

The Committee, in its discretion, may determine that, upon the occurrence of an Extraordinary Event with respect to the Company, each Option and Right outstanding hereunder shall terminate within a specified number of days after notice to the holder, and, subject to the provisions of Article IV, such holder shall receive with respect to each Share that is subject to an Option or a Right (assuming no exercise) an amount equal to the excess of the "fair market value" of such Share over the exercise price per share of such Option or Right (as the case may be); such amount to be payable in cash, in one or more kinds of property (including the property, if any, payable in the transaction, if any) or in a combination thereof, as the Committee, in its discretion, shall determine. For purposes of this provision, the "fair market value" of the Shares shall be determined by the Board of Directors in good faith and shall be not less than the Fair Market Value determined in accordance with Article V as of the date of the occurrence of the Extraordinary Event. The provisions contained in the preceding sentence shall be inapplicable to an Option or Right granted within six (6) months before the occurrence of an Extraordinary Event if the holder of such Option or Right is subject to the reporting requirements of Section 16(a) of the Exchange Act and no exception from liability under Section 16(b) of the Exchange Act is otherwise available to such holder.

XIX. RIGHT TO TERMINATE EMPLOYMENT

The Amended and Restated Plan shall not impose any obligation on the Company or on any subsidiary corporation or parent corporation or affiliated corporation thereof to continue the employment or directorship of any holder of an Option, Right or Restricted Stock and it shall not impose any obligation on the part of any holder of an Option, Right or Restricted Stock to remain in the employ of the Company or of any subsidiary corporation or parent corporation or affiliated corporation thereof. Termination of service of a Director Participant shall be governed by the provisions of Article XII hereof and termination of service of an Affiliated Participant shall be governed by the provisions of Article XIV hereof.

XX. PURCHASE FOR INVESTMENT

Except as hereinafter provided, the Committee may require the holder of any Option, Right or Restricted Stock granted hereunder, as a condition of exercise of such Option or Right or grant of Restricted Stock, to execute and deliver to the Company a written statement, in form satisfactory to the Committee, in which such holder represents and warrants that such holder is acquiring the shares of Restricted Stock or purchasing or acquiring the Shares pursuant to any Option or Right for such holder's own account, for investment only and not with a view to the resale or distribution thereof, and agrees that any subsequent resale or distribution of any Shares acquired under the Amended and Restated Plan shall be made only pursuant to either (i) a Registration Statement on an appropriate form under the Securities Act of 1933, as amended (the "Securities Act"), which Registration Statement has become effective and is current with regard to the Shares being sold, or (ii) a specific exemption from the registration requirements of the Securities Act, but in claiming such exemption the holder shall, prior to any offer of sale or sale of such Shares, obtain a prior favorable written opinion of counsel, in form and substance satisfactory to counsel for the Company, as to the application of such exemption thereto. The foregoing restriction shall not apply to (x) issuances by the Company so long as the Shares being issued are registered under the Securities Act and a prospectus in respect thereof is current or (y) reofferings of Shares by affiliates of the Company (as defined in Rule 405 or any successor rule or regulation promulgated under the Securities Act) if the Shares being reoffered are registered under the Securities Act and a prospectus in respect thereof is current.

Nothing herein shall be construed as requiring the Company to register Shares subject to any Option, Right or Restricted Stock under the Securities Act. In addition, if at any time the Committee shall determine that the listing or qualification of the Shares subject to such Option, Right or Restricted Stock on any securities exchange or under any applicable law, 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 an Option or Right, or the issuance of Shares thereunder, such Option or Right may not be exercised in whole or in part unless such listing, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.

XXI. ISSUANCE OF STOCK CERTIFICATES; LEGENDS; PAYMENT OF EXPENSES

Upon any exercise of an Option or Right which may be granted hereunder and, in the case of an Option, payment of the purchase price, a certificate or certificates for the Shares shall be issued by the Company in the name of the person exercising the Option or Right and shall be delivered to or upon the order of such person. Any shares of Restricted Stock shall be issued in the name of the grantee and shall bear a legend indicating that it is subject to the restrictions contained in the Amended and Restated Plan, in addition to any other legends or instructions that the Committee shall deem appropriate.

The Company may endorse such legend or legends upon the certificates for Shares issued pursuant to the Amended and Restated Plan and may issue such “stop transfer” instructions to its transfer agent in respect of such Shares as the Committee, in its discretion, determines to be necessary or appropriate to (a) prevent a violation of, or to perfect an exemption from, the registration requirements of the Securities Act, (b) implement the provisions of the Amended and Restated Plan and any agreement between the Company and the optionee or grantee with respect to such Shares, or (c) permit the Company to determine the occurrence of a disqualifying disposition, as described in Section 421(b) of the Code, of Shares transferred upon exercise of an Incentive Option granted under the Amended and Restated Plan.

The Company shall pay all issue or transfer taxes with respect to the issuance or transfer of Shares to the grantee, as well as all fees and expenses necessarily incurred by the Company in connection with such issuance or transfer, except fees and expenses which may be necessitated by the filing or amending of a Registration Statement under the Securities Act, which fees and expenses shall be borne by the recipient of the Shares unless such Registration Statement has been filed by the Company for its own corporate purposes (and the Company so states) in which event the recipient of the Shares shall bear only such fees and expenses as are attributable solely to the inclusion of the Shares he or she receives in the Registration Statement.

All Shares issued as provided herein shall be fully paid and nonassessable to the extent permitted by law.

