

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

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 OR 15(d)  
of The Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): June 13, 2019**

**HELIOS TECHNOLOGIES, INC.**  
(Exact name of registrant as specified in its charter)

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**Florida**  
(State or other jurisdiction  
of incorporation)

**0-21835**  
(Commission  
File Number)

**59-2754337**  
(IRS Employer  
Identification No.)

**1500 West University Parkway, Sarasota, Florida**  
(Address of principal executive offices)

**34243**  
(Zip Code)

**Registrant's telephone number, including area code: (941) 362-1200**

(Former name or former address, if changed since last report)  
**SUN HYDRAULICS CORPORATION**

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

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock \$.001 Par Value	HLIO	The NASDAQ Global Select Market

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

Emerging growth company

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

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

On June 14, 2019, the Board of Directors (the “Board”) of Helios Technologies, Inc. (the “Registrant” or “Company”) made the following appointments of executive officers:

Rajasekhar Menon (54), President, CVT. Mr. Menon joined Sun Hydraulics, LLC, the Registrant’s subsidiary, as a consultant in January 2019 and previously was Senior Vice President at J B Poindexter from November 2015 to May 2018. From September 1989, to October 2015, Mr. Menon was with Cummins Inc. in a variety of global capacities. Mr. Menon holds a Mechanical Engineering degree from the Indian Institute of Technology, Madras and a MS in Manufacturing Systems Engineering from Purdue University. He also holds a Harvard Business School certificate for Management Development.

Matteo Arduini (46), President, ORC. Mr. Arduini serves as the General Manager of Faster S.r.l. (“Faster”) and was previously Chief Financial Officer of Faster S.p.A., the Registrant’s subsidiary, since April 2018. From September 2012 to April 2018, Mr. Arduini was with Brevini /Dana Incorporated. He served as the CFO of the Brevini Group and the project leader in Dana’s acquisition of Brevini Group. For one and a half years after the acquisition, he served as Head of Finance in Dana Brevini Italy. Mr. Arduini graduated from the University of Parma in 1998 with a degree in Economics and gained professional experience through roles at Ernst & Young, Ferrari Cars and Technogym.

Melanie M. Nealis, Esq. (44), Chief Legal and Compliance Officer and Secretary. Ms. Nealis joined the Company on July 9, 2018 as the Chief Legal and Compliance Officer and Assistant Secretary. Effective June 14, 2019, Ms. Nealis was appointed as Secretary of the Company. Prior to joining Helios, Ms. Nealis was the Deputy General Counsel at Roper Technologies, Inc. (NYSE: ROP) where she worked from 2012-2018. Ms. Nealis has a BSBA, *summa cum laude*, from Xavier University and a juris doctorate, *with honors in law*, from The Ohio State University.

The Company’s prior Secretary, Gregory C. Yadley, partner at the law firm Shumaker, Loop & Kendrick, LLP, was appointed as Assistant Secretary. Also, in conjunction with the Company’s global realignment, Gary Gotting and Craig Roser resigned as executive officers, effective June 14, 2019. Mr. Gotting and Mr. Roser will remain in their current roles as Global Leaders supporting the Company’s CVT business.

Beginning in September 2018, with the assistance of Mercer, the Compensation Committee and the Board undertook a comprehensive review of the Company’s executive compensation plan. In 2019, the Compensation Committee adopted an Executive Compensation Policy, a short-term incentive plan and a long-term incentive plan and subsequently reviewed other aspects of the Company’s arrangements with its executive officers. As part of this review and as described in greater detail below, on June 14, 2019, the Compensation Committee and the Board approved an Executive Officer Continuity Agreement, an Executive Officer Severance Agreement, a Restricted Stock Unit Grant Agreement and an Executive Officer Clawback Policy. The following descriptions of the Executive Officer Continuity Agreement, Executive Officer Severance Agreement, Restricted Stock Unit Grant Agreement and Executive Officer Clawback Policy do not purport to be complete, and each such description is qualified in its entirety by reference to the text of the complete policy or agreement, as applicable, each of which, excluding the Executive Officer Clawback Policy, is filed as an exhibit to this Current Report on Form 8-K.

*Restricted Stock Unit Grant Agreement*

On March 8, 2019, the Board of Directors approved a new comprehensive equity incentive plan, the Helios Technologies 2019 Equity Incentive Plan (“Equity Incentive Plan”). The Equity Incentive Plan authorizes the Board to grant shares of restricted or unrestricted common stock of the Company, stock appreciation rights, restricted stock units, stock options, and other equity-based awards to officers, employees, consultants, and directors of the Company and to those of its subsidiaries. The Company’s shareholders approved the Equity Incentive Plan at the Company’s 2019 Annual Meeting of Shareholders held on June 13, 2019.

The Compensation Committee of the Board also approved a form of Restricted Stock Unit (“RSU”) Grant Agreement (the “Grant Agreement”). The Grant Agreement sets forth the terms of RSU awards that may be granted under the Equity Incentive Plan. The Grant Agreement includes certain restrictive covenants, including, a non-solicitation of employees and customers and a non-competition covenant within a defined territory and business scope within the 12-months following employment.

#### *Executive Officer Clawback Policy*

On June 14, 2019, the Compensation Committee of the Board adopted, and the Board endorsed, an Executive Officer Clawback Policy that allows the Company to recover certain forms of compensation paid to executive officers.

#### *Executive Officer Continuity Agreement*

On June 14, 2019, upon the recommendation of the Compensation Committee, the Board adopted a new form of Executive Officer Continuity Agreement (the “Continuity Agreement”) to be entered into with each of the Company’s executive officers. The Continuity Agreement provides for certain benefits to be paid to the executive in connection with a termination of employment that takes place in connection with a “Change of Control” (as defined in the Continuity Agreement).

On June 14, 2019, the Company entered into Continuity Agreements with Matteo Arduini, Wolfgang H. Dangel, Tricia L. Fulton, Rajasekhar Menon, Jinger McPeak, and Melanie M. Nealis. The Continuity Agreements supersede and replace the prior similar agreements between the Company and Mr. Dangel and Ms. Fulton, respectively.

The Continuity Agreement provides that upon termination of the executive’s employment or other triggering event during the two-year period immediately following, or within ninety (90) days prior to, a change in control, as defined in the Continuity Agreement, he or she is entitled to a lump sum payment equal to twice the amount of his or her annual salary, plus the cash value at the time of grant of the executive’s current year short-term compensation award, and continuing medical benefits, at the Company’s expense, for the executive and his or her family, for a period of 24 months. The executive also is entitled to immediate vesting of and an extended period following termination in which to exercise all unvested and unexercised stock options and immediate vesting and lapse of all forfeiture provisions relating to, and restrictions upon transfer of, all previously issued shares of restricted stock. To receive the payment and benefits under the Continuity Agreement, the executive must execute a general release and comply with the restrictive covenants set forth in his or her other agreements with the Company during the 24-month period following termination of employment.

#### *Executive Officer Severance Agreement*

On June 14, 2019, the Compensation Committee adopted, and the Board endorsed, a form of Executive Officer Severance Agreement (the “Severance Agreement”) to be entered into with each of the Company’s executive officers. The Severance Agreement provides for certain benefits to be paid to the executive in connection with a termination of employment that does not occur in connection with a change in ownership or control of the Company.

On June 14, 2019, the Company entered into Severance Agreements with Matteo Arduini, Wolfgang H. Dangel, Tricia L. Fulton, Rajasekhar Menon, Jinger McPeak, and Melanie M. Nealis.

The Severance Agreement provides that upon an “Involuntary Termination of Employment” (as defined in the Severance Agreement), he or she is entitled to a continuation of his or her annual base salary for 12 months, a payment equal to the cash value at the time of grant of the executive’s current year short-term compensation award, and continuing medical benefits, at Company expense, for the executive and his or her family for a period of 12 months. To receive the payment and benefits under the Severance Agreement, the executive must comply with a number of conditions including, executing a general release and complying with the restrictive covenants set forth in his or her agreements with the Company for a period of 12 months following termination of employment.

#### **Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.**

At the 2019 Annual Meeting held on June 13, 2019, the shareholders of the Company approved an amendment to the Company’s Amended and Restated Articles of Incorporation (“Articles of Incorporation”) to change the corporate name of Sun Hydraulics Corporation to Helios Technologies, Inc. (the “Name Change”). Additionally, the shareholders approved an amendment to the Articles of Incorporation to increase the authorized shares of the Company’s common stock from 50 million to 100 million shares. A copy of the Articles of Amendment to the Company’s Articles of Incorporation (“Articles of Amendment”) as filed with the Secretary of State of Florida, is attached hereto as Exhibit 3.1.

In connection with the Name Change, the Board of Directors approved several administrative amendments to the Company's bylaws to reflect the revised Company name and make changes relating to the appointment and designation of corporate officers. The Second Amended and Restated Bylaws became effective June 14, 2019.

Copies of the Articles of Amendment and the Second Amended and Restated Bylaws are attached hereto as Exhibit 3.1 and Exhibit 3.2, respectively, and are incorporated herein by reference.

In addition, in connection with the name change, the Company adopted a new form of common stock certificate. Holders of stock certificates bearing the prior corporate name need not take any action at this time to change the stock certificates to reflect the new corporate name. Certificates reflecting the name change will be issued in due course as old stock certificates are tendered for exchange or transfer to the Company's transfer agent.

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

Six proposals described fully in the 2019 Proxy Statement of Sun Hydraulics Corporation (the "Company") were presented for approval at the Company's 2019 Annual Meeting of Shareholders (the "Annual Meeting") held on June 13, 2019. As of the record date, 32,011,375 shares of common stock were outstanding and entitled to vote at the Annual Meeting. At the Annual Meeting, 30,439,608 shares of common stock were represented in person or by proxy; therefore, a quorum was present.

The shareholders of the Company voted on the following six matters:

**Proposal 1. Election of Directors**

Marc Bertoneche, Douglas M. Britt and Philippe Lemaitre were elected as Directors to serve for a term expiring on the date of the Company's 2022 annual meeting. Dr. Kennon Guglielmo was elected to serve as a Director for a term expiring on the date of the Company's 2021 annual meeting. All Directors serve until their respective successors are elected and qualified or until their earlier resignation, removal from office or death. The votes cast for and withheld were as follows:

Director	For	Withhold	Broker Non Votes
Marc Bertoneche	28,307,014	316,646	1,815,948
Douglas M. Britt	28,300,484	323,176	1,815,948
Philippe Lemaitre	26,001,367	2,622,293	1,815,948
Kennon H. Guglielmo	25,618,104	3,005,556	1,815,948

**Proposal 2. Approval of Corporate Name Change**

The proposal to approve an amendment to the Company's articles of incorporation to change the name of the Company to Helios Technologies, Inc., as disclosed in the 2019 Proxy Statement, received the following votes:

For	30,153,315
Against	262,100
Abstain	24,193
Broker Non-Votes	1,815,948

**Proposal 3. Approval of Increase in Number of Shares of Common Stock**

The proposal to approve an amendment to the Corporation's articles of incorporation to increase the number of authorized shares of common stock, par value \$0.001 per share, to 100,000,000 shares, as disclosed in the 2019 Proxy Statement, received the following votes:

For	28,898,536
Against	923,021
Abstain	618,051
Broker Non-Votes	1,815,948

**Proposal 4. Approval of 2019 Equity Incentive Plan**

The proposal to approve the Helios Technologies 2019 Equity Incentive Plan, as disclosed in the 2019 Proxy Statement, received the following votes:

For	27,881,376
Against	705,682
Abstain	36,602
Broker Non-Votes	1,815,948

**Proposal 5. Ratification of the Appointment of Independent Registered Public Accounting Firm**

The proposal to ratify the appointment of Grant Thornton LLP as the Company's independent registered public accounting firm to audit the consolidated financial statements of the Company for the year ending December 28, 2019, as disclosed in the 2019 Proxy Statement, received the following votes:

For	30,377,969
Against	51,104
Abstain	10,535
Broker Non-Votes	N/A

**Proposal 6. Advisory Vote on Executive Compensation**

The proposal to approve, on a non-binding, advisory basis, the compensation of the Company's named executive officers, as disclosed in the 2019 Proxy Statement, received the following votes:

For	28,059,031
Against	534,505
Abstain	30,124
Broker Non-Votes	1,815,948

**Item 8.01 Other Events**

On June 14, 2019, the Board of Directors of the Registrant declared a \$0.09 per share cash dividend on the Registrant's common stock, payable on July 20, 2019, to shareholders of record as of July 5, 2019. On June 17, 2019, the Registrant issued the press release attached hereto as Exhibit 99.2 announcing the cash dividend.

On the open of the market on June 17, 2019, the common stock of the Company ceased trading under the ticker symbol "SNHY" and began trading under its new ticker symbol, "HLIO" on the NASDAQ Global Select Market. In connection with the Name Change disclosed under Item 5.03 above, the Company's common stock has been assigned a new CUSIP number of 42328H 109. On June 14, 2019, the Registrant issued the press release attached hereto as Exhibit 99.1 announcing the its new ticker.

On June 18, 2019, the Registrant issued the press release attached hereto as Exhibit 99.3 announcing the its new corporate officers.

