

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K
CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) April 17, 2015

PERMA-FIX ENVIRONMENTAL SERVICES, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other
jurisdiction of
incorporation)

1-11596
(Commission File Number)

58-1954497
(IRS Employer
Identification No.)

8302 Dunwoody Place, Suite 250, Atlanta, Georgia
(Address of principal executive offices)

30350
(Zip Code)

Registrant's telephone number, including area code: (770) 587-9898

Not applicable
(Former name or former address, if changed since last report)

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

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

Section 5 – Corporate Governance and Management

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

Management Incentive Plans (“MIP”)

On April 17, 2015, the Company’s Compensation and Stock Option Committee (“Compensation Committee”) approved individual management incentive plans (“MIPs”) for Dr. Louis F. Centofanti, our Chief Executive Officer (“CEO”), John Lash, our Chief Operating Officer (“COO”), and Ben Naccarato, our Chief Financial Officer (“CFO”). The MIPs are effective as of January 1, 2015. Each MIP provides guidelines for the calculation of annual cash incentive based compensation, subject to Compensation Committee oversight and modification. Each MIP awards cash compensation based on achievement of performance thresholds, with the amount of such compensation established as a percentage of base salary. The potential target performance compensation ranges from 5% to 100% or \$13,556 to \$271,115 of the 2015 base salary for the CEO, 5% to 100% or \$10,750 to \$215,000 of the 2015 base salary for the COO, and 5% to 100% or \$10,712 to \$214,240 of the 2015 base salary for the CFO.

The performance compensation payable under each MIP is based upon meeting corporate revenue, EBITDA, health and safety, and environmental compliance (permit and license violations) targets and objectives during fiscal year 2015 from our continuing operations, with such targets and objectives approved by the Company’s Board of Directors. EBITDA, a non-GAAP (generally accepted accounting principles) financial measurement, is defined as earnings before interest, taxes, depreciation and amortization. The Compensation Committee believe performance compensation payable under each of the MIPs should be based on achievement of EBITDA target as this target provides better indicator of operating performance as it excludes certain non-cash items. EBITDA has certain limitations as it does not reflect all items of income or cash flows that affect the Company’s financial performance under GAAP.

Performance compensation is paid on or about 90 days after year-end, or sooner, based on finalization of our audited financial statements for 2015. If the MIP participant’s employment with the Company is voluntarily or involuntarily terminated prior to a regularly scheduled MIP compensation payment date, no MIP payment will be payable for and after such period.

The Compensation Committee retains the right to modify, change or terminate each MIP and may adjust the various target amounts described below, at any time and for any reason.

The total paid to the CEO, COO, and CFO will not exceed 50% of the Company’s pre-tax net income prior to the calculation of performance compensation.

Each MIP is briefly described below, and the descriptions are qualified by reference to the respective MIPs attached as exhibits 99.1 to 99.3 to this Report.

CEO MIP:

2015 CEO performance compensation is based upon meeting corporate revenue, EBITDA, health and safety, and environmental compliance (permit and license violations) objectives during fiscal year 2015 from our continuing operations. At achievement of 70% to 119% of the Revenue and EBITDA targets, the potential performance compensation is payable at 5% to 50% of the total salary, of which 60% is based on EBITDA goal, 10% on revenue goal, 15% on the number of health and safety claim incidents that occur during fiscal year 2015, and the remaining 15% on the number of notices alleging environmental, health or safety violations under our permits or licenses that occur during the fiscal year 2015. Upon achievement of over 119% of the Revenue and EBITDA targets, with potential performance compensation payable at over 50% to 100% of the total salary, the amount of performance compensation payable is based on the four objectives noted above, with the payment of such performance compensation being weighted more heavily toward the EBITDA objective. No performance incentive compensation will be payable to the CEO for achieving the health and safety, permit and license violation, and revenue targets unless a minimum of 70% of the EBITDA target is achieved. Each of the revenue and EBITDA components is based on our board approved revenue target and EBITDA target. The 2015 target performance incentive compensation for our CEO is as follows:

Annualized Base Pay:	\$	271,115
Performance Incentive Compensation Target (at 100% of MIP):	\$	135,558
Total Annual Target Compensation (at 100% of MIP):	\$	406,673

COO MIP:

2015 COO performance compensation is based upon meeting corporate revenue, EBITDA, health and safety, and environmental compliance (permit and license violations) objectives during fiscal year 2015 from our continuing operations. At achievement of 70% to 119% of the Revenue and EBITDA targets, the potential performance compensation is payable at 5% to 50% of the total salary, of which 60% is based on EBITDA goal, 10% on revenue goal, 15% on the number of health and safety claim incidents that occur during fiscal year 2015, and the remaining 15% on the number of notices alleging environmental, health or safety violations under our permits or licenses that occur during the fiscal year 2015. Upon achievement of over 119% of the Revenue and EBITDA targets, with potential performance compensation payable at over 50% to 100% of the total salary, the amount of performance compensation payable is based on the four objectives noted above, with the payment of such performance compensation being weighted more heavily toward the EBITDA objective. No performance incentive compensation will be payable to the COO for achieving the health and safety, permit and license violation, and revenue targets unless a minimum of 70% of the EBITDA target is achieved. Each of the revenue and EBITDA components is based on our board approved revenue target and EBITDA target. The 2015 target performance incentive compensation for our COO is as follows:

Annualized Base Pay:	\$	215,000
Performance Incentive Compensation Target (at 100% of Plan):	\$	107,500
Total Annual Target Compensation (at 100% of Plan):	\$	322,500

CFO MIP:

2015 CFO performance compensation is based upon meeting corporate revenue, EBITDA, health and safety, and environmental compliance (permit and license violations) objectives during fiscal year 2015 from our continuing operations. At achievement of 70% to 119% of the Revenue and EBITDA targets, the potential performance compensation is payable at 5% to 50% of the total salary, of which 60% is based on EBITDA goal, 10% on revenue goal, 15% on the number of health and safety claim incidents that occur during fiscal year 2015, and the remaining 15% on the number of notices alleging environmental, health or safety violations under our permits or licenses that occur during the fiscal year 2015. Upon achievement of over 119% of the Revenue and EBITDA targets, with potential performance compensation payable at over 50% to 100% of the total salary, the amount of performance compensation payable is based on the four objectives noted above, with the payment of such performance compensation being weighted more heavily toward the EBITDA objective. No performance incentive compensation will be payable to the CFO for achieving the health and safety, permit and license violation, and revenue targets unless a minimum of 70% of the EBITDA target is achieved. Each of the revenue and EBITDA components is based on our board approved revenue target and EBITDA target. The 2015 target performance incentive compensation for our CFO is as follows:

Annualized Base Pay:	\$	214,240
Performance Incentive Compensation Target (at 100% of Plan):	\$	107,120
Total Annual Target Compensation (at 100% of Plan):	\$	321,360

Section 9 – Financial Statements and Exhibits

Item 9.01 – Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1	2015 Management Incentive Plan for Chief Executive Officer, approved April 17, 2015 but effective January 1, 2015.
99.2	2015 Management Incentive Plan for Chief Operating Officer, approved April 17, 2015 but effective January 1, 2015.
99.3	2015 Management Incentive Plan for Chief Financial Officer, approved April 17, 2015 but effective January 1, 2015.

Signatures

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

Dated: April 23, 2015

PERMA-FIX ENVIRONMENTAL SERVICES, INC.

By: /s/ Ben Naccarato
Ben Naccarato
Vice President and
Chief Financial Officer

CHIEF EXECUTIVE OFFICER AND PRESIDENT

Effective: January 1, 2015

CHAIRMAN, CHIEF EXECUTIVE OFFICER AND PRESIDENT

PURPOSE: To define the compensation plan for the Chairman, Chief Executive Officer and President.

SCOPE: Perma-Fix Environmental Services, Inc.

POLICY: The Compensation Plan is designed to retain, motivate and reward the incumbent to support and achieve the business, operating and financial objectives of Perma-Fix Environmental Services, Inc. (the "Company").

BASE SALARY: The Base Salary indicated below is paid in equal periodic installments per the regularly scheduled payroll.

PERFORMANCE INCENTIVE COMPENSATION: Performance Incentive Compensation is available based on the Company's financial results noted in Schedule A. Effective date of plan is January 1, 2015 and incentive will be for entire year. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on final Form 10-K financial statement.

SEPARATION: If employment is separated prior to the annual incentive compensation payment date as noted above, no incentive compensation is due to the incumbent.