XXII. WITHHOLDING TAXES

All benefits granted pursuant to this Stock Incentive Plan shall be net of any amounts required to be withheld pursuant to any government withholding requirements. The Company may require a holder of a Right or Nonqualified Option granted hereunder who exercises the Right, or a holder of an Incentive Option who disposes of Shares acquired pursuant to the exercise of the Incentive Option in a disqualifying disposition (within the meaning of Section 421(b) of the Code), to reimburse the Company (or its parent or subsidiary) for any taxes required by any government to be withheld or otherwise deducted and paid by such corporation in respect of the issuance or disposition of such Shares. The Company may require an individual receiving a grant of Restricted Stock to reimburse the Company (or its parent or subsidiary) for any taxes required by any government to be withheld or otherwise deducted and paid by such corporation in respect of the grant or vesting of such Restricted Stock. In lieu of any of the above, the Company (or its parent or subsidiary) shall have the right to withhold the amount of such taxes from any other sums due or to become due from such corporation upon such terms and conditions as the Committee shall prescribe. The Company may, in its discretion, hold the stock certificate to which such individual is entitled upon the exercise of an Option or the grant or vesting of Restricted Stock as security for the payment of such withholding tax liability, until cash sufficient to pay that liability has been accumulated. In addition, at any time that the Company (or its parent or subsidiary) becomes subject to a withholding obligation under applicable law with respect to the exercise of a Right or Non-Qualified Option or the grant or vesting of Restricted Stock (the “Tax Date”), except as set forth below, a holder of a Right, Non-Qualified Option or of Restricted Stock may elect to satisfy, in whole or in part, the holder’s related personal tax liabilities (an “Election”) by (a) directing the Company (or its parent or

subsidiary), in the case of a Right or Nonqualified Option, to withhold from Shares issuable in the related exercise either a specified number of Shares or Shares having a specified value (in each case not in excess of the related personal tax liabilities), (b) tendering, in the case of a Right, Nonqualified Option or Restricted Stock,

Shares previously issued pursuant to the exercise of an Option or Right or other Shares owned by the holder or (c) combining, in the case of a Right or Nonqualified Option, any or all of the foregoing options in any fashion. Once made, an Election shall be irrevocable. The withheld Shares and other Shares tendered in payment should be valued at their Fair Market Value on the Tax Date. The Committee may disapprove of any Election, suspend or terminate the right to make Elections or provide that the right to make Elections shall not apply to particular Shares or exercises. The Committee may impose any additional conditions or restrictions on the right to make an Election as it shall deem appropriate. In addition, the Company shall be authorized to effect any such withholding upon exercise of a Non-Qualified Option or Right by retention of Shares issuable upon such exercise having a Fair Market Value at the date of exercise which is equal to the amount to be withheld; provided, however, that the Company shall not be authorized to effect such withholding without the prior written consent of the employee if such withholding would subject such employee to liability under Section 16 (b) of the Exchange Act. The Committee may prescribe such rules as it determines with respect to employees subject to the reporting requirements of Section 16(a) of the Exchange Act to effect such tax withholding in compliance with the Rules established by the Securities and Exchange Commission (the "Commission") under Section 16 of the Exchange Act and the positions of the staff of the Commission thereunder expressed in no-action letters exempting such tax withholding from liability under Section 16(b) of the Exchange Act.

XXIII. LISTING OF SHARES AND RELATED MATTERS

The Board of Directors may delay any issuance or delivery of Shares if it determines that listing, registration or qualification of Shares covered by the Amended and Restated Plan upon any national securities exchange or under any state or federal law, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of, or in connection with, the sale or purchase of Shares under the Amended and Restated Plan, until such listing, registration, qualification, consent or approval shall have been effected or obtained, or otherwise provided for, free of any conditions not acceptable to the Board of Directors.

XXIV. FOREIGN LAWS

The Committee may grant Options, Rights and Restricted Stock to individual participants who are subject to the tax laws of nations other than the United States, which Options, Rights and Restricted Stock may have terms and conditions as determined by the Committee as necessary to comply with applicable foreign laws. The Committee may take any action which it deems advisable to obtain approval of such Options, Rights and Restricted Stock by the appropriate foreign governmental entity; provided, however, that no such Options, Rights or Restricted Stock may be granted pursuant to this Article XXIV and no action may be taken which would result in a violation of the Exchange Act, the Code or any other applicable law.

XXV. AMENDMENT OF THE AMENDED AND RESTATED PLAN

The Board of Directors may, from time to time, amend the Amended and Restated Plan, provided that no amendment shall be made, without the approval of the stockholders of the Company, that will increase the total number of Shares reserved for Options, Rights and Restricted Stock under the Amended and Restated Plan or the maximum number of Shares with respect to which Options, Rights and/or Restricted Stock may be granted under the Amended and Restated Plan to any one employee in any one taxable year (other than an increase resulting from an adjustment provided for in Article XVIII hereof) or to alter the class of eligible participants in the Amended and Restated Plan. The Committee shall be authorized to amend the Amended and Restated Plan and the Options granted hereunder to permit the Incentive Options granted hereunder to continue to qualify as incentive stock options within the meaning of Section 422 of the Code and the Treasury regulations promulgated thereunder. Except to the extent and in the circumstances expressly permitted under Article XVIII, the rights and obligations under any Option, Right or Restricted Stock granted before amendment of the Amended and Restated Plan or any unexercised portion of such Option, Right or Restricted Stock shall not be adversely affected by amendment of the Amended and Restated Plan or the Option, Right or terms of Restricted Stock without the consent of the holder of such Option, Right or Restricted Stock.