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibits

- 3.1 [Articles of Amendment to Amended and Restated Articles of Incorporation as filed with the Secretary of State of Florida on June 13, 2019](#)
- 3.2 [Second Amended and Restated Bylaws dated June 14, 2019.](#)
- 10.1+ [Helios Technologies 2019 Equity Incentive Plan \(previously filed as Appendix A to the Company's Definitive Proxy Statement on Schedule 14A for the 2019 Annual Meeting of Shareholders filed on April 11, 2019, and incorporated herein by reference\).](#)
- 10.2+ [Form of Executive Officer Severance Agreement.](#)
- 10.3+ [Form of Executive Officer Continuity Agreement.](#)
- 10.4+ [Form of Restricted Stock Unit Grant Agreement.](#)
- 99.1 [Press release dated June 14, 2019.](#)
- 99.2 [Press release dated June 17, 2019.](#)
- 99.3 [Press release dated June 18, 2019.](#)
- + Executive management contract or compensatory plan or arrangement.

**SIGNATURE**

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

HELIOS TECHNOLOGIES, INC.

Dated: June 18, 2019

By: \_\_\_\_\_ /s/ Tricia L. Fulton  
**Tricia L. Fulton**  
**Chief Financial Officer (Principal Financial and Accounting Officer)**

**ARTICLES OF AMENDMENT TO  
AMENDED AND RESTATED ARTICLES OF INCORPORATION OF  
SUN HYDRAULICS CORPORATION**

J49665

(Document Number of Corporation)

Pursuant to the provisions of Section 607.1006, Florida Statutes, **SUN HYDRAULICS CORPORATION** (the "Corporation") hereby adopts the following Articles of Amendment to its Amended and Restated Articles of Incorporation.

FIRST: The name of the Corporation is **SUN HYDRAULICS CORPORATION**.

SECOND: The following two amendments to the Amended and Restated Articles of Incorporation were adopted by the Board of Directors of the Corporation at a meeting held on March 8, 2019:

1. Article I of the Articles of Incorporation is hereby amended by deleting such Article in its entirety and substituting in lieu of such Article the following new Article I which reads as follows:

**ARTICLE I – Name:**

The name of the Corporation is **HELIOS TECHNOLOGIES, INC.**

2. The first sentence of **Article 5 - Authorized Shares** of the Amended and Restated Articles of Incorporation shall be amended to read as follows: **The total number of shares of all classes of capital stock which the Corporation shall have the authority to issue is One Hundred Two Million (102,000,000) shares, consisting of (i) One Hundred Million (100,000,000) shares of common stock, \$.001 value per share (the "Common Stock"), and (ii) Two Million (2,000,000) shares of preferred stock, \$.001 value per share (the "Preferred Stock").**

Except as aforesaid, the remainder of the Amended and Restated Articles of Incorporation shall remain in full force and effect and shall not be modified by this Amendment.

THIRD: The foregoing amendments were approved and adopted by the shareholders at a meeting held on June 13, 2019. The number of votes cast for the approval and adoption of the amendments by the shareholders was sufficient for approval.

IN WITNESS WHEREOF, the undersigned, Secretary of the Corporation, has executed these Articles of Amendment this 13<sup>th</sup> day of June, 2019.

**SUN HYDRAULICS CORPORATION**

By: /s/ Gregory C. Yadley  
Gregory C. Yadley, Secretary



**SECOND AMENDED AND RESTATED  
BYLAWS**

**OF**

**HELIOS TECHNOLOGIES, INC.**

Set forth below are the Bylaws of Helios Technologies, Inc., a Florida corporation (the “Corporation”), as adopted by the Board of Directors of the Corporation effective as of June 14, 2019.

**ARTICLE I**

Offices

Section 1. Registered Office. The address of the Corporation’s registered office in the State of Florida is 1500 University Parkway, Sarasota, Florida 34243.

Section 2. Other Offices. The Corporation also may have offices at such other places both within and without the State of Florida as the Board of Directors may from time to time determine.

**ARTICLE II**

Meetings of Shareholders

Section 1. Place of Meetings. Meetings of the Shareholders for the election of Directors or for any other purpose shall be held at such time and place, either within or without the State of Florida, as shall be designated from time to time by the Board of Directors and stated in the notice of the meeting or in a duly executed waiver of notice thereof.

Section 2. Annual Meetings. The Annual Meetings of Shareholders shall be held on such date and at such time as shall be designated from time to time by the Board of Directors and stated in the notice of the meeting. Written notice of the Annual Meeting stating the place, date and hour of the meeting shall be given to each shareholder entitled to vote at such meeting not less than ten (10) nor more than sixty (60) days before the date of the meeting.

Section 3. Special Meeting. Special Meetings of Shareholders may be called by the Chairman, the President, a majority of the Board of Directors and shall be called if the holders of fifty percent (50%) of the votes entitled to be cast on any issue proposed to be considered at the proposed meeting sign, date and deliver a written demand or several such written demands for the special meeting describing the purpose or purposes for the meeting to the Corporation’s Secretary. Only business within the purpose or purposes described in the special meeting notice may be conducted at such special meeting. Written notice of a Special Meeting must state the place, date and hour of the meeting and the purpose or purposes for which the meeting is called and shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting to each shareholder entitled to vote at such meeting.

Section 4. Quorum. Except as otherwise provided by law or by the Articles of Incorporation, the holders of a majority of the capital stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at all meetings of the shareholders for the transaction of business. If, however, such quorum shall not be present or represented at any meeting of the shareholders, the shareholders entitled to vote thereof, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. If the adjournment is for more than thirty (30) days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each shareholder entitled to vote at the meeting.

Section 5. Voting. If a quorum exists, (i) action on a matter (other than the election of directors) is approved if the votes cast favoring the action exceed the votes cast opposing the action, unless the Articles of Incorporation or Florida law requires a greater number of affirmative votes, and (ii) each shareholder represented at a meeting of shareholders shall be entitled to cast one vote for each share of the capital stock entitled to vote thereat held by such shareholder. Such votes may be cast in person or by proxy but no proxy shall be voted on or after three (3) years from its date, unless such proxy provides for a longer period. The Board of Directors, in its discretion, or the officer of the Corporation presiding at a meeting of shareholders, in his or her discretion, may require that any votes cast at such meeting shall be cast by written ballot.

Section 6. List of Shareholders Entitled to Vote. The officer of the Corporation who has charge of the stock ledger of the Corporation shall prepare and make, at least ten (10) days before every meeting of shareholders, a complete list of the shareholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each shareholder and the number of shares registered in the name of each shareholder. Such list shall be open to the examination of any shareholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten (10) days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting or, if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any shareholder of the Corporation who is present.

Section 7. Stock Ledger. The stock ledger of the Corporation shall be the only evidence as to who are the shareholders entitled to examine the stock ledger, the list required by Section 6 of this Article II or the books of the Corporation, or to vote in person or by proxy at any meeting of shareholders.

Section 8. Notice of Business. At any annual meeting of shareholders, only such business shall be conducted as shall have been (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (b) otherwise properly brought before the meeting by or to the direction of the Board of Directors, or (c) otherwise properly brought before the annual meeting by a shareholder who is a shareholder of record at the time of the giving of the notice provided for in this Section 8 of this Article II and who shall be entitled to vote at such meeting. If the outstanding shares of the capital stock are held by more than thirty (30) shareholders, then no action required or permitted to be taken at any annual or special meeting of shareholders of the Corporation may be taken by written consent without a meeting of such shareholders.

In addition to any other applicable requirements, for business to be properly brought before an annual meeting by a shareholder, the shareholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a shareholder's notice must be delivered to or mailed and received at the principal executive offices of the Corporation not less than one hundred twenty (120) days prior to the anniversary of the date of the proxy statement relating to the prior year's annual meeting of shareholders. A shareholder's notice to the Secretary shall set forth as to each matter the shareholder proposes to bring before the annual meeting (i) a brief description of the business desired to be brought before the annual meeting, (ii) the reasons for conducting such business at the meeting, (iii) the name and record address of the shareholder proposing such business, (iv) the class or series and number of shares of the Corporation which are owned beneficially or of record by the shareholder, (v) a description of all arrangements or understandings between the shareholder and any other person or persons (including their names) in connection with the proposal of such business by the shareholder and any material interest of the shareholder in such business, and (vi) a representation that the shareholder intends to appear in person or by proxy at the annual meeting to bring such business before the meeting.

Notwithstanding anything in these Bylaws to the contrary, no business shall be conducted at the annual meeting except in accordance with the procedures set forth in this Section 8 of this Article II; provided, however, that nothing in this Section 8 of this Article II shall be deemed to preclude discussion by any shareholder of any business properly brought before the annual meeting in accordance with said procedure.

The officer of the Corporation presiding at the annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting in accordance with the provisions of this Section 8 of this Article II, and if he or she should so determine, shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted. Notwithstanding the foregoing provisions of this Section 8 of this Article II, a shareholder also shall comply with all applicable requirements of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder with respect to the matters set forth in this Section 8 of this Article II.

### **ARTICLE III** Directors

Section 1. Number of Directors. The number of Directors shall be determined from time to time by resolution adopted by the affirmative vote of a majority of the Directors then in office. The Board of Directors shall be divided into three classes, designated Class I, Class II and Class III. Each class shall consist, as nearly as may be possible, of one-third of the total number of Directors constituting the entire Board of Directors. Each Director shall be elected for a three-year term. If the number of Directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of Directors in each class as nearly equal as possible, but in no case shall a decrease in the number of Directors shorten the term of any incumbent Director.

Section 2. Nomination of Directors. Only persons who are nominated in accordance with the following procedures shall be eligible for election as Directors. Nominations of persons for election to the Board of Directors at the annual meeting may be made at a meeting of shareholders by or at the direction of the Board of Directors, by any nominating committee or person appointed by the Board of Directors or by any shareholder of the Corporation entitled to vote for the election of Directors at the meeting who complies with the notice procedures set forth in this Article III. Such nominations, other than those made by or at the direction of the Board of Directors, shall be made pursuant to timely notice in writing to the Secretary of the Corporation. To be timely, a shareholder's notice shall be delivered to or mailed and received at the principal executive offices of the Corporation not less than one hundred and twenty (120) days nor more than one hundred and fifty (150) days prior to the meeting; provided, however, that in the event that less than one hundred and twenty (120) days' notice or prior public disclosure of the date of the meeting is given or made to shareholders, notice by the shareholder to be timely must be received not later than the close of business on the tenth (10th) day following the day on which such notice of the date of the meeting was mailed or such public disclosure was made, whichever first occurs. Such shareholder's notice to the Secretary shall set forth (a) as to each person whom the shareholder proposes to nominate for election or re-election as a Director, (i) the name, age, business address and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class and number of shares of capital stock of the Corporation which are beneficially owned by the person, (iv) any other information relating to the person that is required to be disclosed in solicitations for proxies for election of Directors pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended, and (v) the consent of the person to serve as a Director of the Corporation, if so elected; and (b) as to the shareholder giving the notice (i) the name and record address of shareholder, (ii) the class or series and number of shares of capital stock of the Corporation which are beneficially owned by the shareholder, (iii) a description of all arrangements or understandings between the shareholder and each proposed nominee and any other person pursuant to which the nominations are to be made, (iv) a representation that the shareholder intends to appear in person or by proxy at the meeting to nominate the persons named, and (v) certain other information. The Corporation may require any proposed nominee to furnish such other information as reasonably may be required by the Corporation to determine the eligibility of such proposed nominee to serve as Director of the Corporation. No person shall be eligible for election as a Director of the Corporation unless nominated in accordance with the procedures set forth herein.

The officer of the Corporation presiding at the meeting shall, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the foregoing procedure, and if he or she should so determine, shall so declare to the meeting and the defective nomination shall be disregarded.

Subject to the rights of holders of any series of Preferred Stock then outstanding, any vacancy on the Board of Directors that results from an increase in the number of Directors may be filled by a majority of the Board of Directors then in office, provided that a quorum is present, and any other vacancy occurring in the Board of Directors may be filled by a majority of the Directors then in office, even if less than a quorum is present, or by a sole remaining Director. Any Director of any class elected to fill a vacancy resulting from an increase in such class shall hold office for a term that shall coincide with the remaining term of that class. Any Director elected to fill a vacancy not resulting from an increase in the number of Directors shall have the same remaining term as that of his or her predecessor.

Subject to the rights of holders of any series of Preferred Stock then outstanding, any Director or the entire Board of Directors, may be removed from office at any time, but only for cause by an affirmative vote of the holders of a majority of the then outstanding shares of voting stock.

Section 3. Duties and Powers. The business of the Corporation shall be managed by or under the direction of the Board of Directors which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute or by the Articles of Incorporation or by these Bylaws directed or required to be exercised or done by the shareholders.

Section 4. Meetings. The Board of Directors of the Corporation may hold meetings, both regular and special, either within or without the State of Florida. Regular meetings of the Board of Directors may be held without notice at such time and at such place as may from time to time be determined by the Board of Directors. Special meetings of the Board of Directors may be called by the Chairman, if there be one, the President or by a majority of the Board of Directors. Notice of a special meeting must be given at least two (2) days prior to the date of the meeting by written notice pursuant to the notice provisions of these Bylaws. The notice of a special meeting need not describe the purpose of the special meeting.

Section 5. Quorum. Except as may be otherwise specifically provided by law, the Articles of Incorporation or these Bylaws, at all meetings of the Board of Directors, a majority of the entire Board of Directors shall constitute a quorum for the transaction of business, and the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors. If a quorum shall not be present at any meeting of the Board of Directors, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 6. Actions of the Board. Unless otherwise provided by the Articles of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all the members of the Board of Directors or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors or committee.

