

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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported) January 20, 2022

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

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

Title of Each Class	Trading Symbol	Name of each exchange on which registered
Common Stock, Par Value, \$.001 Per Share	PEFI	NASDAQ Capital Markets

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

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 1.01. Entry into a Definitive Agreement

Option Agreement

On January 20, 2022, Perma-Fix Environmental Services, Inc.'s (the "Company") Compensation and Stock Option Committee (the "Compensation Committee") and the Board of Directors (the "Board") approved an amendment which further revised certain terms (as described below) of the Nonqualified Stock Option ("NQSO") Agreement dated July 27, 2017 ("Stock Option Agreement") entered into between the Company and Mr. Robert L. Ferguson in connection with Mr. Ferguson's consulting work relating to the Test Bed Initiatives of the Company's subsidiary, Perma-Fix Northwest Richland, Inc. ("PFNWR"). Pursuant to the Stock Option Agreement, Mr. Ferguson was granted a NQSO from the Company's 2017 Stock Option Plan for the purchase of up to 100,000 shares of the Company Common Stock at an exercise price of \$3.65 a share, which was the fair market value of the Company's Common Stock on the date of grant of July 27, 2017 ("Ferguson Stock Option"). The vesting of the Ferguson Stock Option is subject to the achievement of the following milestones ("waste" as noted below is defined as liquid LAW ("low activity waste") and/or liquid TRU ("transuranic waste")):

- Upon treatment and disposal of three gallons of waste at the PFNWR facility on or before January 27, 2018, 10,000 shares of the Ferguson Stock Option shall become exercisable. This milestone was met and the shares under this milestone were issued to Mr. Ferguson;
- Upon treatment and disposal of 2,000 gallons of waste at the PFNWR facility on or before December 31, 2021, as previously amended, 30,000 shares of the Ferguson Stock Option shall become exercisable; and
- Upon treatment and disposal of 50,000 gallons of waste at the PFNWR facility and assistance, on terms satisfactory to the Company, in preparing certain justifications of cost and pricing data for the waste and obtaining a long-term commercial contract relating to the treatment, storage and disposal of waste on or before December 31, 2022, as previously amended, 60,000 shares of the Ferguson Stock Option shall become exercisable.

The term of the Ferguson Stock Option is seven (7) years from the grant date. Each of the milestones is exclusive of each other; therefore, achievement of any of the milestones above by Robert Ferguson by the designated date will provide Robert Ferguson the right to exercise the number of options in accordance with the milestone attained.

On January 20, 2022, the Company's Compensation Committee and the Board approved an amendment to the Stock Option Agreement whereby the vesting dates of the Ferguson Stock Option for the second and third milestones were further amended to "on or before December 31, 2022" and "on or before December 31, 2023", respectively. This amendment was approved by the Compensation Committee and the Board to take effect December 31, 2021.

All other terms of the Ferguson Stock Option remain unchanged.

The information contained in Items 5.02 as to the Company's Management Incentive Plans ("MIPs") are incorporated herein by reference.

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

On January 20, 2022, the Compensation Committee and the Board approved individual MIPs for the calendar year 2022 for Mark Duff, our Chief Executive Officer (the "CEO"); Ben Naccarato, our Executive Vice President ("EVP") and Chief Financial Officer (the "CFO"); Dr. Louis Centofanti, our EVP of Strategic Initiatives; Andy Lombardo, our EVP of Nuclear and Technical Services; and Richard Grondin our EVP of Waste Treatment Operations (collectively, the "Executive Officers"). Each of the MIPs is effective January 1, 2022 and applicable for year 2022. Each MIP provides guidelines for the calculation of annual cash incentive-based compensation, subject to Compensation Committee oversight and modification.

2

The performance compensation under each MIP for the Executive Officers is based upon meeting certain of the Company's separate target objectives during 2022 as described in Exhibit 99.5 to 99.9 of this report.

Certain targets set forth in each of the 2022 MIPs take into account the Board-approved budget for 2022 as well as the Compensation Committee's expectation for performance that in its estimation would warrant payment of incentive cash compensation. In formulating certain targets, the Compensation Committee and the Board considered 2021 results, economic conditions, potential continued impact of COVID-19 and forecasts for 2022 government spending.