XXVI. DURATION; TERMINATION OR SUSPENSION OF THE AMENDED AND RESTATED PLAN

The Amended and Restated Plan shall continue indefinitely until terminated by the Board of Directors or terminated pursuant to Article XXX. The Board of Directors may at any time suspend or terminate the Amended and Restated Plan. Options, Rights and Restricted Stock may not be granted while the Amended and Restated Plan is suspended or after it is terminated. Rights and obligations under any Option, Right or Restricted Stock granted while the Amended and Restated Plan is in effect shall not be altered or impaired by suspension or termination of the Amended and Restated Plan, except upon the consent of the person to whom the Option, Right or Restricted Stock was granted. The power of the Committee to construe and administer any Options, Rights or Restricted Stock granted prior to the termination or suspension of the Amended and Restated Plan under Article III nevertheless shall continue after such termination or during such suspension.

XXVII. SAVINGS PROVISION

With respect to persons subject to Section 16 of the Exchange Act, transactions under the Amended and Restated Plan are intended to comply with all applicable conditions of Rule 16b-3 or its successors under the Exchange Act. To the extent any provision of the Amended and Restated Plan or action by the Committee fails to so comply, it shall be deemed null and void, to the extent permitted by law and deemed advisable by the Committee.

XXVIII. GOVERNING LAW

The Amended and Restated Plan, such Options, Rights and Restricted Stock as may be granted hereunder and all related matters shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware.

XXIX. PARTIAL INVALIDITY

The invalidity or illegality of any provision herein shall not be deemed to affect the validity of any other provision.

XXX. AMENDMENT EFFECTIVE DATE

If this Amended and Restated Plan is not approved by a vote of stockholders of the Company at the 2009 Annual Meeting of Stockholders, this Amended and Restated Plan shall be null and void and of no effect and the Plan as amended through July 14, 2004 shall remain in effect.

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Section 7: EX-99.2 (EX-99.2)

Exhibit 99.2

**AMENDMENT
TO
HOMEFED CORPORATION AMENDED AND RESTATED 1999 STOCK INCENTIVE PLAN**

This AMENDMENT (this "Amendment"), dated as of July 1, 2019 (the "Effective Date"), to that certain HomeFed Corporation Amended and Restated 1999 Stock Incentive Plan (the "HomeFed Plan").

WITNESSETH:

WHEREAS, pursuant to an Agreement and Plan of Merger, by and among the Jefferies Financial Group Inc., a New York corporation (the "Jefferies"), Heat Merger Sub, LLC a Delaware limited liability company and a wholly-owned subsidiary of the Company ("Merger Sub") and HomeFed Corporation, a Delaware corporation ("HomeFed"), dated as of April 12, 2019 and as amended on May 2, 2019, HomeFed has merged with and into Merger Sub (the "Merger"), with Merger Sub surviving the Merger as a wholly-owned subsidiary of the Jefferies; and

WHEREAS, in connection with the Merger, Jefferies has assumed the HomeFed Plan and all outstanding awards under the HomeFed Plan, and in connection therewith desires to make certain amendments to the HomeFed Plan to reflect such assumptions.

NOW THEREFORE, it is hereby provided that:

1. Defined Terms. Capitalized terms used herein, but not defined herein, have the respective meanings ascribed thereto in the HomeFed Plan.
2. No Further Grants. Notwithstanding anything to the contrary in the HomeFed Plan, no further grants of awards will be made under the HomeFed Plan.

3. Amendments.

(a) The name of the HomeFed Plan shall be changed from the "HomeFed Corporation Amended and Restated 1999 Stock Incentive Plan" to the "Jefferies Financial Group Inc. Amended and Restated 1999 Stock Incentive Plan (HomeFed)" and the defined term the "Amended and Restated Plan" shall mean the Jefferies Financial Group Inc. Amended and Restated 1999 Stock Incentive Plan (HomeFed).

(b) The defined term the "Company" shall mean Jefferies Financial Group Inc.

(c) The defined term "Shares" shall mean shares of Jefferies Financial Group Inc. common stock, par value \$1.00.

(d) The number of Shares available for issuance pursuant to Articles I and II shall be 325,000 Shares, which represents the number of Shares subject to outstanding Options as of the Effective Date.

(e) Article X “Stock Option Grants to Director Participants” of the HomeFed Plan shall be, and hereby is, replaced with the following: “[RESERVED.]” and all references to Article X in the HomeFed Plan shall be deleted.

(f) In Article XXVIII of the HomeFed Plan, the governing law shall be changed from “Delaware” to “New York.”

4. Reference to and Effect on the HomeFed Plan. Except as specifically amended herein, the HomeFed Plan shall remain in full force and effect and is hereby ratified and confirmed. All references in the HomeFed Plan to the “Amended and Restated Plan” shall mean the HomeFed Plan as amended by this Amendment.

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Section 8: EX-99.3 (EX-99.3)

Exhibit 99.3

Jefferies Financial Group Inc.
Amended and Restated 1999 Stock Incentive Plan (HomeFed)

July [•], 2019

[Name of Grantee]

Re: Grant of Non-Qualified Stock Option to Key Employees and Affiliated Participants

Dear [Name of Grantee]:

You were originally granted an option to purchase [•] shares of common stock of HomeFed Corporation (“HomeFed”) at a price of \$[•] per share (the “Original Option”), pursuant to the Amended and Restated 1999 Stock Incentive Plan (the “Original Plan”) and the terms of a Non-Qualified Stock Option Grant Letter Agreement dated [•] (the “Original Letter Agreement”) entered into under the Original Plan.

In connection with the Merger (as defined in the Plan amendment dated July 1, 2019), Jefferies Financial Group Inc. (the “Company”) has assumed and amended the Original Plan as of July 1, 2019 to effectuate adjustments in connection with the Merger, and has renamed and adopted the Original Plan as the Jefferies Financial Group Inc. Amended and Restated 1999 Stock Incentive Plan (HomeFed) (the “Plan”).