Section 7. Meetings by Means of Conference Telephone. Unless otherwise provided by the Articles of Incorporation or these Bylaws, members of the Board of Directors of the Corporation, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors or such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this Section 7 of Article III shall constitute presence in person at such meeting.

Section 8. Committees. The Board of Directors may, by resolution passed by a majority of the entire Board of Directors, designate one or more committees, each committee to consist of one or more of the Directors of the Corporation. The Board of Directors may designate one or more Directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of any such committee. In the absence or disqualification of a member of a committee, and in the absence of a designation by the Board of Directors of an alternate member to replace the absent or disqualified member, the member or members thereof present at any meeting and not disqualified from voting, whether or not he, she or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any absent or disqualified member. Any committee, to the extent allowed by law and provided in the resolution establishing such committee, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation. Each committee shall keep regular minutes and report to the Board of Directors when required.

Section 9. Compensation. The Directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors and may be paid a fixed sum for attendance at such meeting of the Board of Directors and/or a stated salary as Director. No such payment shall preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

Section 10. Interested Directors. No contract or transaction between the Corporation and one or more of its Directors or officers, or between the Corporation and any other corporation, partnership, association, or other organization in which one or more of its Directors or officers are Directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the Director or officer is present at or participates in the meeting of the Board of Directors or committee thereof which authorizes the contract or transaction, or solely because his, her or their votes are counted for such purpose if (a) the fact of such relationship or interest is disclosed or known to the Board of Directors or committee which authorizes, approves, or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of such interested Directors; (b) the fact of such relationship or interest is disclosed or known to the shareholders entitled to vote and they authorize, approve, or ratify such contract or transaction by vote or written consent; or (c) the contract or transaction is fair and reasonable as to the Corporation at the time it is authorized by the Board of Directors, a committee, or the shareholders.

#### **ARTICLE IV** **Officers**

Section 1. General. The officers of the Corporation shall be appointed by the Board of Directors and shall include a Chairman, a President, and a Secretary. The Board of Directors, in its discretion, also may appoint a Vice Chairman of the Board of Directors, a Treasurer, and one or more Vice Presidents, Assistant Secretaries and other officers. Any number of offices may be held by the same person, unless otherwise prohibited by law, the Articles of Incorporation or these Bylaws. The officers of the Corporation need not be shareholders of the Corporation nor, except in the case of the Chairman and Vice Chairman of the Board of Directors, need such officers be Directors of the Corporation.

Section 2. Appointment. The Board of Directors shall appoint the officers of the Corporation, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors; and all officers of the Corporation shall hold office until their successors are chosen and qualified, or until their earlier resignation or removal. Any officer elected by the Board of Directors may be removed at any time by the affirmative vote of a majority of the Board of Directors. Any vacancy occurring in any office of the Corporation shall be filled by the Board of Directors. The salaries of all officers of the Corporation shall be fixed by the Board of Directors.

Section 3. Voting Securities Owned by the Corporation. Powers of attorney, proxies, waivers of notice of meeting, consents and other instruments relating to securities owned by the Corporation may be executed in the name of and on behalf of the Corporation by the President or any Vice President and any such officer may, in the name of and on behalf of the Corporation, take all such actions as any such officer may deem advisable to vote in person or by proxy at any meeting of security holders of any corporation in which the Corporation may own securities and at any such meeting shall possess and may exercise any and all rights and powers incident to the ownership of such securities and which, as the owner thereof, the Corporation might have exercised and possessed if present. The Board of Directors may, by resolution, from time to time confer like powers upon any other person or persons.

Section 4. Chairman. The Chairman, if present, shall preside at all meetings of the shareholders and of the Board of Directors. The Chairman of the Board of Directors shall also perform such other duties and may exercise such other powers as from time to time may be assigned to him or her by these Bylaws or by the Board of Directors.

Section 5. Vice Chairman. In the absence or disability of the Chairman, or if there be none, the Vice Chairman shall preside at all meetings of the shareholders and the Board of Directors. The Vice Chairman of the Board of Directors also shall perform such other duties and may exercise such other powers as from time to time may be assigned to him or her by these Bylaws or by the Board of Directors.

Section 6. President. The President shall be the chief executive officer of the Corporation unless the Board of Directors shall resolve otherwise, and, as such, shall have general supervision and direction of the business and affairs of the Corporation and shall see that all orders and resolutions of the Board of Directors are carried into effect. In the absence or disability of the Chairman and the Vice Chairman, or if there be none, the President shall preside at all meetings of the shareholders and the Board of Directors. The President also shall perform such other duties and may exercise such other powers as from time to time may be assigned to him or her by these Bylaws or by the Board of Directors.

Section 7. Vice President. At the request of the President or in his or her absence or in the event of his or her inability or refusal to act (and if there be no Chairman or Vice Chairman of the Board of Directors), the Vice President or the Vice Presidents if there is more than one (in the order designated by the Board of Directors) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Each Vice President shall perform such other duties and have such other powers as the Board of Directors from time to time may prescribe. If there is no Vice President, the Board of Directors shall designate the officer of the Corporation who, in the absence of the President or in the event of the inability or refusal of the President to act, shall perform the duties of the President, and when so acting, shall have all powers of and be subject to the restrictions upon the President.

Section 8. Secretary. The Secretary shall attend all meetings of the Board of Directors and all meetings of shareholders and record all the proceedings thereat in a book or books to be kept for that purpose; the Secretary also shall perform like duties of the standing committees when required. The Secretary shall give, or cause to be given, notice of all meetings of the shareholders and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the President or the Board of Directors, under whose supervision he or she shall be. If the Secretary shall be unable or shall refuse to cause to be given notice of all meetings of the shareholders and special meetings of the Board of Directors, and if there be no Assistant Secretary, then either the President or the Board of Directors may choose another officer to cause such notice to be given. The Secretary shall have responsibility for authenticating records of the Corporation and have custody of the seal of the Corporation and the Secretary or any Assistant Secretary, if there be one, shall have authority to affix the same to any instrument requiring it and when so affixed, it may be attested by the signature of the Secretary or by the signature of any such Assistant Secretary. The Board of Directors may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing by his or her signature. The Secretary shall see that all books, reports, statements, certificates and other documents and records required by law to be kept or filed are properly kept or filed, as the case may be.

Section 9. Treasurer. The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the Board of Directors, at its regular meetings, or when the Board of Directors so requires, an account of all his or her transactions as Treasurer and of the financial condition of the Corporation. If required by the Board of Directors, the Treasurer shall give the Corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his or her office and for the restoration to the Corporation in case of his or her death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his or her possession or under his or her control belonging to the Corporation.

Section 10. Assistant Secretaries. Except as may be otherwise provided in these Bylaws, Assistant Secretaries, if there be any, shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors, the President, any Vice President, if there be one, or the Secretary, and in the absence of the Secretary or in the event of his or her disability or refusal to act, shall perform the duties of the Secretary, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Secretary.

Section 11. Other Officers. Such other officers as the Board of Directors may choose shall perform such duties and have such powers from time to time may be assigned to them by the President or the Board of Directors, as the case may be. The Board of Directors may delegate to any other officer of the Corporation the power to choose such other officers and to prescribe their respective duties and powers.

## ARTICLE V

### Stock

Section 1. Form of Certificates. Every holder of stock in the Corporation shall be entitled to have a certificate signed, in the name of the Corporation (i) by the Chairman or Vice Chairman of the Board of Directors, the President or a Vice President, and (ii) by the Treasurer, or the Secretary or an Assistant Secretary of the Corporation, certifying the number of shares owned in the Corporation.

Section 2. Signatures. Where a certificate is countersigned by (i) a transfer agent other than the Corporation or its employee, or (ii) a registrar other than the Corporation or its employee, any other signature on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate issued, it may be issued by the Corporation with the same effect as if he or she were such officer, transfer agent or registrar at the date of issue.

Section 3. Lost Certificates. The Board of Directors may direct a new certificate to be issued in place of any certificate theretofore issued by the Corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen or destroyed. When authorizing such issue of a new certificate, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed certificate, or his or her legal representative, to advertise the same in such manner as the Board of Directors shall require and/or to give the Corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost, stolen or destroyed.



Section 4. Transfers. Stock of the Corporation shall be transferable in the manner prescribed by law and in these Bylaws. Transfers of stock shall be made on the books of the Corporation only by the person named as the owner of the stock in the Corporation's books and records or by his, her or its attorney lawfully constituted in writing and, if such stock is represented by a stock certificate, upon the surrender of the certificate therefor.

Section 5. Record Date. In order that the Corporation may determine the shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than seventy (70) days nor less than ten (10) days before the date of such meeting, nor more than seventy (70) days prior to any other action. A determination of shareholders of record entitled to notice of or to vote at a meeting of shareholders shall apply to any adjournment of the meeting unless the Board of Directors fixes a new record date, which it must do if the meeting is adjourned to a date more than one hundred and twenty (120) days after the date fixed for the original meeting.

Section 6. Beneficial Owners. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and to hold liable for calls and assessments a person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by law.

## ARTICLE VI

### Notices

Section 1. Notices. Whenever written notice is required by law, the Articles of Incorporation or these Bylaws, to be given to any Director, member of a committee or shareholder, such notice may be given by mail, addressed to such Director, member of a committee or shareholder, at his or her address as it appears on the records of the Corporation, with postage thereon prepaid, and such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail. Written notice may also be given personally or by electronic facsimile, or telegram, telex or cable. Written notices delivered personally, by mail, telegram, telecopy or nationally recognized overnight courier service (such as Federal Express, Airborne, UPS, Emery or Purolator) to each Director at his or her address. Such notice shall be effective upon the earliest of (a) receipt, (b) five days after its deposit in the United States mail, as evidenced by the postmark, if mailed postpaid and correctly addressed, or (c) the day after its deposit with such an overnight courier service, marked for next day delivery. Such written notice shall include the date, time and place of the meeting.

Section 2. Waivers of Notice. Whenever any notice is required by law, the Articles of Incorporation or these Bylaws, to be given to any Director, member of a committee or shareholder, a waiver thereof in writing, signed, by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

**ARTICLE VII**  
General Provisions

Section 1. Dividends. Dividends upon the capital stock of the Corporation, subject to the provisions of the Articles of Incorporation, if any, may be declared by the Board of Directors at any regular or special meeting, and may be paid in cash, in property, or in shares of the capital stock. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the Board of Directors from time to time, in its absolute discretion, deems proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation, or for any proper purpose, and the Board of Directors may modify or abolish any such reserve.

Section 2. Disbursements. All checks or demands for money and notes of the Corporation shall be signed or signed by facsimile by each officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 3. Fiscal Year. The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

Section 4. Corporate Seal. The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization and the words "Corporate Seal, Florida." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

**ARTICLE VIII**  
Indemnification

Section 1. Power to Indemnify in Actions, Suits or Proceedings Other Than Those by or in the Right of the Corporation. Subject to Section 3 of this Article VIII, the Corporation shall indemnify each person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a Director, officer, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner in which he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

Section 2. Power to Indemnify in Actions, Suits or Proceedings by or in the Right of the Corporation. Subject to Section 3 of this Article VIII, the Corporation shall indemnify each person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

Section 3. Authorization of Indemnification. Any indemnification under this Article VIII (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Director, officer or other person is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Section 1 or Section 2 of this Article VIII, as the case may be. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such proceeding; (b) if such a quorum is not obtainable or, event if obtainable, by majority vote of a committee duly designated by the Board of Directors (in which Directors who are parties may participate) consisting solely of two or more Directors not at the time parties to the proceeding; (c) by independent legal counsel (1) selected by the Board of Directors prescribed in paragraph (a) or the committee prescribed in paragraph (b); or (2) if a quorum of the Directors cannot be obtained for paragraph (a) and the committee cannot be designated under paragraph (b), selected by majority vote of the full Board of Directors (in which Directors who are parties may participate); or (d) by the shareholders by a majority vote of a quorum consisting of shareholders who were not parties to such proceeding or, if no such quorum is obtainable, by a majority vote of shareholders who were not parties to such proceeding. To the extent, however, that a Director or officer of the Corporation has been successful in the merits or otherwise in defense of any action, suit or proceeding described above, or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith, without the necessity of authorization in the specific case.

Section 4. Good Faith Defined. For purposes of any determination under Section 3 of this Article VIII, a person shall be deemed to have acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation, or, with respect to any criminal action or proceeding, to have had no reasonable cause to believe his or her conduct was unlawful, if his or her action is based on the records or books of account of the Corporation or another enterprise, or on information supplied to him or her by the officers of the Corporation or another enterprise in the course of their duties, or on the advice of legal counsel for the Corporation or another enterprise or on information or records given or reports made to the Corporation or another enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Corporation or another enterprise. The term "another enterprise" as used in this Section 4 of this Article VIII shall mean any other corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise of which such person is or was serving at the request of the Corporation as a Director, officer, employee or agent. The provisions of this Section 4 of this Article VIII shall not be deemed to be exclusive or to limit in any way the circumstances in which a person may be deemed to have met the applicable standard of conduct set forth in Section 1 or Section 2 of this Article VIII, as the case may be.