ACKNOWLEDGEMENT: Payment of Performance Incentive Compensation of any type will be forfeited, unless the Human Resources Department has received a signed acknowledgement of receipt of the Compensation Plan prior to the applicable payment date.

INTERPRETATIONS: The Compensation Committee of the Board of Directors retains the right to modify, change or terminate the Compensation Plan at any time and for any reason. It also reserves the right to determine the final interpretation of any provision contained in the Compensation Plan and it reserves the right to modify or change the Revenue and EBITDA Targets as defined herein in the event of the sale or disposition of any of the assets of the Company. While the plan is intended to represent all situations and circumstances, some issues may not easily be addressed. The Compensation Committee will endeavor to review all standard and non-standard issues related to the Compensation Plan and will provide quick interpretations that are in the best interest of the Company, its shareholders and the incumbent.

CHIEF EXECUTIVE OFFICER AND PRESIDENT

Base Pay and Performance Incentive Compensation Targets

The compensation for the below named individual as follows:

Annualized Base Pay:	\$	271,115
Performance Incentive Compensation Target (at 100% of Plan):	\$	135,558
Total Annual Target Compensation (at 100% of Plan):	\$	406,673

The Performance Incentive Compensation Target is based on the Schedule A below.

	TARGET							
Revenue Target	42,500,000	59,500,000	72,250,000	85,000,000	102,000,000	119,000,000	136,000,000	
EBITDA Target	4,080,000	5,712,000	6,936,000	8,160,000	9,792,000	11,424,000	13,056,000	
Threshold % Of Target	50%	70%	85%	100%	120%	140%	160%	
Bonus % Awarded	0%	10%	50%	100%	130%	170%	200%	
% of Target Achieved	50-69%	70-84%	85-99%	100-119%	120-139%	140-159%	160%+	
Revenue	-	1,356	6,778	13,556	19,365	27,112	32,921	
EBITDA	-	8,133	40,667	81,335	116,192	162,669	197,527	
H & S	-	2,033	10,167	20,334	20,334	20,334	20,334	
Permit & License Violations	-	2,033	10,167	20,334	20,334	20,334	20,334	
	-	13,556	67,779	135,558	176,225	230,448	271,115	

- 1) Revenue is defined as the total consolidated third party top line revenue from continuing operations as publicly reported in the Company's financial statements. The percentage achieved is determined by comparing the actual consolidated revenue from continuing operations to the Board approved Revenue Target from continuing operations, which is \$85,000,000. The Board reserves the right to modify or change the Revenue Targets as defined herein in the event of the sale or disposition of any of the assets of the Company or in the event of an acquisition.
- 2) EBITDA is defined as earnings before interest, taxes, depreciation, and amortization from continuing operations. The percentage achieved is determined by comparing the actual EBITDA to the Board approved EBITDA Target, which is \$8,160,000. The Board reserves the right to modify or change the EBITDA Targets as defined herein in the event of the sale or disposition of any of the assets of the Company or in the event of an acquisition.
- 3) The Health and Safety Incentive Target is based upon the actual number of Worker's Compensation Lost Time Accidents, as provided by the Company's Worker's Compensation carrier. The Corporate Controller will submit a report on a quarterly basis documenting and confirming the number of Worker's Compensation Lost Time Accidents, supported by the AIG Worker's Compensation Loss Report. Such claims will be identified on the loss report as "indemnity claims." The following number of Worker's Compensation Lost Time Accidents and corresponding Performance Target Thresholds has been established for the annual Incentive Compensation Plan calculation for 2015.

Work Comp. Claim Number	Performance Target
6	70%-85%
5	85%-100%
4	101%-119%
3	120%-139%
2	140%-159%
1	160%+

- 4) Permits or License Violations incentive is earned/determined according to the scale set forth below: An “official notice of non-compliance” is defined as an official communication from a local, state, or federal regulatory authority alleging one or more violations of an otherwise applicable Environmental, Health or Safety requirement or permit provision, which results in a facility’s implementation of corrective action(s).

Permit and License Violations	Performance Target
6	70%-85%
5	85%-100%
4	101%-119%
3	120%-139%
2	140%-159%
1	160%+

- 5) No performance incentive compensation will be payable for achieving the health and safety, permit and license violation, and revenue targets unless a minimum of 70% of the EBITDA Target is achieved.
-

Performance Incentive Compensation Payment

Effective date of plan is January 1, 2015 and incentive will be for entire year. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on final Form 10-K financial statement.