In connection with the adoption of the Plan, the Company has amended and restated your Original Letter Agreement pursuant to Section 8 thereof to convert the Original Option to an option to purchase [•] shares of common stock of shares of common stock of the Company, par value \$1.00 per share (“Common Stock”) (the “Option”). This Option shall be governed by the terms of the Plan and the terms of this Non-Qualified Stock Option Grant Letter Agreement (this “Letter Agreement”).

A copy of the Plan is annexed to this Letter Agreement and is considered to be a part of this Letter Agreement as if fully set forth herein. Unless the context otherwise requires, all terms defined in the Plan will have the same meaning when used in this Letter Agreement.

1. Subject to the provisions of this Letter Agreement and the provisions of the Plan, this Option shall represent the right to purchase an aggregate of [•] shares of common stock, par value \$1.00 per share (the “Common Stock”), of the Company, at a price of \$[•] per share (the “Exercise Price”). This Option shall be a Non-Qualified Stock Option.

2. Subject to Sections 3 and 5 hereof and the provisions and limitations of Articles VI, VIII, XIV and XVIII of the Plan, this Option may be exercised by you as follows:

(a) this Option may not be exercised by you during the first year following [•] (the “Original Grant Date”);

(b) up to twenty five percent (25%) of the total number of shares of Common Stock subject to this Option may be purchased by you during the second year following the Original Grant Date;

(c) up to an additional twenty five percent (25%) of the total number of shares of Common Stock subject to this Option may be purchased by you during the third year following the Original Grant Date;

(d) up to an additional twenty five percent (25%) of the total number of shares of Common Stock subject to this Option may be purchased by you during the fourth year following the Original Grant Date; and

(e) up to an additional twenty five percent (25%) of the total number of shares of Common Stock subject to this Option may be purchased by you during the fifth year following the Original Grant Date.

3. Notwithstanding anything herein or under the Plan to the contrary, any unexercised portion of the Option granted herein will automatically and without notice terminate and become null and void upon the expiration of five (5) years from the Original Grant Date of this Option. If, however, prior to the expiration of five (5) years from the Original Grant Date, your service to the Company or any parent, subsidiary or affiliated corporation terminates, unless otherwise provided by the Committee, this Option will terminate on the applicable date as described in Article XII of the Plan; provided, however, that none of the events described in Article XII of the Plan shall extend the period of exercisability of this Option beyond five (5) years from the Original Grant Date.

4. In no event may you exercise this Option for a fraction of a share of Common Stock.

5. In the event of an “Extraordinary Event” (as defined in the Plan) with respect to the Company, all then outstanding Options that have not vested or become exercisable at the time of the Extraordinary Event will immediately become exercisable. The Committee may, in its discretion, determine that upon the occurrence of an Extraordinary Event each outstanding Option shall terminate within a specified number of days after notice to the holder. In such event, rights will be as specified in Article XVIII of the Plan.

6. If the grant or exercise of an Option causes you (or any person) to become a “5 percent stockholder” (as defined in the Plan), such grant or exercise shall only be effective with respect to the number of shares of Common Stock that you may acquire without causing you (or any person) to become a 5 percent stockholder, and any grant in excess of such amount shall be void.

7. In the event of any change in corporate capitalization (including, but not limited to, a change in the number of shares of Common Stock outstanding), such as a stock split, or a corporate transaction, such as a merger, consolidation, reorganization, spin-off (or other

distribution of stock or property of the Company), the number and kind of shares subject to the Option and/or the exercise price per share shall be equitably adjusted by the Committee as it may deem appropriate in its sole discretion. The determination of the Committee regarding any adjustment will be final and conclusive.

8. The Option shall be subject to the requirement that, if at any time the Committee shall determine that (i) the listing, registration or qualification of the shares of Common Stock subject or related thereto upon any securities exchange or under any state or federal law, or (ii) the consent or approval of any government regulatory body, or (iii) an agreement by you with respect to the disposition of shares of Common Stock is necessary or desirable as a condition of, or in connection with, the sale or purchase of shares of Common Stock pursuant thereto, then in any such event, the issuance or delivery of shares of Common Stock issuable pursuant to Option shall be delayed until such listing, registration, qualification, consent, approval or agreement shall have been effected or obtained free of any conditions not acceptable to the Committee.

9. This Option is not transferable by you otherwise than by will or the laws of descent and distribution, and is exercisable, during your lifetime, only by you. This Option may not be assigned, transferred (except by will or the laws of descent and distribution), pledged or hypothecated in any way (whether by operation of the law or otherwise) and shall not be subject to execution, attachment or similar proceeding. Any attempted assignment, transfer, pledge, hypothecation or other disposition of this Option contrary to the provisions hereof, and the levy of any attachment or similar proceeding upon the Option, shall be null and void and without effect.

10. Any exercise of this Option shall be in writing addressed to the Corporate Secretary of the Company at the principal place of business of the Company and shall be accompanied by payment of the full amount of the purchase price of the shares of Common Stock so purchased (together with any withholding taxes owed in connection therewith). You may make such payment through one or a combination of the following methods (to the extent such methods are permitted by applicable law at the relevant time), or through any other method approved by the Committee: (i) in cash by delivering to the Company a certified or bank cashier's check to the order of the Company in an amount equal to the aggregate exercise price applicable to that portion of the Option being exercised; (ii) by delivering to the Company shares of Common Stock of the Company (in proper form for transfer and accompanied by all requisite stock transfer tax stamps or cash in lieu thereof) owned by you having a Fair Market Value equal to the aggregate exercise price applicable to that portion of the Option being exercised; (iii) by a reduction in the number of shares of Common Stock otherwise deliverable upon exercise of the relevant portion of the Option by the number of shares of Common Stock having a Fair Market Value equal to the aggregate exercise price applicable to that portion of the Option being exercised (together with any required withholding taxes or similar taxes, charges or fees, subject to Article XXII of the Plan), and (iv) through an open-market, broker-assisted sales transaction pursuant to which the Company is promptly delivered the amount of proceeds necessary to satisfy the aggregate exercise price applicable to that portion of the Option being exercised.