Section 5. Indemnification by a Court. Notwithstanding any contrary determination in the specific case under Section 3 of this Article VIII, and notwithstanding the absence of any determination thereunder, any Director or officer may apply to any court of competent jurisdiction in the State of Florida for indemnification to the extent otherwise permissible under Sections 1 and 2 of this Article VIII. The basis of such indemnification by a court shall be a determination of such court that indemnification of the Director or officer is proper in the circumstances because he or she has met the applicable standards of conduct as set forth in Section 1 or Section 2 of this Article VIII, as the case may be. Neither a contrary determination in the specific case under Section 3 of this Article VIII nor the absence of any determination thereunder shall be a defense to such application or create a presumption that the Director or officer seeking indemnification has not met any applicable standard of conduct. Notice of any application for indemnification pursuant to this Section 5 of this Article VIII shall be given to the Corporation promptly upon the filing of such application. If successful, in whole or in part, the Director or officer seeking indemnification shall also be entitled to be paid the expense of prosecuting such application.

Section 6. Expenses Payable in Advance. Expenses incurred by a Director or officer in defending or investigating a threatened or pending action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such Director or officer to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the Corporation as authorized in this Article VIII. Such expenses (including attorney's fees) incurred by other employees and agents may be so paid upon such terms and conditions, if any, as the Board of Directors deems appropriate.

Section 7. Nonexclusivity of Indemnification and Advancement of Expenses. The indemnification and advancement of expenses provided by or granted pursuant to this Article VIII shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any Bylaw, agreement, contract, vote of shareholders or disinterested Directors or pursuant to the direction (howsoever embodied) of any court of competent jurisdiction or otherwise, but as to action in his or her official capacity and as to action in another capacity while holding such office, it being the policy of the Corporation that indemnification of the persons specified in Sections 1 and 2 of this Article VIII shall be made to the fullest extent permitted by the Florida Business Corporation Act, as the same exists or may hereafter be amended. The provisions of this Article VIII shall not be deemed to preclude the indemnification of any person who is not specified in Section 1 or Section 2 of this Article VIII but whom the Corporation has the power or obligation to indemnify under the provisions of the Florida Business Corporation Act or otherwise.

Section 8. Insurance. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a Director or officer of the Corporation, or is or was serving at the request of the Corporation as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power or the obligation to indemnify him or her against such liability under the provisions of this Article VIII.

Section 9. Certain Definitions. For purposes of this Article VIII, references to “the Corporation” shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its Directors and officers, so that any person who is or was a Director or officer of such constituent corporation, or is or was a Director or officer of such constituent corporation serving at the request of such constituent corporation as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, shall stand in the same position under the provisions of this Article VIII with respect to the resulting or surviving corporation as such indemnification relates to his or her acts while serving in any of the foregoing capacities, of such constituent corporation, as he or she would have with respect to such constituent corporation if this separate existence had continued. For purposes of this Article VIII, references to “fines” shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to “serving at the request of the Corporation” shall include any service as a Director or officer of the Corporation which imposes duties on, or involves services by, such Director or officer with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner he or she reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner “not opposed to the best interests of the Corporation” as referred to in this Article VIII.

Section 10. Survival of Indemnification and Advancement of Expenses. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article VIII shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a Director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person. Any repeal or modification of this Article VIII by the shareholders of the Corporation shall not adversely affect any rights to indemnification and advancement of expenses existing pursuant to this Article VIII with respect to any acts or omissions occurring prior to such repeal or modification.

Section 11. Limitation on Indemnification. Notwithstanding anything contained in this Article VIII to the contrary, except for proceedings to enforce rights to indemnification (which shall be governed by Section 5 of this Article VIII), the Corporation shall not be obligated to indemnify any Director or officer in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Corporation.

## **ARTICLE IX**

### Amendments

The Corporation's Board of Directors may amend or repeal these Bylaws unless: (a) the Articles of Incorporation or law reserves the power to amend the Bylaws generally, or a particular Bylaw provision exclusively, to the shareholders; or (b) the shareholders, in amending or repealing the Bylaws generally or a particular Bylaw provision, provide expressly that the Board of Directors may not amend or repeal the Bylaws or that Bylaw provision.

The Corporation's shareholders may amend or repeal the Corporation's Bylaws even though the Bylaws also may be amended or repealed by its Board of Directors.

EXECUTIVE OFFICER SEVERANCE AGREEMENT

THIS EXECUTIVE OFFICER SEVERANCE AGREEMENT (“Agreement”) made and entered into as of the \_\_\_\_ day of June, 2019, by and between HELIOS TECHNOLOGIES, INC., a Florida corporation, along with its affiliates and subsidiaries (together, the “Company”) and \_\_\_\_\_ (“Executive”).

WITNESSETH:

WHEREAS, Executive is the \_\_\_\_\_ of \_\_\_\_\_; and

WHEREAS, the Company wishes to provide severance benefits to Executive in the event of an involuntary terminations of Executive’s employment, as specified herein;

NOW, THEREFORE, in consideration of the foregoing recitals and the agreements of the parties contained herein, the parties do hereby agree as follows:

1. Purpose and Intent. The Board of Directors of the Company (the “Board”) desires to provide certain protections to the Executive in the event of an involuntary termination of his or her employment that does not occur in connection with a change in ownership or control of the Company. Accordingly, the Board has determined that appropriate steps should be taken to enter into an agreement to provide such protections to the Executive. This Agreement is not intended to alter materially the compensation and benefits that Executive could reasonably expect in the absence of an “Involuntary Termination of Employment” (as defined below in Section 4) and, accordingly, this Agreement, although taking effect upon the parties’ execution hereof, will be operative only upon an Involuntary Termination of Employment.

2. Term of Agreement. This Agreement shall be effective upon the execution by the parties, and shall remain in effect until the date Executive’s employment by the Company is terminated; provided, however, that if Executive experiences an Involuntary Termination of Employment, the term shall continue in effect until all payments and benefits have been made or provided to Executive under this Agreement.

3. Eligibility for Severance. Executive becomes eligible to receive Severance (as defined below in Section 5) under this Agreement upon an Involuntary Termination of Employment, provided that the Executive:

(a) performs all transition and other matters required of the Executive by the Company prior to Executive’s Involuntary Termination of Employment;

(b) returns to the Company any property of the Company which has come into the Executive’s possession;

(c) returns (and does not thereafter revoke), within sixty (60) days from receipt, a signed original general release in a form acceptable to the Company, in its sole and absolute discretion (the "Release"), under which the Executive, among other things, release and discharges the Company and its subsidiaries and affiliates from all claims and liabilities, including without limitation, claims under Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, the Family and Medical Leave Act, the Equal Pay Act, ERISA, the Age Discrimination in Employment Act, the Civil Rights Act of 1991, Section 1981 of U.S.C. Title 42, the Sarbanes-Oxley Act of 2002, the Worker Adjustment and Retraining Notification Act of 1988, and the Older Workers' Benefit Protection Act of 1990; and

(d) complies with the restrictive covenants set forth in any other agreement between the Company and Executive. Executive shall forfeit, and repay if already paid by the Company, the Severance, if he or she violates any of these restrictive covenants.

4. Involuntary Termination. For purposes of this Agreement, an Involuntary Termination of Employment shall be deemed to occur if:

(a) there has been an actual termination by the Company of Executive's employment, other than (i) "For Cause" (as defined in Section 7 below), (ii) Executive's death, (iii) on account of an accident or illness which renders Executive unable, for a period of at least six (6) consecutive months, to perform the essential functions of his or her job notwithstanding the provision of reasonable accommodation by the Company; or (iv) a Termination in Connection with a Change in Control, as defined in the Executive Continuity Agreement between Executive and Company dated June \_\_, 2019.

(b) the Company reduces Executive's salary (except in the case of a reduction of no more than ten percent (10%) that applies to all similarly-situated executives of the Company), reduces reward opportunities (which will be evaluated in light of the performance requirements therefor), reduces other compensation, deprives Executive of any material fringe benefit, a material diminution in Executive's authority, duties, or responsibilities, a material diminution in the authority, duties, or responsibilities of the person to whom Executive is required to report, a material diminution in the budget over which Executive retains authority, or a relocation of Executive's primary office more than seventy-five (75) miles from his or her then current office location, but not closer to his or her principal residence (each, a "Good Reason" event), without his or her prior express written approval; provided that the Executive must notify the Company of such event in writing within thirty (30) days of its occurrence, specifying the circumstance that the Executive claims constitutes Good Reason, at which time the Company will then have fifteen (15) days to cure such Good Reason event, and if the Company fails to do so, the Executive must provide a notice of termination within ten (10) days of the expiration of the fifteen-day cure period in order for his or her resignation to constitute a resignation for Good Reason and qualify under this subsection (b); or

(c) any material breach by the Company of any provision of this Agreement.

5. Compensation Upon an Involuntary Termination of Employment.

(a) Subject to the terms of this Agreement, including but not limited to the satisfaction of the requirements in Section 3, upon an Involuntary Termination of Employment during the term of this Agreement, Executive shall be entitled to receive the following payments and benefits:



- (i) continuation of Executive's annual base salary at the time of termination for the twelve (12) month period following the date of the Involuntary Termination of Employment, payable according to the Company's normal payroll cycle;
- (ii) the target value at the time of grant of the annual short-term incentive compensation award to the Executive, if any, granted during the current fiscal year or, if the Compensation Committee of the Board of Directors has not yet met to consider the annual short-term incentive compensation award to the Executive for the current fiscal year, then the target value at the time of grant of the annual short-term incentive compensation award to the Executive, if any, granted during the immediately preceding fiscal year, payable within fifteen (15) days following the expiration of the period in which the Executive has the right to revoke the Release described in Section 3(c); and
- (iii) continuing medical, dental, life, disability and hospitalization benefits as elected by the Executive under the Company's employee benefit plans after termination pursuant to the Consolidated Omnibus Budget Reconciliation Act ("COBRA"), at Company expense, for Executive and his or her family as then in effect, for a period of twelve (12) months following the date of termination.

The employer contribution for COBRA coverage will not be provided to the Executive, however, to the extent that the Company reasonably determines that doing so would subject the Company to the excise tax under Section 4980D of the Code (as a result of discriminatory coverage under an insured health plan). Except as required by law, under no circumstances shall the Company have the right to delay payment of any amounts due under this Agreement.

(b) Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise, nor shall the amount of any payment or benefit provided for in this Agreement be reduced by any amounts earned or accrued through the date of termination or by any amounts to which Executive shall be entitled by law (nor shall payment hereunder be deemed in lieu of such amounts), by any retirement benefits after the date of termination, or otherwise.

(c) The treatment of any equity incentive awards that are held by Executive upon an Involuntary Termination of Employment shall be governed under the terms of the Company's equity incentive plans and the award agreements under which such awards were granted. No awards shall be subject to accelerated vesting or exercisability as a result of an Involuntary Termination of Employment.

(d) Anything to the contrary notwithstanding, all payments required to be made by the Company hereunder to Executive or his or her estate or beneficiaries shall be subject to the withholding of such amounts, if any, relating to tax and other payroll deductions as the Company may reasonably determine it should withhold pursuant to applicable law or regulation. In lieu of withholding such amounts, the Company may accept other provisions to the end that it has sufficient funds to pay all taxes required to be withheld in respect of any of such payments.

6. Tax Matters.

(a) Section 409A of the Code.

- (i) Notwithstanding anything herein to the contrary, this Agreement is intended to be interpreted and applied so that the payments and benefits set forth herein shall either be exempt from the requirements of Section 409A of the Internal Revenue Code (the "Code") or shall comply with the requirements of Section 409A of the Code, and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be exempt from or in compliance with Section 409A of the Code. Notwithstanding anything in this Agreement or elsewhere to the contrary, a termination of employment of Executive shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that constitute "non-qualified deferred compensation" within the meaning of Code Section 409A upon or following a termination of Executive's employment unless such termination is also a "separation from service" within the meaning of Code Section 409A and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service" and the date of such separation from service shall be the date of an Involuntary Termination of Employment for purposes of any such payment or benefits.
- (ii) To the extent that the Company determines that any provision of this Agreement would cause Executive to incur any additional tax or interest under Section 409A of the Code, the Company shall be entitled to reform such provision to attempt to comply with or be exempt from Section 409A of the Code through good faith modifications. To the extent that any provision hereof is modified in order to comply with Section 409A of the Code, such modification shall be made in good faith and shall, to the maximum extent reasonably possible, maintain the original intent and economic benefit to the Executive and the Company without violating the provisions of Section 409A of the Code.
- (iii) Notwithstanding any provision in this Agreement or elsewhere to the contrary, if on the date of Executive's termination of employment with the Company Executive is deemed to be a "specified employee" within the meaning of Section 409A of the Code, any payments or benefits due upon a termination of Executive's employment under any arrangement that constitutes a "deferral of compensation" within the meaning of Section 409A of the Code (whether under this Agreement, any other plan, program, payroll practice or any equity grant) and which do not otherwise qualify under the exemptions under Treas. Reg. § 1.409A-1 (including without limitation, the short-term deferral exemption and the permitted payments under Treas. Reg. § 1.409A-1(b)(9)(iii)(A)), shall be delayed and paid or provided to Executive in a lump sum (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) on the earlier of (i) the date which is six (6) months and one (1) day after the Executive's "separation from service" (as such term is defined in Section 409A of the Code) for any reason other than death, and (ii) the date of Executive's death, and any remaining payments and benefits shall be paid or provided in accordance with the normal payment dates specified for such payment or benefit.