Assuming each target objective is achieved under the same range for each MIP, the total potential target performance compensation payable ranges from 25% to 150% of the 2022 base salary for the CEO (\$93,717 to \$562,304), 25% to 100% of the 2022 base salary for the CFO (\$76,193 to \$304,772), 25% to 100% of the 2022 base salary for the EVP of Strategic Initiatives (\$63,495 to \$253,980), 25% to 100% of the 2022 base salary for the EVP of Nuclear and Technical Services (\$76,193 to \$304,772) and 25% to 100% (\$65,308 to \$261,233) of the 2022 base salary for the EVP of Waste Treatment Operations.

Performance compensation under the 2022 MIPs are to be paid on or about 90 days after year-end, or sooner, based on finalization of our audited financial statements for 2022.

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 to be paid to the Executive Officers under the MIPs shall not exceed 50% of the Company's pre-tax net income prior to the calculation of performance compensation.

The Compensation Committee and the Board determined that no performance payments would be made to the Executive Officers under their 2021 MIPs. In lieu of any performance payments to the Executive Officers under the 2021 MIPs and in an attempt to retain the Executive Officers, on January 20, 2022, the Compensation Committee and the Board determined that the base annual compensation for each Executive Officer for 2022 is increased by approximately 6.4% to offset the cost of living increase. The annual base compensation of each Executive Officer for 2022 is set forth in the attached MIP for that Executive Officer.

The descriptions of the 2022 MIPs contained herein are qualified by reference to the respective MIPs attached as exhibits 99.5 to 99.9 to this Report.

3

Section 9 – Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

Exhibit	Description
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)
99.1	Stock Option Agreement dated July 27, 2017 between Perma-fix Environmental Services, Inc. and Mr. Robert L. Ferguson, as incorporated by reference from Exhibit 10.6 to the Company's second quarter Form 10-Q filed on August 9, 2017.
99.2	First Amendment to Stock Option Agreement dated July 27 between Perma-Fix Environmental Services, Inc. and Mr. Robert L. Ferguson, as incorporated by reference from Exhibit 10.23 to the Company's 2018 Form 10-K filed on April 1, 2019.
99.3	Second Amendment to Stock Option Agreement dated July 27 between Perma-Fix Environmental Services, Inc. and Mr. Robert L. Ferguson, as incorporated by reference from Exhibit 99.3 to the Company's Form 8-K filed on March 31, 2020.
99.4	Third Amendment to Stock Option Agreement dated July 27 between Perma-Fix Environmental Services, Inc. and Mr. Robert L. Ferguson.
99.5	2022 Management Incentive Plan for Chief Executive Officer, approved January 20, 2022, but effective January 1, 2022.
99.6	2022 Management Incentive Plan for Chief Financial Officer, approved January 20, 2022, but effective January 1, 2022.
99.7	2022 Management Incentive Plan for EVP of Strategic Initiatives, approved January 20, 2022, but effective January 1, 2022.
99.8	2022 Management Incentive Plan for EVP of Nuclear and Technical Services, approved January 20, 2022, but effective January 1, 2022.

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: January 25, 2022

PERMA-FIX ENVIRONMENTAL SERVICES, INC.

By: /s/ Ben Naccarato

Ben Naccarato
Executive Vice President and
Chief Financial Officer

THIRD AMENDMENT
to
2017 STOCK OPTION PLAN NONQUALIFIED STOCK OPTION AGREEMENT DATED JULY 27, 2017, BY AND BETWEEN PERMA-FIX ENVIRONMENTAL SERVICES, INC. AND ROBERT FERGUSON (“PARTICIPANT”)
(“2017 NONQUALIFIED STOCK OPTION AGREEMENT”)

WHEREAS, on July 27, 2017, Robert Ferguson (the “Participant”) and Perma-Fix Environmental Services, Inc. (the “Company”) entered into the 2017 Nonqualified Stock Option Agreement.

WHEREAS, Section 4 of the 2017 Nonqualified Stock Option Agreement provides that the exercise of a certain number of options is subject to attainment of the following goals: (a) Upon treatment and disposal of three (3) gallons of waste at the Company’s PFNWR facility on or before January 27, 2018, 10,000 shares of the Options shall become exercisable; (b) Upon treatment and disposal of two thousand (2,000) gallons of waste at the Company’s PFNWR facility on or before January 27, 2019, 30,000 shares of the Option shall become exercisable; and (c) Upon treatment and disposal of fifty thousand (50,000) gallons of waste at the Company’s PFNWR facility and assistance, on terms satisfactory to the Company, in preparing appropriate justifications of cost and pricing data for the waste, and obtaining a long-term commercial contract relating to the treatment, storage and disposal of waste on or before January 27, 2021, sixty thousand (60,000) shares of the Option shall become exercisable.