11. You shall have no rights to dividends, voting rights or other rights of a stockholder with respect to shares of Common Stock subject to the Option until (i) you have given notice of exercise of the Option and paid in full for such exercise and any associated

withholding taxes, (ii) the shares of Common Stock for which you have exercised your Option have been issued to you, and (iii) you have satisfied any other Option-related conditions imposed by the Committee pursuant to the Plan. In the event of your death, your Option, to the extent exercisable hereunder, shall be exercisable solely by the executor or administrator of your estate or the person or persons to whom your rights hereunder shall pass by will or by the laws of descent and distribution, as the case may be. Any such heir or legatee shall take rights herein granted subject to the terms and conditions of this Letter Agreement and the Plan.

12. If the Company, in its sole discretion, shall determine that it is necessary, to comply with applicable securities laws, the certificate or certificates representing the shares of Common Stock purchased pursuant to the exercise of this Option shall bear an appropriate legend in form and substance, as determined by the Company, giving notice of applicable restrictions on transfer under or in respect of such laws.

13. You hereby covenant and agree with the Company that if, at the time of exercise of this Option, there does not exist a Registration Statement on an appropriate form under the Securities Act of 1933, as amended (the "Act"), which Registration statement shall have become effective and shall include a prospectus which is current with respect to the Common Stock subject to this Option (i) that you are purchasing the Common Stock for your own account and not with a view to the resale or distribution thereof, (ii) that any subsequent offer for sale or sale of any such Common Stock shall be made either pursuant to (x) a Registration Statement on an appropriate form under the Act, which Registration Statement shall have become effective and shall be current with respect to the Common Stock being offered and sold, or (y) a specific exemption from the registration requirements of the Act, but in claiming such exemption, you shall, prior to any offer for sale or sale of such Common Stock, obtain a favorable written opinion from counsel for or approved by the Company as to the applicability of such exemption.

14. You hereby acknowledge that the Company may endorse a legend upon the certificate evidencing the Common Stock as the Company, in its sole discretion, determines to be necessary and appropriate to implement the terms of the Plan.

15. As provided in the Plan, the Company may withhold from the sums due or to become due to you from the Company an amount necessary to satisfy its obligation to withhold taxes imposed in connection with this Option, including in connection with your exercise hereof, or may require you to reimburse the Company in such amount. Satisfaction of such withholding tax requirement shall be a condition to the exercise of this Option. The Committee may permit you to (i) direct the Company to satisfy the withholding tax obligation through the withholding of shares of Common Stock that would otherwise be issuable to you, or (ii) tender to the Company other shares of Common Stock owned by you; provided, that, consistent with Article XXII of the Plan, your prior written consent shall be required in either case of (i) or (ii) if action taken thereunder would subject you to liability under Section 16(b) of the Exchange Act. If you are subject to Section 16(a) of the Exchange Act, the Committee may prescribe such rules as it determines with respect to your Option in order to effect tax withholding in compliance with the Rules established by the Commission under Section 16 of the Exchange Act and the positions of the staff of the Commission thereunder expressed in no-action letters exempting such tax withholding from liability under Section 16(b) of the Exchange Act.

16. The granting of the Option shall impose no obligation on the Company or any of its affiliates to continue your service and shall not lessen or affect any right that the Company or any of its affiliates may have to terminate your service.

17. This Letter Agreement, and all claims or causes of action or other matters that may be based upon, arise out of or relate to this Letter Agreement, shall be governed by and construed in accordance with the laws of the State of New York, excluding any conflict- or choice-of-law rule or principle that might otherwise refer construction or interpretation thereof to the substantive laws of another jurisdiction.

18. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW WHICH CANNOT BE WAIVED, EACH PARTY HERETO HEREBY WAIVES AND COVENANTS THAT HE, SHE OR IT SHALL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE) ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE OR ACTION, CLAIM, CAUSE OF ACTION OR SUIT (IN CONTRACT, TORT OR OTHERWISE), INQUIRY, PROCEEDING OR INVESTIGATION ARISING OUT OF OR BASED UPON THIS AWARD AGREEMENT OR THE SUBJECT MATTER HEREOF OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE TRANSACTIONS CONTEMPLATED HEREBY, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING. EACH PARTY HERETO ACKNOWLEDGES THAT IT HAS BEEN INFORMED BY THE OTHER PARTY HERETO THAT THIS SECTION 18 CONSTITUTES A MATERIAL INDUCEMENT UPON WHICH THEY ARE RELYING AND SHALL RELY IN ENTERING INTO THIS AWARD AGREEMENT. ANY PARTY HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 18 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF EACH SUCH PARTY TO THE WAIVER OF ITS RIGHT TO TRIAL BY JURY.

19. Any notice or other communication provided for herein or given hereunder to a party hereto must be in writing, and shall be deemed to have been given (i) when personally delivered or delivered by facsimile transmission with confirmation of delivery, (ii) one business day after deposit with Federal Express or similar overnight courier service, or (iii) three business days after being mailed by first class mail, return receipt requested. A notice shall be addressed to the Company at its principal place of business, attention Corporate Secretary, and to you at the mailing address that you most recently provided to the Company.