- (iv) For purposes of the application of Treas. Reg. § 1.409A-1(b)(4) (or any successor provision), each payment under this Agreement to Executive (including any installment payments) shall be deemed a separate payment.
- (v) In no event may Executive, directly or indirectly, designate the calendar year of any payment to be made under this Agreement or otherwise which constitutes a “deferral of compensation” within the meaning of Section 409A of the Code. If the period for signing and returning or revoking the Release designated by the Company extends into a later taxable year, any payments that are subject to Code Section 409A and contingent upon the Release will be made (or begin) in the later taxable year.
- (vi) With respect to any expense, reimbursement or in-kind benefit provided pursuant to this Agreement that constitutes a “deferral of compensation” within the meaning of Section 409A of the Code, (a) the expenses eligible for reimbursement or in-kind benefits provided to Executive must be incurred during the Executive’s employment with the Company or the term of this Agreement (or applicable survival period), (b) the amount of expenses eligible for reimbursement or in-kind benefits provided to the Executive during any calendar year will not affect the amount of expenses eligible for reimbursement or in-kind benefits provided to Executive in any other calendar year, (c) the reimbursements for expenses for which Executive is entitled to be reimbursed shall be made on or before the last day of the calendar year following the calendar year in which the applicable expense is incurred, and (d) the right to payment or reimbursement or in-kind benefits hereunder may not be liquidated or exchanged for any other benefit.

(b) Section 280G of the Code. If any payments or benefits otherwise payable to the Executive under this Agreement are determined to be in connection with a change in ownership or control (as defined in Treasury Regulation Section 1.280G-1) and would, when combined with any other payments or benefits the Executive becomes entitled to receive that are contingent on the same change in ownership or control (such payments and benefits to be referred to as “Parachute Payments”) would: (i) constitute a “parachute payment” within the meaning of Section 280G of the Code; and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the “Excise Tax”), then the payments and benefits payable to the Executive under this Agreement shall be reduced to the largest amount which can be paid to Executive without triggering the Excise Tax, but only if and to the extent that such reduction would result in Executive retaining larger aggregate after-tax payments (the “Reduced Amount”). Any determination of the Excise Tax or the Reduced Amount required under this Section 6(b) shall be made in writing by the Company’s independent public accountants, whose determination shall be conclusive and binding upon the Company and the Executive for all purposes. For purposes of making the calculations required by this Section 6(b), the accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and the Executive shall furnish such information and documents as the accountants may reasonably request in order to make a determination under this Section 6(b). The Company shall bear all costs the accountants may reasonably incur in connection with any calculations contemplated by this Section 6(b).

7. Definition of "For Cause". The termination of Executive's employment by the Company shall be deemed "For Cause" if it results from (a) the commission of an act of fraud, embezzlement, theft or proven dishonesty, or any other illegal act or practice (whether or not resulting in criminal prosecution or conviction), including theft or destruction of property of the Company, or any other act or practice which the Board of Directors of the Company (the "Board") shall, in good faith, deem to have resulted in the recipient's becoming unbondable under the Company's fidelity bond; (b) the willful engaging in misconduct which is deemed by the Board, in good faith, to be materially injurious to the Company, monetarily or otherwise, including, but not limited to, improperly disclosing trade secrets or other confidential or sensitive business information and data about the Company and competing with the Company, or soliciting employees, consultants or customers of the Company in violation of law or any employment or other agreement to which the recipient is a party; (c) the continued failure or habitual neglect by the Executive to perform his or her duties with the Company; or (d) other disregard of the Company's Bylaws, Code of Business Conduct and Ethics, or other rules or policies of the Company or any subsidiary, or conduct evidencing willful or wanton disregard of the interests of the Company. For purposes of this Agreement, no act or failure to act by the recipient shall be deemed "willful" unless done or omitted to be done by the Executive not in good faith and without reasonable belief that the Executive's action or omission was in the best interest of the Company. Notwithstanding the foregoing, if Executive has entered into an employment agreement that is binding as of the date of such event, and if such employment agreement defines "Cause," then the definition of "Cause" in such agreement shall apply. The determination of whether the Executive has engaged in an act that constitutes Cause shall be made by the Board, which prior to making such determination shall provide written notice of the event of Cause to the Executive and allow the Executive a reasonable opportunity to cure such event.

8. Miscellaneous.

(a) Intent. This Agreement is made by the Company in order to induce Executive to remain in the Company's employ, with the Company's acknowledgment and intent that it will be relied upon by Executive, and in consideration of the services to be performed by Executive from time to time hereafter. However, this Agreement is not an agreement to employ Executive for any period of time or at all. This Agreement is intended only as an agreement to provide Executive with specified compensation and benefits if there is an Involuntary Termination of Employment.

(b) Governing Law. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Florida. Any action brought by a party to this Agreement shall be brought and maintained in a court of competent jurisdiction in Sarasota County, Florida.

(c) Assumption of Agreement. The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree in writing to perform this Agreement. Failure of the Company to obtain such assumption and agreement prior to the effectiveness of any such succession shall be a breach of this Agreement and shall require the Company to pay to Executive compensation from the Company in the same amount and on the same terms as Executive would be entitled hereunder in the event of an Involuntary Termination of Employment, except that for purposes of implementing the foregoing, the date on which any such succession becomes effective shall be deemed to be the date on which Executive shall receive such compensation from the Company. As used in this Agreement, "Company" shall mean the Company as herein above defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law or otherwise.

(d) Successors and Assigns. This Agreement shall inure to the benefit of, and be enforceable by, Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If Executive should die while any amount would still be payable to Executive hereunder if Executive had continued to live, all such amounts, shall be paid in accordance with the terms of this Agreement to Executive's devisee, legatee or other designee or, if there is no such designee, to Executive's estate.

(e) Notices. Except as otherwise expressly provided herein, any notice, demand or payment required or permitted to be given or paid shall be deemed duly given or paid only if personally delivered or sent by United States mail and shall be deemed to have been given when personally delivered or three (3) days after having been deposited in the United States mail, certified mail, return receipt requested, properly addressed with postage prepaid. All notices or demands shall be effective only if given in writing. For the purpose hereof, the addresses of the parties hereto (until notice of a change thereof is given as provided in this Section 8(e)), shall be as follows:

The Company:                   Melanie M. Nealis, Esq.  
  Chief Legal & Compliance Officer  
  Helios Technologies, Inc.  
  1500 W. University Parkway  
  Sarasota, FL 34243

Executive:                        [address]

(f) Severability. In the event any provision in this Agreement shall be invalid, illegal or unenforceable, such provision shall be severed from the rest of this Agreement and the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(g) Entirety. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes any prior or contemporaneous agreement or understandings relating to the subject matter hereof.

(h) Non-Exclusivity of Rights. Nothing in this Agreement shall prevent or limit Executive's continuing or future participation in any benefit, bonus, incentive or other plan or program provided by the Company (except for any severance or termination policies, plans, programs or practices) and for which Executive may qualify, nor shall anything in this Agreement limit or reduce such rights as Executive may qualify, nor shall anything in this Agreement limit or reduce such rights as Executive may have under any other agreements with the Company (except for any severance or termination agreement). In the event Executive qualifies for severance benefits under another policy, program or by local law/statute, such severance shall offset (and not paid in addition to) any amounts or benefits due herein. Amounts that are vested benefits or that Executive is otherwise entitled to receive under any plan or program of the Company shall be payable in accordance with such plan or program, except as explicitly modified by this Agreement.

(i) Amendment. This Agreement may be amended only by a written instrument signed by the Company and Executive, which makes specific reference to this Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

**HELIOS TECHNOLOGIES, INC.**      **EXECUTIVE**

By: \_\_\_\_\_  
Wolfgang H. Dangel  
President and Chief Executive  
Officer

## EXECUTIVE OFFICER CONTINUITY AGREEMENT

THIS EXECUTIVE OFFICER CONTINUITY AGREEMENT (“Agreement”) made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2019, by and between **HELIOS TECHNOLOGIES, INC.**, a Florida corporation, along with its affiliates and subsidiaries (together, the “Company”) and \_\_\_\_\_, an individual residing in Sarasota, Florida (“Executive”).

## WITNESSETH:

WHEREAS, Executive is the \_\_\_\_\_ of \_\_\_\_\_; and

WHEREAS, the Company wishes to assure both itself and Executive of continuity of management in the event of any actual or threatened change in control of the Company.

NOW, THEREFORE, in consideration of the foregoing recitals and the agreements of the parties contained herein, the parties do hereby agree as follows:

1. Purpose and Intent. The Board of Directors of the Company (the “Board”) recognizes that the possibility of a Change in Control (as hereinafter defined) of the Company exists and that such possibility, and the uncertainty and questions which it necessarily raises may result in the departure or distraction of the Executive to the detriment of the Company and its shareholders in this period when their undivided attention and commitment to the best interests of the Company and its shareholders are particularly important. Accordingly, the Board has determined that appropriate steps should be taken to reinforce and encourage the continued attention and dedication of Executive to his or her assigned duties without distraction in the face of potentially disturbing circumstances arising from the possibility of a Change in Control. This Agreement is not intended to alter materially the compensation and benefits that Executive could reasonably expect in the absence of a change in control and, accordingly, this Agreement, although taking effect upon the parties’ execution hereof, will be operative only upon a Change in Control of the Company.

2. Term of Agreement. This Agreement shall be effective upon the execution by the parties, and shall remain in effect until the date Executive’s employment by the Company is terminated; provided, however, that if Executive’s employment is terminated following, or prior to a Change in Control, within the time frames set forth in Section 3 below, the term shall continue in effect until all payments and benefits have been made or provided to Executive under this Agreement.

3. Termination In Connection with a Change in Control. For purposes of this Agreement only, a termination of Executive’s employment in connection with a Change in Control (“Termination In Connection with a Change in Control”) shall be deemed to occur if at any time during the two-year period immediately following a Change in Control or within ninety (90) days prior to a Change in Control:

(a) there has been an actual termination by the Company of Executive’s employment, other than (i) “For Cause” (as defined in Section 7 below), (ii) Executive’s death, or (iii) on account of an accident or illness which renders Executive unable, for a period of at least six (6) consecutive months, to perform the essential functions of his or her job notwithstanding the provision of reasonable accommodation by the Company;

(b) \_\_\_\_\_ the Company reduces Executive's salary, removes Executive for the position of \_\_\_\_\_ of \_\_\_\_\_, reduces reward opportunities (which will be evaluated in light of the performance requirements therefor), reduces other compensation, deprives Executive of any material fringe benefit, a material diminution in Executive's authority, duties, or responsibilities, a material diminution in the authority, duties, or responsibilities of the person to whom Executive is required to report, a material diminution in the budget over which Executive retains authority, or a relocation of Executive's primary office more than fifty (50) miles from his or her then current office location, but not closer to his or her principal residence (each, a "Good Reason" event), without his or her prior express written approval; provided that the Executive must notify the Company of such event in writing within thirty (30) days of its occurrence, specifying the circumstance that the Executive claims constitutes Good Reason, at which time the Company will then have fifteen (15) days to cure such Good Reason event, and if the Company fails to do so, the Executive must provide a notice of termination within ten (10) days of the expiration of the fifteen-day cure period in order for his or her resignation to constitute a resignation for Good Reason and qualify under this subsection (b); or

(c) any material breach by the Company of any provision of this Agreement.

4. Change in Control. A Change in Control will be deemed to have occurred if:

(a) "person" as such term is used in Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934 (the "Exchange Act"), is or becomes a beneficial owner, directly or indirectly, of securities of the Company representing 30% or more of the combined voting power of the Company's then outstanding equity securities ("Equity Securities");

(b) a majority of members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of the appointment or election;

(c) there is a merger or consolidation of the Company in which the Company does not survive as an independent public company other than a merger of the Company in which the holders of Equity Securities immediately prior to the merger have the same proportionate ownership of Equity Securities of the surviving company immediately after the merger; or

(d) the business or businesses of the Company for which Executive's services are principally performed are disposed of by the Company pursuant to a partial or complete liquidation of the Company, a sale of assets (including stock of a subsidiary) of the Company, or otherwise.

Notwithstanding the above, if a Change of Control occurs within ninety (90) days after the termination of Executive's employment with the Company, then such Change of Control must also qualify as a change in the ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company as provided in Treas. Reg. §1.409A-3(i)(5), as may be amended from time to time.



5. Compensation Upon Termination In Connection with a Change in Control.

(a) Subject to the terms of this Agreement, upon a Termination In Connection with a Change in Control during the term of this Agreement, Executive shall be entitled to (i) a lump sum payment, within fifteen (15) days following the expiration of the period in which the Executive has the right to revoke the Release described in Section 5(c) or the consummation of a Change in Control, whichever occurs later, in an amount equal to two (2) times the sum of (A) the amount of the Executive's annual base salary at the time of termination plus (B) the target value at the time of grant of the annual short-term incentive compensation award to the Executive, if any, granted during the current fiscal year or, if the Compensation Committee of the Board of Directors has not yet met to consider the annual short-term incentive compensation award to the Executive for the current fiscal year, then the target value at the time of grant of the annual short-term incentive compensation award to the Executive, if any, granted during the immediately preceding fiscal year; (ii) immediate vesting of and an extended period of at least one year (three months in the case of incentive stock options) following the date of such termination in which to exercise all previously granted but unvested and/or unexercised options to acquire Company stock; (iii) immediate vesting and lapse of all forfeiture provisions relating to, and restrictions upon transfer of, all previously issued shares of restricted Company stock; (iv) immediate vesting and payment of all time-based restricted stock units granted to Executive; (v) immediate vesting and payment of all performance-based restricted stock units (at 100% of target) granted to Executive; and (vi) continuing medical, dental, life, disability and hospitalization benefits as elected by the Executive under the Company's employee benefit plans after termination pursuant to the Consolidated Omnibus Budget Reconciliation Act ("COBRA"), at Company expense, for Executive and his family as then in effect, for a period of twenty-four (24) months following the date of termination. The employer contribution for COBRA coverage will not be provided to the Executive, however, to the extent that the Company reasonably determines that doing so would subject the Company to the excise tax under Section 4980D of the Code (as a result of discriminatory coverage under an insured health plan). Except as required by law, under no circumstances shall the Company have the right to delay payment of any amounts due under this Agreement.