WHEREAS, a First Amendment to the 2017 Nonqualified Stock Option Agreement (the “First Amendment”) was approved by the Compensation and Stock Option Committee (“the Compensation Committee”) and the Board of Directors (the “Board”) of the Company on January 17, 2019, amending the date as noted for goal in letter “(b)” in Section 4 of the 2017 Nonqualified Stock Option Agreement as below:

NOW, THEREFORE, the 2017 Nonqualified Stock Option Agreement is hereby amended as follows:

1. Amendment to Section 4. “The Goals. The exercise of the Options is subject to attainment of the following goals:”

Section 4.

Letter (b) of the 2017 Nonqualified Stock Option Agreement is hereby amended by deleting the words “January 27, 2019” and substituting in lieu thereof the words “March 31, 2020.”

2. Amendment to the “Cover Page” of the 2017 Nonqualified Stock Option Agreement:

“01/27/2019” under the “Exercise Dates” is hereby amended and replaced with “03/31/2020.”

WHEREAS, a Second Amendment to the 2017 Nonqualified Stock Option Agreement (the “Second Amendment”) was approved by the Compensation Committee and the Board of the Company on March 27, 2020 amending the date as defined for goal in letter “(b)” of the 2017 Nonqualified Stock Option Agreement and amends the date as defined for goal in letter “(c)” in Section 4 of the 2017 Nonqualified Stock Option Agreement as below:

NOW, THEREFORE, pursuant to the Second Amendment to the 2017 Nonqualified Stock Option Agreement, the 2017 Nonqualified Stock Option Agreement is hereby amended and shall read as follows:

1. Amendment to Section 4. “The Goals. The exercise of the Options is subject to attainment of the following goals:”

Section 4.

Letter (b) of the 2017 Nonqualified Stock Option Agreement is hereby amended by deleting the words “March 31, 2020” and substituting in lieu thereof the words “December 31, 2021.”

Letter (c) of the 2017 Nonqualified Stock Option Agreement is hereby amended by deleting the words “January 27, 2021” and substituting in lieu thereof the words “December 31, 2022.”

2. Amendment to the “Cover Page” of the 2017 Nonqualified Stock Option Agreement:

“03/31/2020” under the “Exercise Dates” is hereby amended and replaced with “12/31/2021.”

“01/27/2021” under the “Exercise Dates” is hereby amended and replaced with “12/31/2022.”

WHEREAS, this Third Amendment to the 2017 Nonqualified Stock Option Agreement (the “Third Amendment”) was approved by the Compensation Committee and the Board of the Company on January 20, 2022 amending the date as defined for goal in letter “(b)” of the 2017 Nonqualified Stock Option Agreement and the date as defined for goal in letter “(c)” of the 2017 Nonqualified Stock Option Agreement as below. The Third Amendment was approved by the Compensation Committee and the Board to take into effect December 31, 2021:

1. Amendment to Section 4. “The Goals. The exercise of the Options is subject to attainment of the following goals:”

Section 4.

Letter (b) of the 2017 Nonqualified Stock Option Agreement is hereby amended by deleting the words “December 31, 2021” and substituting in lieu thereof the words “December 31, 2022.”

Letter (c) of the 2017 Nonqualified Stock Option Agreement is hereby amended by deleting the words “December 31, 2022” and substituting in lieu thereof the words “December 31, 2023.”

2. Amendment to the “Cover Page” of the 2017 Nonqualified Stock Option Agreement:

“12/31/2021” under the “Exercise Dates” is hereby amended and replaced with “12/31/2022.”

“12/31/2022” under the “Exercise Dates” is hereby amended and replaced with “12/31/2023.”

The 2017 Nonqualified Stock Option Agreement is hereby amended and modified by the First and Second Amendments and this Third Amendment only to the extent

specifically amended or modified by the First, Second and Third Amendments. None of the other terms, conditions or provisions of the 2017 Nonqualified Stock Option Agreement is amended or modified by the First, Second and Third Amendments.