20. Your Option and this Letter Agreement shall be subject to the terms of the Plan. In the event of any conflict between this Letter Agreement and the Plan, the Plan shall control. In the event of any ambiguity in this Letter Agreement, or any matters as to which this Letter Agreement is silent, the Plan shall govern including, without limitation, the provisions thereof pursuant to which the Committee has the power, among others, to (i) interpret the Plan, (ii) prescribe, amend and rescind rules and regulations relating to the Plan, and (iii) make all other determinations deemed necessary or advisable for the administration of the Plan.

21. This Letter Agreement and the Plan constitute the entire agreement and understanding among the you and the Company in respect of the subject matter hereof and supersede all prior and contemporaneous arrangements, agreements and understandings, whether oral or written and whether express or implied, among or between the parties hereto, with respect to the subject matter hereof, including, without limitation, the Original Letter Agreement.

22. No amendment or modification of any term of this Letter Agreement shall be effective unless signed in writing by or on behalf of the Company and you, and made in accordance with the terms of the Plan. No waiver of any breach or condition of this Letter Agreement shall be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature.

23. The provisions of this Letter Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and upon you and your heirs, successors, legal representatives and permitted assigns. Nothing in this Letter Agreement, express or implied, is intended to confer on any person other than the Company and you, and its and your respective heirs, successors, legal representatives and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Letter Agreement.

24. You (and your beneficiaries) shall be responsible for all taxes with respect to the Option. The Committee and the Company make no guarantees regarding the tax treatment of the Option, and none of the Committee or the Company, any affiliate thereof or any of their respective employees or representatives shall have any liability to you with respect thereto. The Company intends that the Option be structured in compliance with, or to satisfy an exemption from, Section 409A of the Code, such that there are no adverse tax consequences, interest or penalties under Section 409A of the Code as a result of the Option. In the event the Option is subject to Section 409A of the Code, the Committee may, in its sole discretion, take any actions permitted hereunder and under the Plan in order to avoid or reduce any resultant adverse tax consequences, interest or penalties.

As a result of the Merger, the Committee exercised its discretion to unilaterally amend and restate the Original Letter Agreement pursuant to Section 8 of the Original Letter Agreement solely to reflect the equitable adjustment of the Options granted to you pursuant to the Original Letter Agreement. You remain bound by the terms of this Letter Agreement, as you expressly agreed in the Original Letter Agreement.

Very truly yours,

JEFFERIES FINANCIAL GROUP INC.

By:
Name:
Title:

[Signature Page to Non-Qualified Stock Option Grant Letter Agreement]

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Section 9: EX-99.4 (EX-99.4)

Exhibit 99.4

HomeFed Corporation 2017 RSU Opportunity Plan

1. **Purpose.** The Board of Directors (the “Board”) of HomeFed Corporation (the “Company”) desires to provide certain Eligible Employees (as defined below) the opportunity to receive an award of restricted stock units (“RSUs”) for shares of common stock of the Company, par value \$0.01 per share (“Common Stock”), pursuant to the terms and conditions of this 2017 RSU Opportunity Plan (the “Plan”) and any RSU Opportunity Notice (the “Notice”) delivered in connection with the Plan and any RSU award agreement (an “Award Agreement”) entered into between the Company and an Eligible Employee in connection with the Plan.

2. **Eligibility.** The Board of Directors shall in its sole discretion determine the executives that are eligible to participate in the Plan (“Eligible Employees”).

3. **Determination of RSU Award.** The period commencing on the date of delivery of the Notice to Eligible Employees and ending on December 31, 2019, shall be the “Performance Period” under this Plan. If, at the end of the Performance Period, the Board, in its sole discretion determines that an Eligible Employee has achieved the performance criteria established by the Board at the time of the delivery of the Notice (the “Performance Criteria”), the Board will grant to such Eligible Employee on or following such date, but in no event later than April 1, 2020 (the “RSU Grant Date”), and pursuant to the terms of an Award Agreement to be entered into on the RSU Grant Date, RSUs for a number of shares of Common Stock to be determined by dividing \$3 million by the fair value of a share of Common Stock on the RSU Grant Date, as determined by the Board in its sole discretion; provided, that RSUs with respect to no fewer than 49,500 shares of Common Stock and no more than 66,000 shares of Common Stock may be granted, and subject to the applicable Eligible Employee’s continued employment with the Company through the RSU Grant Date. If the Board determines in its sole discretion that an Eligible Employee has not achieved the required Performance Criteria, no RSUs will be awarded to such Eligible Employee.

By way of example only:

<u>Fair Value per Share of Common Stock</u>	<u>Number of Shares of Common Stock Subject to RSUs</u>	<u>Grant Date Value of RSUs</u>
\$30	66,000	\$1,980,000
\$35	66,000	\$2,310,000
\$40	66,000	\$2,640,000
\$45	66,000	\$2,970,000
\$50	60,000	\$3,000,000
\$55	54,545	\$2,999,975
\$60	50,000	\$3,000,000
\$65	49,500	\$3,217,500
\$70	49,500	\$3,465,000

4. **Vesting; Additional Conditions.** The RSUs shall be subject to such vesting and other terms and conditions as may be specified in the Notice and/or Award Agreement.

5. **Administration.** The Plan will be administered by the Board. The Board is authorized to establish such rules and regulations as it deems necessary for the proper administration of the Plan and to make sure determinations and interpretations and to take such action in connection with Plan and any benefits granted hereunder as it deems necessary or advisable. The Board shall have the authority to construe the Plan and any Notices, Award Agreements and awards of RSUs made thereunder, to prescribe, amend and rescind rules and regulations relating to the Plan, to determine the terms and provisions of the RSUs and to make all other determinations necessary or advisable for administering the Plan.