(b) Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise, nor shall the amount of any payment or benefit provided for in this Agreement be reduced by any amounts earned or accrued through the date of termination or by any amounts to which Executive shall be entitled by law (nor shall payment hereunder be deemed in lieu of such amounts), by any retirement benefits after the date of termination, or otherwise.

(c) To qualify for the payments and benefits described above, the Executive must:

(i) execute and deliver to the Company (and not have revoked) a general release (the "Release"), in form and substance reasonably acceptable to the Company and within the reasonable time period designated by the Company (not less than 21 days or longer than 45 days), releasing the Company and its affiliates from all liabilities and from all claims Executive may have against the Company in connection with Executive's employment by the Company. If the Executive does not sign and return the Release within the specified period, or he or she attempts to revoke it, he or she will forfeit any payments contingent on the Release; and

(ii) comply with the restrictive covenants set forth in any other agreement between the Company and Executive; provided, however, that the term “Restricted Period” contained in any such agreements (or such term of similar import used therein) shall mean the 24-month period following termination of employment. Executive shall forfeit, and repay if already paid by the Company, the severance benefits described in Section 5(a), if he or she violates any of these restrictive covenants during such 24-month period.

(d) Anything to the contrary notwithstanding, all payments required to be made by the Company hereunder to Executive or his or her estate or beneficiaries shall be subject to the withholding of such amounts, if any, relating to tax and other payroll deductions as the Company may reasonably determine it should withhold pursuant to applicable law or regulation. In lieu of withholding such amounts, the Company may accept other provisions to the end that it has sufficient funds to pay all taxes required to be withheld in respect of any of such payments.

6. Tax Matters.

(a) Section 409A of the Code.

(i) Notwithstanding anything herein to the contrary, this Agreement is intended to be interpreted and applied so that the payments and benefits set forth herein shall either be exempt from the requirements of Section 409A of the Internal Revenue Code (the “Code”) or shall comply with the requirements of Section 409A of the Code, and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be exempt from or in compliance with Section 409A of the Code. Notwithstanding anything in this Agreement or elsewhere to the contrary, a termination of employment of Executive shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that constitute “non-qualified deferred compensation” within the meaning of Code Section 409A upon or following a termination of Executive’s employment unless such termination is also a “separation from service” within the meaning of Code Section 409A and, for purposes of any such provision of this Agreement, references to a “termination,” “termination of employment” or like terms shall mean “separation from service” and the date of such separation from service shall be the date of a Termination In Connection with a Change in Control for purposes of any such payment or benefits.

(ii) To the extent that the Company determines that any provision of this Agreement would cause Executive to incur any additional tax or interest under Section 409A of the Code, the Company shall be entitled to reform such provision to attempt to comply with or be exempt from Section 409A of the Code through good faith modifications. To the extent that any provision hereof is modified in order to comply with Section 409A of the Code, such modification shall be made in good faith and shall, to the maximum extent reasonably possible, maintain the original intent and economic benefit to the Executive and the Company without violating the provisions of Section 409A of the Code.

- (iii) Notwithstanding any provision in this Agreement or elsewhere to the contrary, if on the date of Executive's termination of employment with the Company Executive is deemed to be a "specified employee" within the meaning of Section 409A of the Code, any payments or benefits due upon a termination of Executive's employment under any arrangement that constitutes a "deferral of compensation" within the meaning of Section 409A of the Code (whether under this Agreement, any other plan, program, payroll practice or any equity grant) and which do not otherwise qualify under the exemptions under Treas. Reg. § 1.409A-1 (including without limitation, the short-term deferral exemption and the permitted payments under Treas. Reg. § 1.409A-1(b)(9)(iii)(A)), shall be delayed and paid or provided to Executive in a lump sum (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) on the earlier of (i) the date which is six (6) months and one (1) day after the Executive's "separation from service" (as such term is defined in Section 409A of the Code) for any reason other than death, and (ii) the date of Executive's death, and any remaining payments and benefits shall be paid or provided in accordance with the normal payment dates specified for such payment or benefit.
- (iv) For purposes of the application of Treas. Reg. § 1.409A-1(b)(4) (or any successor provision), each payment under this Agreement to Executive (including any installment payments) shall be deemed a separate payment.
- (v) In no event may Executive, directly or indirectly, designate the calendar year of any payment to be made under this Agreement or otherwise which constitutes a "deferral of compensation" within the meaning of Section 409A of the Code. If the period for signing and returning or revoking the Release designated by the Company extends into a later taxable year, any payments that are subject to Code Section 409A and contingent upon the Release will be made (or begin) in the later taxable year.
- (vi) With respect to any expense, reimbursement or in-kind benefit provided pursuant to this Agreement that constitutes a "deferral of compensation" within the meaning of Section 409A of the Code, (a) the expenses eligible for reimbursement or in-kind benefits provided to Executive must be incurred during the Executive's employment with the Company or the term of this Agreement (or applicable survival period), (b) the amount of expenses eligible for reimbursement or in-kind benefits provided to the Executive during any calendar year will not affect the amount of expenses eligible for reimbursement or in-kind benefits provided to Executive in any other calendar year, (c) the reimbursements for expenses for which Executive is entitled to be reimbursed shall be made on or before the last day of the calendar year following the calendar year in which the applicable expense is incurred, and (d) the right to payment or reimbursement or in-kind benefits hereunder may not be liquidated or exchanged for any other benefit.

(b) Section 280G of the Code. If any payments or benefits otherwise payable to the Executive under this Agreement in connection with a Change in Control would, when combined with any other payments or benefits the Executive becomes entitled to receive that are contingent on the same Change in Control (such payments and benefits to be referred to as “Parachute Payments”) would: (i) constitute a “parachute payment” within the meaning of Section 280G of the Code; and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the “Excise Tax”), then the payments and benefits payable to the Executive under this Agreement shall be reduced to the largest amount which can be paid to Executive without triggering the Excise Tax, but only if and to the extent that such reduction would result in Executive retaining larger aggregate after-tax payments (the “Reduced Amount”). Any determination of the Excise Tax or the Reduced Amount required under this Section 6(b) shall be made in writing by the Company’s independent public accountants, whose determination shall be conclusive and binding upon the Company and the Executive for all purposes. For purposes of making the calculations required by this Section 6(b), the accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and the Executive shall furnish such information and documents as the accountants may reasonably request in order to make a determination under this Section 6(b). The Company shall bear all costs the accountants may reasonably incur in connection with any calculations contemplated by this Section 6(b).

7. Definition of “For Cause”. The termination of Executive’s employment by the Company shall be deemed “For Cause” if it results from (a) the commission of an act of fraud, embezzlement, theft or proven dishonesty, or any other illegal act or practice (whether or not resulting in criminal prosecution or conviction), including theft or destruction of property of the Company, or any other act or practice which the Board of Directors of the Company (the “Board”) shall, in good faith, deem to have resulted in the recipient’s becoming unbondable under the Company’s fidelity bond; (b) the willful engaging in misconduct which is deemed by the Board, in good faith, to be materially injurious to the Company, monetarily or otherwise, including, but not limited to, improperly disclosing trade secrets or other confidential or sensitive business information and data about the Company and competing with the Company, or soliciting employees, consultants or customers of the Company in violation of law or any employment or other agreement to which the recipient is a party; (c) the continued failure or habitual neglect by the Executive to perform his or her duties with the Company; or (d) other disregard of rules or policies of the Company or any subsidiary, or conduct evidencing willful or wanton disregard of the interests of the Company. For purposes of this Agreement, no act or failure to act by the recipient shall be deemed “willful” unless done or omitted to be done by the Executive not in good faith and without reasonable belief that the Executive’s action or omission was in the best interest of the Company. Notwithstanding the foregoing, if Executive has entered into an employment agreement that is binding as of the date of such event, and if such employment agreement defines “Cause,” then the definition of “Cause” in such agreement shall apply. The determination of whether the Executive has engaged in an act that constitutes Cause shall be made by the Board, which prior to making such determination shall provide written notice of the event of Cause to the Executive and allow the Executive a reasonable opportunity to cure such event.

8. Miscellaneous.

(a) Intent. This Agreement is made by the Company in order to induce Executive to remain in the Company's employ, with the Company's acknowledgment and intent that it will be relied upon by Executive, and in consideration of the services to be performed by Executive from time to time hereafter. However, this Agreement is not an agreement to employ Executive for any period of time or at all. This Agreement is intended only as an agreement to provide Executive with specified compensation and benefits if there is a Termination In Connection with a Change in Control.

(b) Governing Law. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Florida. Any action brought by a party to this Agreement shall be brought and maintained in a court of competent jurisdiction in Sarasota County, Florida.

(c) Assumption of Agreement. The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree in writing to perform this Agreement. Failure of the Company to obtain such assumption and agreement prior to the effectiveness of any such succession shall be a breach of this Agreement and shall require the Company to pay to Executive compensation from the Company in the same amount and on the same terms as Executive would be entitled hereunder in the event of a Termination In Connection with a Change in Control, except that for purposes of implementing the foregoing, the date on which any such succession becomes effective shall be deemed to be the date on which Executive shall receive such compensation from the Company. As used in this Agreement, "Company" shall mean the Company as herein above defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law or otherwise.

(d) Successors and Assigns. This Agreement shall inure to the benefit of, and be enforceable by, Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If Executive should die while any amount would still be payable to Executive hereunder if Executive had continued to live, all such amounts, shall be paid in accordance with the terms of this Agreement to Executive's devisee, legatee or other designee or, if there is no such designee, to Executive's estate.

(e) Notices. Except as otherwise expressly provided herein, any notice, demand or payment required or permitted to be given or paid shall be deemed duly given or paid only if personally delivered or sent by United States mail and shall be deemed to have been given when personally delivered or three (3) days after having been deposited in the United States mail, certified mail, return receipt requested, properly addressed with postage prepaid. All notices or demands shall be effective only if given in writing. For the purpose hereof, the addresses of the parties hereto (until notice of a change thereof is given as provided in this Section 8(e)), shall be as follows:

The Company:                   Melanie M. Nealis, Esq.  
  Chief Legal & Compliance Officer  
  Helios Technologies, Inc.  
  1500 W. University Parkway  
  Sarasota, FL 34243

Executive:                       [address]

(f) Severability. In the event any provision in this Agreement shall be invalid, illegal or unenforceable, such provision shall be severed from the rest of this Agreement and the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(g) Entirety. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes any prior or contemporaneous agreement or understandings relating to the subject matter hereof.

(h) Non-Exclusivity of Rights. Nothing in this Agreement shall prevent or limit Executive's continuing or future participation in any benefit, bonus, incentive or other plan or program provided by the Company (except for any severance or termination policies, plans, programs or practices) and for which Executive may qualify, nor shall anything in this Agreement limit or reduce such rights as Executive may qualify, nor shall anything in this Agreement limit or reduce such rights as Executive may have under any other agreements with the Company (except for any severance or termination agreement). In the event Executive qualifies for severance benefits under another policy, program or by local law/statute, such severance shall offset (and not paid in addition to) any amounts or benefits due herein. Amounts that are vested benefits or that Executive is otherwise entitled to receive under any plan or program of the Company shall be payable in accordance with such plan or program, except as explicitly modified by this Agreement.

(i) Amendment. This Agreement may be amended only by a written instrument signed by the Company and Executive, which makes specific reference to this Agreement.

(j) The Company shall pay on behalf of Executive all legal fees and related costs incurred by Executive in connection with the negotiation of this Agreement up to a maximum amount of \$5,000.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

**HELIOS TECHNOLOGIES, INC.**

**EXECUTIVE**

By: \_\_\_\_\_

Wolfgang H. Dangel  
President and Chief Executive Officer

## RESTRICTED STOCK UNIT AGREEMENT

**THIS RESTRICTED STOCK UNIT AGREEMENT** (the "Agreement"), made effective as of \_\_\_\_\_, 2019 (the "Date of Grant"), between SUN HYDRAULICS CORPORATION, d/b/a Helios Technologies, a Florida corporation (the "Corporation"), and \_\_\_\_\_ ("Participant").

## WITNESSETH:

**WHEREAS**, Participant is an employee of the Corporation and/or a subsidiary of the Corporation ("Subsidiary");

**WHEREAS**, the Corporation has adopted the Sun Hydraulics Corporation 2011 Equity Incentive Plan (the "Plan") in order to provide its officers, employees and directors with incentives to achieve long-term corporate objectives; which was adopted by the Board of Directors on September 9, 2011 and approved by the shareholders of the Corporation at the Corporation's June 4, 2012 Annual Meeting; and

**WHEREAS**, the Compensation Committee of the Corporation's Board of Directors desires to grant an award of Restricted Stock Units (as defined below in Section 1) under the Plan to Participant on the terms and conditions set forth below.

**NOW, THEREFORE**, in consideration of the various covenants and agreements herein contained, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Grant of Restricted Stock Units.