In no event will Performance Incentive Compensation paid to all Executive Officers as a group exceed 50% of Pretax Net Income computed prior to the calculation of bonus expense. If applicable, Incentive Compensation payments will be reduced on a pro-rata basis, so not to exceed 50% of Pretax Net Income.

ACKNOWLEDGMENT:

I acknowledge receipt of the aforementioned Chief Executive Officer and President 2015 - Compensation Plan. I have read and understand and accept employment under the terms and conditions set forth therein.

/s/ Louis Centofanti
/S/ Dr. Louis Centofanti

4/20/2015
Date

/s/Larry Shelton
/S/ Board of Directors

4/21/2015
Date

CHIEF OPERATING OFFICER

Effective: January 1, 2015

CHIEF OPERATING OFFICER

PURPOSE: To define the compensation plan for the CHIEF OPERATING OFFICER.

SCOPE: Perma-Fix Environmental Services, Inc.

POLICY: The Compensation Plan is designed to retain, motivate and reward the incumbent to support and achieve the business, operating and financial objectives of Perma-Fix Environmental Services, Inc. (the "Company").

BASE SALARY: The Base Salary indicated below is paid in equal periodic installments per the regularly scheduled payroll.

PERFORMANCE INCENTIVE COMPENSATION: Performance Incentive Compensation is available based on the Company's financial results noted in Schedule A. Effective date of plan is January 1, 2015. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on final Form 10-K financial statement.

SEPARATION: If employment is separated prior to the annual incentive compensation payment date as noted above, no incentive compensation is due to the incumbent.

ACKNOWLEDGEMENT: Payment of Performance Incentive Compensation of any type will be forfeited, unless the Human Resources Department has received a signed acknowledgement of receipt of the Compensation Plan prior to the applicable payment date.

INTERPRETATIONS: The Compensation Committee of the Board of Directors retains the right to modify, change or terminate the Compensation Plan at any time and for any reason. It also reserves the right to determine the final interpretation of any provision contained in the Compensation Plan and it reserves the right to modify or change the Revenue and EBITDA Targets as defined herein in the event of the sale or disposition of any of the assets of the Company. While the plan is intended to represent all situations and circumstances, some issues may not easily be addressed. The Compensation Committee will endeavor to review all standard and non-standard issues related to the Compensation Plan and will provide quick interpretations that are in the best interest of the Company, its shareholders and the incumbent.

CHIEF OPERATING OFFICER

Base Pay and Performance Incentive Compensation Targets

The compensation for the below named individual as follows:

Annualized Base Pay:	\$	215,000
Performance Incentive Compensation Target (at 100% of Plan):	\$	107,500
Total Annual Target Compensation (at 100% of Plan):	\$	322,500

The Performance Incentive Compensation Target is based on the schedule A below.

					TARGET			
Revenue Target	42,500,000	59,500,000	72,250,000	85,000,000	102,000,000	119,000,000	136,000,000	
EBITDA Target	4,080,000	5,712,000	6,936,000	8,160,000	9,792,000	11,424,000	13,056,000	
Threshold % Of Target	50%	70%	85%	100%	120%	140%	160%	
Bonus % Awarded	0%	10%	50%	100%	130%	170%	200%	
% of Target Achieved	50-69%	70-84%	85-99%	100-119%	120-139%	140-159%	160%+	
Revenue	-	1,075	5,375	10,750	15,357	21,500	26,107	
EBITDA	-	6,450	32,250	64,500	92,143	129,000	156,643	
H & S	-	1,613	8,063	16,125	16,125	16,125	16,125	
Permit & License Violations	-	1,613	8,063	16,125	16,125	16,125	16,125	
	-	10,751	53,751	107,500	139,750	182,750	215,000	