6. Adjustments. In the event of any corporate event or transaction involving the Company, such as a merger, consolidation, reorganization, recapitalization, separation, stock dividend, stock split, reverse stock split, split up, spin-off, combination of shares, exchange of shares, dividend in kind, amalgamation, or other like change in capital structure (other than normal cash dividends), or any similar corporate event or transaction, in order to prevent dilution or enlargement of Eligible Employees' rights under the Plan, the Board will substitute or adjust, in its sole discretion, the number and kind of shares or other property that may be issued under any Notice and/or Award Agreement, including the maximum and minimum number of shares subject to the RSUs and the maximum value of the aggregate shares subject to the RSUs.

7. Governing Law. This Plan, all Notices and Award Agreements and all awards of RSUs granted hereunder and all related matters shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware.

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Section 10: EX-99.5 (EX-99.5)

Exhibit 99.5

AMENDMENT TO HOMEFED CORPORATION 2017 RSU OPPORTUNITY PLAN

This AMENDMENT (this "Amendment"), dated as of July 1, 2019 (the "Effective Date"), to that certain HomeFed Corporation 2017 RSU Opportunity Plan (the "Plan").

WITNESSETH:

WHEREAS, pursuant to an Agreement and Plan of Merger, by and among Jefferies Financial Group Inc., a New York corporation (the "Jefferies"), Heat Merger Sub, LLC a Delaware limited liability company and a wholly-owned subsidiary of Jefferies ("Merger Sub") and HomeFed Corporation, a Delaware corporation ("HomeFed"), dated as of April 12, 2019 and as amended on May 2, 2019, HomeFed has merged with and into Merger Sub (the "Merger"), with Merger Sub surviving the Merger as a wholly-owned subsidiary of the Jefferies; and

WHEREAS, in connection with the Merger, Jefferies has assumed the Plan and all outstanding awards under the Plan, and in connection therewith desires to make certain adjustments to the Plan to reflect such assumptions.

NOW THEREFORE, it is hereby provided that:

1. Defined Terms. Capitalized terms used herein, but not defined herein, have the respective meanings ascribed thereto in the Plan.

2. Amendments.

(a) The name of the Plan shall be changed from the "HomeFed Corporation 2017 RSU Opportunity Plan" to the "Jefferies Financial Group Inc. 2017 RSU Opportunity Plan (HomeFed)" and the defined term the "Plan" shall mean the Jefferies Financial Group Inc. 2017 RSU Opportunity Plan (HomeFed).

(b) The defined term the "Company" shall mean Jefferies Financial Group Inc.

(c) The term "Common Stock" shall mean Jefferies Financial Group Inc. common stock, par value \$1.00.

(d) In Section 3 of the Plan, the minimum number of RSUs with respect to shares of Common Stock shall be changed from "49,500" to "99,000" and the maximum number of RSUs with respect to shares of Common Stock shall be changed from "66,000" to "132,000."

(e) The table in Section 3 of the Plan shall be deleted in its entirety and replaced with the following:

<u>Fair Value per Share of Common Stock</u>	<u>Number of Shares of Common Stock Subject to RSUs</u>	<u>Grant Date Value of RSUs</u>
\$ 15	132,000	\$1,980,000
\$17.50	132,000	\$2,310,000
\$ 20	132,000	\$2,640,000
\$22.50	132,000	\$2,970,000
\$ 25	120,000	\$3,000,000
\$27.50	109,090	\$2,999,975
\$ 30	100,000	\$3,000,000
\$32.50	99,000	\$3,217,500
\$ 35	99,000	\$3,465,000

(f) In Section 7 of the Plan, the governing law shall be changed from “Delaware” to “New York.”

3. Reference to and Effect on the Plan. Except as specifically amended herein, the Plan shall remain in full force and effect and is hereby ratified and confirmed. All references in the Plan to the “Plan” shall mean the Plan as amended by this Amendment.

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Section 11: EX-99.6 (EX-99.6)

Exhibit 99.6

**Jefferies Financial Group Inc.
2017 RSU Opportunity Plan (HomeFed)
RSU Opportunity Notice**

July 1, 2019

[Name of Executive
Address of Executive
City, State, Zip Code]

RE: RSU Opportunity Notice

Dear [Executive]:

You were originally granted the opportunity to receive an award (the “Original Award”) of restricted stock units for shares of common stock of HomeFed Corporation (“HomeFed”), pursuant to the HomeFed Corporation 2017 RSU Opportunity Plan (the “Original Plan”) and the terms of an RSU Opportunity Notice dated November 2, 2017 (the “Original Notice”) entered into under the Original Plan. In connection with the Merger (as defined in the Plan amendment dated July 1, 2019), Jefferies Financial Group Inc. (the “Company”) has assumed and amended the Original Plan as of July 1, 2019 to effectuate adjustments in connection with the Merger, and has renamed and adopted the Original Plan as the Jefferies Financial Group Inc. 2017 RSU Opportunity Plan (HomeFed) (the “Plan”). In connection with the adoption of the Plan, the Company has amended and restated your Original Notice pursuant to Section 3 thereof to convert the Original Award into the opportunity to receive an award of restricted stock units (“RSUs”) for shares of common stock of the Company, par value \$1.00 per share (“Common Stock”), pursuant to the Plan and the terms of this RSU Opportunity Notice (this “Notice”), as outlined below:

1. Determination of RSU’s. During the period commencing on the date of this Notice and ending on December 31, 2019 (the “Performance Period”), if the board of directors of the Company (the “Board”) determines, in the exercise of its sole discretion, taking into account the performance targets set forth on Exhibit A hereto, that you have achieved the performance criteria as determined by the Board, you will receive RSUs for a number of shares of Common Stock to be determined by dividing \$[●] by the fair value of a share of Common Stock on December 31, 2019, as determined by the Board in its sole discretion; provided, that RSUs with respect to no fewer than [●] shares of Common Stock and no more than [●] shares of Common Stock may be granted, and subject to your continued employment with the Company on the RSU Grant Date. See below for examples of how this would work:

<u>Fair Value per Share of Common Stock</u>	<u>Number of Shares of Common Stock Subject to RSUs</u>	<u>Grant Date Value of RSUs</u>
\$ 15	[●]	[●]
\$17.50	[●]	[●]
\$ 20	[●]	[●]
\$22.50	[●]	[●]
\$ 25	[●]	[●]
\$27.50	[●]	[●]
\$ 30	[●]	[●]
\$32.50	[●]	[●]
\$ 35	[●]	[●]

If the Board determines in its sole discretion that you have not achieved the required performance criteria, you will not receive a grant of RSUs. The Board will make this determination and, as appropriate, will grant the RSUs (the “RSU Award”) following the completion of the Performance Period, but in no event later than April 1, 2020. The date on which RSUs are granted is referred to as the “RSU Grant Date”. The RSUs will be granted pursuant to an award agreement (an “Award Agreement”) to be entered into by you and the Company on the RSU Grant Date.

2. Vesting; Additional Conditions.

- a. Fifty percent (50%) of the RSU Award will vest on December 31, 2020, and the remaining 50% of the RSU Award will vest on December 31, 2021, provided that you have been in the continuous employ of the Company through each of such vesting dates, except as otherwise provided in an Award Agreement. Additional terms and conditions of the RSU Award may apply; if so, they will be determined by the Board in its sole discretion at the RSU Grant Date and will be set forth in the Award Agreement.
- b. Each RSU shall be settled on or within thirty (30) days following the date on which such RSU vests. Vested RSUs shall be converted into an equivalent number of shares of Common Stock of the Company and distributed to you, except as otherwise provided in the applicable Award Agreement, and provided, however, that the Company shall pay you in cash in lieu of any fractional shares of Common Stock that might otherwise be delivered. You will have the option to have up to 40% of the RSUs settled in cash at the closing market price on the settlement date as set out in the Award Agreement.

3. Adjustments. In the event of any corporate event or transaction involving the Company, such as a merger, consolidation, reorganization, recapitalization, separation, stock dividend, stock split, reverse stock split, split up, spin-off, combination of shares, exchange of shares, dividend in kind, amalgamation, or other like change in capital structure (other than normal cash dividends), or any similar corporate event or transaction, in order to prevent dilution or enlargement of your rights with respect to the RSU Award, the Board will substitute or adjust, in its sole discretion, the number and kind of shares or other property that may be issued under this Notice and/or your Award Agreement, including the maximum and minimum number of shares subject to the RSUs and the maximum value of the aggregate shares subject to the RSUs.
4. Withholding. The Company shall have the power and the right to deduct or withhold automatically from any cash or shares deliverable in respect of the RSUs, or require the you to remit to the Company, the minimum statutory amount to satisfy federal, state, and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of your RSU Award.
5. Compliance with Section 409A of the Code. The Company intends that the Agreement be interpreted to satisfy an exemption from (or, to the extent not exempt, in compliance with) Section 409A of the Internal Revenue Code of 1986, as amended, and all regulations, guidance, compliance programs and other interpretative authority thereunder, such that there are no adverse tax consequences, interest, or penalties as a result of the payments.
6. Miscellaneous. We intend this Notice to be governed by the laws of the State of New York, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Notice to the substantive law of another jurisdiction. You understand that this Notice does not confer any rights of continued employment upon you and does not restrict the Company’s right to terminate your employment at any time or for any reason. This Notice,

together with the Plan, constitutes the entire agreement, and supersedes any and all other agreements, representations or understandings (whether written or oral), between the Company and you with respect to the subject matter hereof, including without limitation, the Original Notice. This Notice shall be subject to the terms of the Plan, and in the event of any conflict between the two, the Plan shall supersede and control. No amendment or modification of any term of this Notice shall be effective unless signed in writing by or on behalf of the Company and you, and made in accordance with the terms of the Plan. No waiver of any breach or condition of this Notice shall be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature. Should any provision of this Notice be held by a court of competent jurisdiction to be unenforceable or invalid for any reason, the remaining provisions of this Notice shall not be affected by such holding and shall continue in full force in accordance with their terms. The provisions of this Notice shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and upon you and your heirs, successors, legal representatives and permitted assigns. Nothing in this Notice, express or implied, is intended to confer on any person other than the Company and you, and its and your respective heirs, successors, legal representatives and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Notice. You (and your beneficiaries) shall be responsible for all taxes with respect to the RSUs. The Board and the Company make no guarantees regarding the tax treatment of the RSUs, and none of the Board or the Company, any affiliate thereof or any of their respective employees or representatives shall have any liability to you with respect thereto.

As a result of the Merger, the Committee exercised its discretion to unilaterally amend and restate the Original Notice pursuant to Section 3 of the Original Notice solely to reflect the equitable adjustment of the opportunity to receive an award of RSUs granted to you pursuant to the Original Notice. You remain bound by the terms of this Notice, as you expressly agreed in the Original Notice.

[Signature Page Follows]

Very truly yours,

JEFFERIES FINANCIAL GROUP INC.

By:
Name:
Title:

[Signature Page to RSU Opportunity Notice]

Exhibit A

Performance Criteria

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