Subject to the provisions of this Agreement and to the provisions of the Plan, the Corporation hereby grants to the Employee, as of the Date of Grant \_\_\_\_\_ Restricted Stock Units (the "Restricted Stock Units" or "RSUs"). All capitalized terms used herein, to the extent not defined, shall have the meanings set forth in the Plan.

2. Restrictions.

(a) Until the settlement of vested Restricted Stock Units pursuant to Section 4, the Restricted Stock Units shall not confer or entitle an Employee to any rights of a stockholder including, without limitation, any voting rights or to any dividends paid on Common Stock.

(b) The Restricted Stock Units shall not be transferable by the Employee by means of sale, assignment, exchange, encumbrance, pledge, hedge or otherwise. Any attempt to dispose of Restricted Stock Units in a manner contrary to the restrictions set forth in this Agreement shall be ineffective.

3. When Restricted Stock Units Vest.

(a) Time-Based Vesting. With respect to \_\_\_\_\_ Restricted Stock Units, provided that Participant is employed by the Corporation or a Subsidiary on the applicable date, the Restricted Stock Units shall vest on the date of each anniversary of the Date of Grant, as follows:

---

<u>Date</u>	<u>Vested RSUs</u>
1 <sup>st</sup> Anniversary	_____
2 <sup>nd</sup> Anniversary	_____
3 <sup>rd</sup> Anniversary	_____

(b) Performance-Based Vesting. With respect to \_\_\_\_\_ Restricted Stock Units, provided that Participant is employed by the Corporation or a Subsidiary on January 1, 2022, the Restricted Stock Units shall vest based upon the attainment of the performance goals set forth in Appendix A to this Agreement.

(c) Other Vesting Events. Notwithstanding the foregoing, the Restricted Stock Units shall vest at such earlier time as the restrictions may lapse pursuant to Sections 6 or 8 of this Agreement. The foregoing notwithstanding, in the event of a pending or threatened Change of Control, or in connection with any merger, consolidation, acquisition, separation, reorganization, liquidation or like occurrence in which the Corporation is involved, the Board of Directors may, in its sole discretion, take such actions as permitted under the Plan.

(d) Forfeiture for Violation of Restrictive Covenants. As consideration for the grant of the Restricted Stock Units, Participant agrees to the restrictive covenants set forth in Appendix B to this Agreement. Participant shall forfeit any unvested Restricted Stock Units, or any Common Stock that Participant receives in settlement of any vested Restricted Stock Units, if he or she violates any of the restrictive covenants set forth in Appendix B.

(e) Forfeiture for Cause. Any unvested Restricted Stock Units shall be forfeited if Participant is determined to have engaged in an act that constitutes Cause (regardless of whether Participant's service with the Corporation is terminated as a result of such Cause). If any Restricted Stock Units become payable while Participant is under investigation for any event that would constitute Cause, payment of such Restricted Stock Units shall be delayed pending the outcome of such investigation. If such investigation is pending on the latest date upon which such Restricted Stock Units may be paid in order for payment of the Restricted Stock Units to remain qualified as a short-term deferral under Treasury Regulation Section 1.409A-1(b)(4) or would otherwise not result in a violation of Code Section 409A, settlement of the Restricted Stock Units shall be made on that date only if Participant executes an agreement with the Corporation under which he or she agrees to forfeit the Common Stock that was paid with respect to such Restricted Stock Units if the investigation results in Participant being found to have committed an act that constitutes Cause. If Participant fails to execute such an agreement, the Restricted Stock Units shall be forfeited.



For purposes of this Agreement, "Cause" means (i) the commission of an act of fraud, embezzlement, theft or proven dishonesty, or any other illegal act or practice (whether or not resulting in criminal prosecution or conviction), including theft or destruction of property of the Corporation or a Subsidiary, or any other act or practice which the Committee shall, in good faith, deem to have resulted in the recipient's becoming unbondable under the Corporation or any Subsidiary's fidelity bond; (ii) the willful engaging in misconduct which is deemed by the Committee, in good faith, to be materially injurious to the Corporation or any Subsidiary, monetarily or otherwise, including, but not limited to, improperly disclosing trade secrets or other confidential or sensitive business information and data about the Corporation or any Subsidiaries and competing with the Corporation or any Subsidiaries, or soliciting employees, consultants or customers of the Corporation or any Subsidiaries in violation of law or any employment or other agreement to which the recipient is a party; (iii) the continued failure or habitual neglect by a person who is an Employee to perform his or her duties with the Corporation or any Subsidiary; or (iv) other disregard of rules or policies of the Corporation or any Subsidiary, or conduct evidencing willful or wanton disregard of the interests of the Corporation or any Subsidiary. For purposes of this Agreement, no act or failure to act by the recipient shall be deemed "willful" unless done or omitted to be done by the recipient not in good faith and without reasonable belief that the recipient's action or omission was in the best interest of the Corporation and/or the Subsidiary. Notwithstanding the foregoing, if Participant has entered into an employment agreement that is binding as of the date of such event, and if such employment agreement defines "Cause," then the definition of "Cause" in such agreement shall apply. The determination of whether a Participant has engaged in an act that constitutes Cause shall be made by the Committee, which prior to making such determination shall provide written notice of the event of Cause to the Participant and allow the Participant a reasonable opportunity to cure such event.

4. Settlement of Restricted Stock Units.

Subject to Sections 3(d) and 5, as soon as practicable after the date on which any Restricted Stock Units become vested, and in no event later than 30 days after such date, the Corporation shall deliver to the Employee (or his or her personal representative) the number of shares of Common Stock equal to the number of Restricted Stock Units that have become vested (or, at the discretion of the Committee, cash with a value of such number of shares of Common Stock).

5. Tax Withholding.

Whenever Participant becomes vested in some or all of the Restricted Stock Units under Section 3 of this Agreement, the Corporation shall notify Participant of the amount of tax which must be withheld by the Corporation under all applicable federal, state and local tax laws. Participant agrees to make arrangements with the Corporation to (a) remit a cash payment of the required amount to the Corporation, (b) to authorize the deduction of such amounts from Participant's compensation or (c) to otherwise satisfy the applicable tax withholding requirement in a manner satisfactory to the Corporation.

6. Forfeiture On Termination of Employment.

If Participant's employment with the Corporation or Subsidiary is terminated for any reason, either by the Corporation or Participant, during the term of this Agreement, any Restricted Stock Units remaining subject to the restrictions imposed by this Agreement shall be forfeited; provided, however, that in the event of termination by reason of death, permanent total disability, or voluntary termination at or after normal retirement age (age 65), any remaining restrictions automatically shall lapse.

7. Restricted Stock Units Not to Affect Employment.

Neither this Agreement nor the Restricted Stock Units granted hereunder shall confer upon Participant any right to continued employment with the Corporation or any Subsidiary, and shall not in any way modify or restrict the Corporation's or such Subsidiary's right to terminate such employment.

8. Agreement Subject to the Plan.

This Agreement and the rights and obligations of the parties hereto are subject to and governed by the terms of the Plan as the same may be amended from time to time, the provisions of which are incorporated by reference into this Agreement.

9. Award Subject to Clawback or Recoupment.

The Restricted Stock Units shall be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy adopted by the Corporation or required by law that is applicable to Participant. In addition to any other remedies available under such policy, applicable law may require the cancellation of Participant's Restricted Stock Units (whether vested or unvested) and the recoupment of any gains realized with respect to Participant's Restricted Stock Units.

10. Miscellaneous.

(a) In the event of any change or changes in the outstanding Common Stock of the Corporation by reason of any stock dividend, recapitalization, reorganization, merger, consolidation, combination or any similar transaction, the Board of Directors shall adjust the number of Restricted Stock Units granted under this Agreement, and make any and all other adjustments deemed appropriate by the Board of Directors in such manner as the Board of Directors deems necessary to prevent material dilution or enlargement of the rights granted to Employee.

(b) This Agreement may be executed in one or more counterparts, all of which taken together will constitute one and the same instrument.

(c) The terms of this Agreement may only be amended, modified or waived by a written agreement executed by both of the parties hereto.

(d) The validity, performance, construction and effect of this Agreement shall be governed by the laws of the State of Florida, without giving effect to principles of conflicts of law.

(e) This Agreement constitutes the entire agreement between the parties hereto with respect to the transactions contemplated herein.

(f) Except as otherwise herein provided, this Agreement shall be binding upon and shall inure to the benefit of the Corporation, its successors and assigns, and of Participant and Participant's personal representatives.

[signature page follows]

**IN WITNESS WHEREOF**, the parties have executed this Restricted Stock Unit Agreement as of the day and year first above written.

ATTEST:

\_\_\_\_\_  
Melanie M. Nealis, Secretary  
Witness:

\_\_\_\_\_

**SUN HYDRAULICS CORPORATION**

By:

\_\_\_\_\_

**PARTICIPANT**

\_\_\_\_\_

\_\_\_\_\_

**APPENDIX A**  
**PERFORMANCE GOALS**

The following table provides the performance goals for vesting of the Restricted Stock Units covered by Performance-Based Vesting in Section 3(b). The performance goals are as follows:

[Goals customized to segment/subsidiary]

**APPENDIX B**  
**RESTRICTIVE COVENANTS**

Participant acknowledges and recognizes the highly competitive nature of the Corporation's business and, in consideration of the Restricted Stock Units granted to Participant, the Participant agrees to the following:

A. **Non-Competition.** During period of Participant's employment with the Corporation (and any Subsidiary) and the 12-month period following his or her termination of employment (the "Restricted Period"), anywhere in the world (the "Restricted Area"), Participant will not, individually or in conjunction with others, directly or indirectly, engage in any Competitive Business Activities (as hereinafter defined) other than on behalf of the Corporation, unless specifically agreed to in writing by the Corporation, and as agreed by the Corporation and Participant, whether on a full-time or on a part-time basis, whether as an officer, director, proprietor, employee, partner, independent contractor, investor (other than as a holder of less than five percent (5%) of the outstanding capital stock of a publicly traded corporation), consultant, advisor, agent or otherwise. "Competitive Business Activities" shall be mean any business that engages in providing products and services that are competitive with any products and services provided by the Corporation as of the date of this Agreement and at any time during Participant's employment with the Corporation and its Subsidiaries.

B. **Non-solicitation.** During the Restricted Period and within the Restricted Area, Participant will not, directly or indirectly, compete with the Corporation by soliciting, inducing or influencing any of the Corporation's Customers which have a business relationship in the with the Corporation at any time during the Restricted Period to discontinue or reduce the extent of such relationship with the Corporation. The Corporation's "Customers" shall be deemed to be any Person that the Corporation or its Subsidiaries is doing business with the Corporation (as reflected by any sales or services provided to that person in the preceding two-year period) and those with whom the Corporation or its Subsidiaries has a reasonable expectation of doing business during the Restricted Period.

In addition, during the Restricted Period and within the Restricted Area, Participant will not, directly or indirectly, for or on behalf of himself or any other Person, (a) recruit, solicit or otherwise influence any employee of the Corporation to discontinue such employment relationship with the Corporation, or (b) employ or seek to employ, or cause or permit to be employed any person who is then (or was at any time within six (6) months prior to the date Participant employs or seeks to employ such person) an employee of the Corporation. For purposes of this Appendix B, "employ" shall be deemed to mean to engage or permit to be engaged, whether as a legal employee or as an independent contractor.

In addition, during the Restricted Period, Participant will not interfere with, disrupt or attempt to disrupt any past, present or prospective relationship, contractual or otherwise, between the Corporation and any Customer, employee or agent in the Corporation.

"Person" shall be deemed to mean and include natural persons, partnerships, corporations, limited liability companies, professional associations or other organizations or entities; and, with respect to a non-natural person, its subsidiaries and controlled affiliates.

The restrictions in Sections A and B of this Appendix B apply in respect of businesses which compete or seek to compete with the Corporation and its Subsidiaries, and nothing in this Appendix B shall prevent Participant from engaging in activities that do not compete with the Corporation and its Subsidiaries.

C. Non-Disclosure of Information. Participant acknowledges that the Corporation's trade secrets; private or secret procedures; methods and ideas; market research data or analyses and marketing plans; fees, costs and pricing structures; customer lists and information concerning the Corporation's products, services, training methods, development, technical information, marketing activities and procedures, and corporate strategies, credit, financial and other data concerning the Corporation's Customers, as they exist from time to time; and other information, observations and data obtained by Participant while employed by the Corporation concerning the Corporation's business, products, services and business relationships; and all similar and related information in whatever form ("Proprietary Information") are valuable, special and unique assets of the Corporation, access to and knowledge of which are essential to the performance by Participant of his or her employment with the Corporation. In light of the highly competitive nature of the industry in which the Corporation's business is conducted, Participant agrees that all Proprietary Information, heretofore or in the future obtained by him or her as a result of his or her association with the Corporation shall be considered confidential.

In recognition of this fact, Participant agrees that Participant will never use or disclose any such Proprietary Information for Participant's own purposes or for the benefit of any person or other entity or organization (except the Corporation) under any circumstances unless such Proprietary Information has been publicly disclosed generally or, unless upon written advice of legal counsel reasonably satisfactory to the Corporation, Participant is legally required to disclose such Proprietary Information. Documents (as hereinafter defined) prepared by Participant or that come into Participant's possession during Participant's association with the Corporation are and remain the property of the Corporation, and when this Agreement terminates, such Documents shall be returned to the Corporation at its principal place of business and herein noted.