- 1) Revenue is defined as the total consolidated third party top line revenue from continuing operations as publicly reported in the Company's financial statements. The percentage achieved is determined by comparing the actual consolidated revenue from continuing operations to the Board approved Revenue Target from continuing operations, which is \$85,000,000. The Board reserves the right to modify or change the Revenue Targets as defined herein in the event of the sale or disposition of any of the assets of the Company or in the event of an acquisition.
- 2) EBITDA is defined as earnings before interest, taxes, depreciation, and amortization from continuing operations. The percentage achieved is determined by comparing the actual EBITDA to the Board approved EBITDA Target, which is \$8,160,000. The Board reserves the right to modify or change the EBITDA Targets as defined herein in the event of the sale or disposition of any of the assets of the Company or in the event of an acquisition.
- 3) The Health and Safety Incentive target is based upon the actual number of Worker's Compensation Lost Time Accidents, as provided by the Company's Worker's Compensation carrier. The Corporate Controller will submit a report on a quarterly basis documenting and confirming the number of Worker's Compensation Lost Time Accidents, supported by the AIG Worker's Compensation Loss Report. Such claims will be identified on the loss report as "indemnity claims." The following number of Worker's Compensation Lost Time Accidents and corresponding Performance Target Thresholds has been established for the annual Incentive Compensation Plan calculation for 2015.

Work Comp. Claim Number	Performance Target
6	70%-85%
5	85%-100%
4	101%-119%
3	120%-139%
2	140%-159%
1	160%+

- 4) Permits or License Violations incentive is earned/determined according to the scale set forth below: An “official notice of non-compliance” is defined as an official communication from a local, state, or federal regulatory authority alleging one or more violations of an otherwise applicable Environmental, Health or Safety requirement or permit provision, which results in a facility’s implementation of corrective action(s).

Permit and License Violations	Performance Target
6	70%-85%
5	85%-100%
4	101%-119%
3	120%-139%
2	140%-159%
1	160%+

- 5) No performance incentive compensation will be payable for achieving the health and safety, permit and license violation, and revenue targets unless a minimum of 70% of the EBITDA Target is achieved.
-

Performance Incentive Compensation Payment

Effective date of plan is January 1, 2015. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on final Form 10-K financial statement.

In no event will Performance Incentive Compensation paid to all Executive Officers as a group exceed 50% of Pretax Net Income computed prior to the calculation of bonus expense. If applicable, Incentive Compensation payments will be reduced on a pro-rata basis, so not to exceed 50% of Pretax Net Income.

ACKNOWLEDGMENT:

I acknowledge receipt of the aforementioned Chief Operating Officer 2015 - Compensation Plan. I have read and understand and accept employment under the terms and conditions set forth therein.

/s/ John Lash
/S/ John Lash

4/21/2015
Date

/s/Larry Shelton
/S/ Board of Directors

4/21/2015
Date

CHIEF FINANCIAL OFFICER

Effective: January 1, 2015

CHIEF FINANCIAL OFFICER

PURPOSE: To define the compensation plan for the Chief Financial Officer.

SCOPE: Perma-Fix Environmental Services, Inc.

POLICY: The Chief Financial Officer Compensation Plan is designed to retain, motivate and reward the incumbent to support and achieve the business, operating and financial objectives of Perma-Fix Environmental Services, Inc (the "Company").

BASE SALARY: The Base Salary indicated below is paid in equal periodic installments per the regularly scheduled payroll.

PERFORMANCE INCENTIVE COMPENSATION: Performance Incentive Compensation is available based on the Company's financial results noted in Schedule A. Effective date of plan is January 1, 2015 and incentive will be for entire year. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on final 10-K financial statement.

SEPARATION: If employment is separated prior to the annual incentive compensation payment date as noted above, no incentive compensation is due to the incumbent.

ACKNOWLEDGEMENT: Payment of Performance Incentive Compensation of any type will be forfeited, unless the Human Resources Department has received a signed acknowledgement of receipt of the Compensation Plan prior to the applicable payment date.

INTERPRETATIONS: The Compensation Committee of the Board of Directors retains the right to modify, change or terminate the Compensation Plan at any time and for any reason. It also reserves the right to determine the final interpretation of any provision contained in the Compensation Plan and it reserves the right to modify or change the Revenue and EBITDA Target as defined herein in the event of the sale or disposition of any of the assets of the Company. While the plan is intended to represent all situations and circumstances, some issues may not easily be addressed. The Compensation Committee will endeavor to review all standard and non-standard issues related to the Compensation Plan and will provide quick interpretations that are in the best interest of the Company, its shareholders and the incumbent.