"Documents" shall mean all original written, recorded, or graphic matters whatsoever, and any and all copies thereof, including, but not limited to: papers; books; records; tangible things; correspondence; e-mail, telecopy and telex messages; memoranda; work-papers; reports; statements; summaries; analyses; evaluations; Customer records and information; agreements; agendas; advertisements; manuals; brochures; publications; directories; industry lists; schedules; price lists; Customer lists; statistical records; training manuals; computer printouts; books of account, records and invoices reflecting business operations; all things similar to any of the foregoing however denominated. In all cases where originals are not available, the term "Documents" shall also mean identical copies of original documents or non-identical copies thereof.

Notwithstanding any other provisions of this Agreement to the contrary, pursuant to the Defend Trade Secrets Act, 18 U.S.C. §1833(b), an individual may not be held criminally or civilly liable under any federal or state trade secret law for disclosure of a trade secret: (i) made in confidence to a government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; and/or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Additionally, an individual suing an employer for retaliation based on the reporting of a suspected violation of law may disclose a trade secret to his or her attorney and use the trade secret information in the court proceeding, so long as any document containing the trade secret is filed under seal and the individual does not disclose the trade secret except pursuant to court order.

D. Non-Disparagement . Except as otherwise required by law, Participant will not make, publish, or disseminate any derogatory statements or comments about the Corporation or any of its Subsidiaries and affiliated entities, or any of their past or present officers or directors, or take any action which a reasonable person would expect would impair the good will, business reputation, or good name of any of them.

E. Independent Obligations, Remedies. It is understood by and between the parties hereto that the foregoing covenants by Participant contained in this Appendix B shall be construed to be agreements independent of any other element of Participant's employment with the Corporation. The existence of any claim or cause of action, whether predicated on any other provision in this Agreement, or otherwise, as a result of the relationship between the parties shall not constitute a defense to the enforcement of the covenants in this Agreement against Participant, and the Corporation's breach of any term of this Agreement or any other obligation does not waive or release Participant from the restrictions contained in this Appendix B.

1. Participant acknowledges and agrees that the Corporation's remedy at law for a breach or threatened breach of any of the provisions of this Appendix B would be inadequate and the breach shall be *per se* deemed as causing irreparable harm to the Corporation. In recognition of this fact, in the event of a breach by Participant of any of the provisions of this Appendix B, Participant agrees that, in addition to any remedy at law available to the Corporation, including, but not limited to monetary damages, the Corporation, without posting any bond, shall be entitled to obtain, and Participant agrees not to oppose the Corporation's request for equitable relief in the form of specific performance, temporary restraining order, temporary or permanent injunction or any other equitable remedy which may then be available to the Corporation.

2. Participant acknowledges that the granting of a temporary injunction, temporary restraining order or permanent injunction merely prohibiting the use of Proprietary Information would not be an adequate remedy upon breach or threatened breach of this Appendix B and consequently agrees, upon proof of any such breach, to the granting of injunctive relief prohibiting any form of competition with the Corporation. Nothing herein contained shall be construed as prohibiting the Corporation from pursuing any other remedies available to it for such breach or threatened breach.

F. Impact on Other Agreements. If Participant is or becomes party to any other restrictive covenant agreement with the Corporation or one of its subsidiaries, the obligations under such other restrictive covenant agreement shall not be superseded by this Appendix B to the extent inconsistent therewith, but shall be supplanted by this Appendix B to the extent permitted by applicable law. Further, to the extent that any provision(s) of this Appendix B are declared overbroad, void or unenforceable by an authority of competent jurisdiction in a particular jurisdiction, the provision(s) shall be modified by such authority for purposes of enforcement in that jurisdiction to the extent necessary to make the applicable provision(s) valid and enforceable. Modification of a provision of this Appendix B to validate its enforcement in any particular jurisdiction, however, will not affect the enforcement of the provision as stated in any other jurisdiction in which it is enforceable. Also, the invalidity of a provision of this Appendix B in any particular jurisdiction will not affect the validity or enforcement of that provision in any other jurisdiction where it is otherwise valid.

## Helios Technologies to Begin Trading Under New Ticker Symbol: HLIO

- *Helios Management to Ring Opening Bell at Nasdaq on Friday, June 14*
- *Ticker Change Will Be Effective on Monday, June 17*

Sarasota, FL, June 14, 2019 — [Helios Technologies](#) (Nasdaq: SNHY), a global industrial technology leader announced that its shareholders approved an amendment to its articles of incorporation to change the name of the corporation to Helios Technologies, Inc. at its annual meeting of shareholders yesterday. Additionally, effective on Monday, June 17, Helios Technologies will begin trading on the Nasdaq under its new ticker symbol “HLIO.” To celebrate the changes, representatives of Helios Technologies will ring the Nasdaq Opening Bell this morning. The ceremony will be available on the Company’s website at [www.heliostechnologies.com](http://www.heliostechnologies.com).

Wolfgang Dangel, the Company’s President and Chief Executive Officer, commented, “Last August, we changed our business name to Helios Technologies, recognizing that the parent company is evolving in accordance with our Vision 2025 strategy and needs to remain independent from our operating brands. We are pleased that our shareholders agree with this evolution, evidenced by their approval of the legal name change at yesterday’s meeting. A natural progression is the ticker change, to align with our new legal name. We look forward to continuing the successful execution of our strategy under our new identity.”

### **About Helios Technologies**

Helios Technologies is a global industrial technology leader that develops and manufactures hydraulic and electronic control solutions for diverse markets. The Company does business through its operating subsidiaries around the world, including Sun Hydraulics, Enovation Controls, and Faster Group. The Company operates in two business segments, Hydraulics and Electronics. There are three key technologies within our Hydraulics segment: cartridge valve technology (“CVT”), quick-release hydraulic coupling solutions (“QRC”) and hydraulic system design (“Systems”). Within CVT, our products provide functions important to a hydraulic system: to control rates and direction of fluid flow and to regulate and control pressures. QRC products allow users to connect and disconnect quickly from any hydraulic circuit without leakage and ensure high-performance under high temperature and pressure using one or multiple couplers. Systems provide engineered solutions for machine users, manufacturers or designers to fulfill complete system design requirements including electro-hydraulic, remote control, electronic control and programmable logic controller systems, as well as automation of existing equipment. In our Electronics segment, we are a leader in display and control integration solutions offering rugged and reliable instruments, coupled with expertise in J1939 engine protocol, to produce an industry-leading array of easy-to-read displays and gauges for controller area network (“CAN”) transmitted engine data and faults. We refer to this technology as Electronic Controls (“EC”).

Helios Technologies and information about its associated companies is available online at [www.heliostechnologies.com](http://www.heliostechnologies.com).

### **For more information, contact:**

Karen L. Howard / Deborah K. Pawlowski  
Kei Advisors LLC  
(716) 843-3942 / (716) 843-3908  
[khoward@keiadvisors.com](mailto:khoward@keiadvisors.com) / [dpawlowski@keiadvisors.com](mailto:dpawlowski@keiadvisors.com)





# NEWS RELEASE

FOR IMMEDIATE RELEASE

## Helios Technologies Declares Second Quarter Cash Dividend of \$0.09 per Share

Sarasota, FL, June 17, 2019 — Helios Technologies (formerly known as Sun Hydraulics) (Nasdaq: HLIO) (“Helios” or the “Company”), a global industrial technology leader that develops and manufactures solutions for both the hydraulics and electronics markets, announced that its Board of Directors, at its regular meeting, declared a quarterly cash dividend of \$0.09 per common share.

The dividend will be payable on July 20, 2019 to stockholders of record as of July 5, 2019.

### **About Helios Technologies**

Helios Technologies is a global industrial technology leader that develops and manufactures hydraulic and electronic control solutions for diverse markets. The Company does business through its operating subsidiaries around the world, including Sun Hydraulics, Enovation Controls, and Faster Group. The Company operates in two business segments, Hydraulics and Electronics. There are three key technologies within our Hydraulics segment: cartridge valve technology (“CVT”), quick-release hydraulic coupling solutions (“QRC”) and hydraulic system design (“Systems”). Within CVT, our products provide functions important to a hydraulic system: to control rates and direction of fluid flow and to regulate and control pressures. QRC products allow users to connect and disconnect quickly from any hydraulic circuit without leakage and ensure high-performance under high temperature and pressure using one or multiple couplers. Systems provide engineered solutions for machine users, manufacturers or designers to fulfill complete system design requirements including electro-hydraulic, remote control, electronic control and programmable logic controller systems, as well as automation of existing equipment. In our Electronics segment, we are a leader in display and control integration solutions offering rugged and reliable instruments, coupled with expertise in J1939 engine protocol, to produce an industry-leading array of easy-to-read displays and gauges for controller area network (“CAN”) transmitted engine data and faults. We refer to this technology as Electronic Controls (“EC”).

Helios Technologies and information about its associated companies is available online at [www.heliostechnologies.com](http://www.heliostechnologies.com).

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# NEWS RELEASE

FOR IMMEDIATE RELEASE

## **Helios Technologies Continues Transformation as Global Technology Leader**

- *Expanded diversity in team of corporate officers, including 50% of roles held by women leaders*
- *Enhanced executive compensation program to more fully align with Vision 2025*

Sarasota, FL, June 18, 2019 — Helios Technologies (Nasdaq: HLIO), a global industrial technology leader announced progress with several human capital initiatives in alignment with its Vision 2025 strategy. Helios's Board of Directors elected three new corporate officers bringing further diversity to the corporate officer team and aligning the leadership structure with the global business. New corporate officer positions include Melanie Nealis as Chief Legal & Compliance Officer and Secretary; Matteo Arduini, President of QRC (quick-release couplings); and Rajasekhar ("Raj") Menon, President of CVT (cartridge valve technology).

In addition to the three new positions, the Company's remaining corporate officers are Wolfgang Dangel, President and Chief Executive Officer; Tricia Fulton, Chief Financial Officer; and Jinger McPeak, President of EC (Electronic Controls).

Mr. Dangel commented, "We are pleased to elevate three talented members of our executive leadership team to corporate officer roles. As a result, our current officer team now includes the leaders of each of our businesses, Jinger, Matteo and Raj, residing in the locale of their respective business's headquarters. We expect that consideration of their technology and market perspective at the corporate level will enhance the ongoing evolution of the Helios strategy and its successful execution.

"Further, we appreciate the benefits that diversity brings to our organization. We are proud to now have 50% of our corporate officer positions filled by experienced and talented women – Tricia, Melanie and Jinger. They have each proven the value of their contributions to our success, as well as their potential to continue to lead their respective functions in our ongoing journey toward achievement of our long-term goals. We are also excited about the overall diversity within our executive team. Notably, we have four national origins represented: Italian, Indian, German, and American. As Helios continues to expand its operations on a global basis, the diversity of our leadership team is exceptionally equipped to meet the challenges of a global organization."

Melanie Nealis joined Helios Technologies in July 2018 as Chief Legal & Compliance Officer and Assistant Secretary. Previously, she had been Deputy General Counsel with Roper Technologies, Inc. (NYSE: ROP) from 2012 until 2018 and Senior Corporate Counsel to Nordson Corporation (Nasdaq: NDSN) from 2005 until 2012. Ms. Nealis earned her BSBA, summa cum laude, from Xavier University and Juris Doctorate degree from the Ohio State University Moritz College of Law, where she graduated with honors in law. Melanie began her legal practice with Baker and Hostetler LLP.

Matteo Arduini was appointed General Manager of Faster S.r.l. in 2019, after having served as Faster's Chief Financial Officer beginning in April of 2018. From September 2012 to April 2018, Mr. Arduini was with Brevini/Dana Incorporated (NYSE: DAN). He served as the CFO of the Brevini Group and the project

leader in Dana's acquisition of Brevini Group. For one and a half years after the acquisition, he served as Head of Finance in Dana Brevini Italy. Mr. Arduini graduated from the University of Parma in 1998 with a degree in Economics and gained professional experience through roles at Ernst & Young, Ferrari Cars and Technogym.

Raj Menon joined Sun Hydraulics as a consultant in January 2019 and was named President of that business in April. Previously, he was Senior Vice President with J. B. Poindexter, a diversified manufacturer, from 2015 until 2018. Mr. Menon spent over 25 years in a variety of global capacities with Cummins Inc. (NYSE: CMI) from 1989 until 2015. He holds a Mechanical Engineering degree from the Indian Institute of Technology, Madras and a master's degree in Manufacturing Systems Engineering from Purdue University. Raj also holds a Harvard Business School certificate for Management Development.

Additionally, the Company announced that it revised its compensation practices for executive officers to tie compensation more closely to Company performance. The new compensation philosophy includes specific, performance-based short-term and long-term compensation that is more fully aligned with the Company's strategy and its shareholders. At last week's annual meeting, shareholders approved the Helios Technologies 2019 Equity Incentive Plan.

Mr. Dangel added, "The Compensation Committee of our Board developed a much more structured executive compensation program, aimed at incentivizing and rewarding our team upon attainment of clearly defined goals in alignment with our Vision 2025 strategy. We believe that shareholder approval of our new equity incentive plan evidences their support of this new program as well."

Mr. Dangel concluded, "It is certainly a very exciting and dynamic time for the entire Helios organization around the globe. As we noted last week, we are thankful for shareholder support of our formal name change to Helios Technologies, Inc. and we are now trading under our new ticker, HLIO. Those changes provide us with appropriate corporate infrastructure to oversee our operating businesses. More importantly, our people drive our success and we believe continual advancements of our human capital initiatives and investments in our processes are imperative to achieve our goals for Vision 2025 and beyond."

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