CHIEF FINANCIAL OFFICER

Base Pay and Performance Incentive Compensation Targets

The compensation for the below named individual as follows:

Annualized Base Pay:	\$	214,240
Performance Incentive Compensation Target (at 100% of Plan):	\$	107,120
Total Annual Target Compensation (at 100% of Plan):	\$	321,360

The Performance Incentive Compensation Target is based on the Schedule A below.

	TARGET							
Revenue Target	42,500,000	59,500,000	72,250,000	85,000,000	102,000,000	119,000,000	136,000,000	
EBITDA Target	4,080,000	5,712,000	6,936,000	8,160,000	9,792,000	11,424,000	13,056,000	
Threshold % Of Target	50%	70%	85%	100%	120%	140%	160%	
Bonus % Awarded	0%	10%	50%	100%	130%	170%	200%	
% of Target Achieved	50-69%	70-84%	85-99%	100-119%	120-139%	140-159%	160%+	
Revenue	-	1,071	5,356	10,712	15,303	21,424	26,015	
EBITDA	-	6,427	32,136	64,272	91,817	128,544	156,089	
H & S	-	1,607	8,034	16,068	16,068	16,068	16,068	
Permit & License								
Violations	-	1,607	8,034	16,068	16,068	16,068	16,068	
	-	10,712	53,560	107,120	139,256	182,104	214,240	

- 1) Revenue is defined as the total consolidated third party top line revenue from continuing operations as publicly reported in the Company's financial statements. The percentage achieved is determined by comparing the actual consolidated revenue from continuing operations to the Board approved Revenue Target from continuing operations, which is \$85,000,000. The Board reserves the right to modify or change the Revenue Targets as defined herein in the event of the sale or disposition of any of the assets of the Company or in the event of an acquisition.
- 2) EBITDA is defined as earnings before interest, taxes, depreciation, and amortization from continuing operations. The percentage achieved is determined by comparing the actual EBITDA to the Board approved EBITDA Target, which is \$8,160,000. The Board reserves the right to modify or change the EBITDA Targets as defined herein in the event of the sale or disposition of any of the assets of the Company or in the event of an acquisition.
- 3) The Health and Safety Incentive Target is based upon the actual number of Worker's Compensation Lost Time Accidents, as provided by the Company's Worker's Compensation carrier. The Corporate Controller will submit a report on a quarterly basis documenting and confirming the number of Worker's Compensation Lost Time Accidents, supported by the AIG Worker's Compensation Loss Report. Such claims will be identified on the loss report as "indemnity claims." The following number of Worker's Compensation Lost Time Accidents and corresponding Performance Target Thresholds has been established for the annual Incentive Compensation Plan calculation for 2015.

Work Comp. Claim Number	Performance Target
6	70%-85%
5	85%-100%
4	101%-119%
3	120%-139%
2	140%-159%
1	160%+

- 4) Permits or License Violations incentive is earned/determined according to the scale set forth below: An “official notice of non-compliance” is defined as an official communication from a local, state, or federal regulatory authority alleging one or more violations of an otherwise applicable Environmental, Health or Safety requirement or permit provision, which results in a facility’s implementation of corrective action(s).

Permit and License Violations	Performance Target
6	70%-85%
5	85%-100%
4	101%-119%
3	120%-139%
2	140%-159%
1	160%+

- 5) No performance incentive compensation will be payable for achieving the health and safety, permit and license violation, and revenue targets unless a minimum of 70% of the EBITDA Target is achieved.
-

Performance Incentive Compensation Payment

Effective date of plan is January 1, 2015 and incentive will be for entire year. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on final Form 10-K financial statement.

In no event will Performance Incentive Compensation paid to all Executive Officers as a group exceed 50% of Pretax Net Income computed prior to the calculation of bonus expense. If applicable, Incentive Compensation payments will be reduced on a pro-rata basis, so not to exceed 50% of Pretax Net Income.

ACKNOWLEDGMENT:

I acknowledge receipt of the aforementioned Chief Financial Officer 2015 - Compensation Plan. I have read and understand and accept employment under the terms and conditions set forth therein.

/s/ Ben Naccarato

/s/Ben Naccarato

4/20/2015

Date

/s/Larry Shelton

/s/ Board of Director

4/21/2015

Date