The "Company"
PERMA-FIX ENVIRONMENTAL SERVICES, INC., a Delaware
corporation

By: /s/Ben Naccarato

Name: Ben Naccarato

Title: CFO

Dated: 1/24/2022

The "Participant"

By: /s/Robert Ferguson

Name: Robert Ferguson

Dated: 1/25/2022

***CERTAIN INFORMATION IN THIS DOCUMENT HAS BEEN EXCLUDED FROM THIS PUBLIC FILING BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED**

CHIEF EXECUTIVE OFFICER AND PRESIDENT

Effective: January 1, 2022

CHIEF EXECUTIVE OFFICER AND PRESIDENT

PURPOSE: To define the compensation plan for the Chief Executive Officer (“CEO”) 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 the CEO MIP MATRIX below. Effective date of plan is January 1, 2022 and incentive will be for entire year of 2022. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on final Form 10-K financial statement.

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.

[*] INDICATED CERTAIN INFORMATION IN THIS DOCUMENT WHICH HAS BEEN OMITTED FROM THIS PUBLIC FILING BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IS PUBLICLY DISCLOSED**

CHIEF EXECUTIVE OFFICER AND PRESIDENT

Base Pay and Performance Incentive Compensation Targets

The compensation for the below named individual as follows:

Annualized Base Pay:	\$	374,870
Performance Incentive Compensation Target (at 100% of Plan):	\$	187,435
Total Annual Target Compensation (at 100% of Plan):	\$	562,305

The Performance Incentive Compensation Paid is based on the CEO MIP MATRIX below.

Perma-Fix Environmental Services, Inc.
2022 Management Incentive Plan
CEO MIP MATRIX

Target Objectives	Performance Target Achieved				
	75%-89%	90%-110%	111%-129%	130%-150%	>150%
Revenue	\$ 9,372	\$ 18,744	\$ 32,132	\$ 45,520	\$ 72,296
EBITDA	56,229	112,461	192,790	273,120	433,778
Health & Safety	14,058	28,115	28,115	28,115	28,115
Permit & License Violations	14,058	28,115	28,115	28,115	28,115
	<u>\$ 93,717</u>	<u>\$ 187,435</u>	<u>\$ 281,152</u>	<u>\$ 374,870</u>	<u>\$ 562,304</u>

- Revenue is defined as the total consolidated third-party top line revenue as publicly reported in the Company’s 2022 financial statements. The percentage achieved is determined by comparing the actual consolidated revenue for 2022 to the Board approved Revenue Target for 2022, which is \$[***]. 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.
- EBITDA is defined as earnings before interest, taxes, depreciation, and amortization from continuing and discontinued operations, including PF Medical. The percentage achieved is determined by comparing the actual EBITDA to the Board approved EBITDA Target for 2022, which is \$[***]. 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 Worker's Compensation Loss Report provided by the company's carrier or broker. 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 2022.

Work Comp. Claim Number	Performance Target Achieved
3	75%-89%
2	90%-110%
1	111%-129%
1	130%-150%
1	>150%

- 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 during 2022 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) which includes a material financial obligation, as determined by the Company's Board of Directors in their sole discretion, to the Company.

Permit and License Violations	Performance Target Achieved
3	75%-89%
2	90%-110%
1	111%-129%
1	130%-150%
1	>150%

- 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 75% of the EBITDA Target is achieved.

Performance Incentive Compensation Payment

Effective date of plan is January 1, 2022 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 2022 - Compensation Plan. I have read and understand and accept employment under the terms and conditions set forth therein.

/s/ Mark Duff
Mark Duff

1/25/2022
Date

/s/ Joseph T. Grumski
Board of Directors

1/25/2022
Date

***CERTAIN INFORMATION IN THIS DOCUMENT HAS BEEN EXCLUDED FROM THIS PUBLIC FILING BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED**

EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

Effective: January 1, 2022

EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

PURPOSE: To define the compensation plan for the Chief Financial Officer (“CFO”).

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 the CFO MIP MATRIX below. Effective date of plan is January 1, 2022 and incentive will be for entire year of 2022. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on final Form 10-K financial statement.

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.

***** INDICATED CERTAIN INFORMATION IN THIS DOCUMENT WHICH HAS BEEN OMITTED FROM THIS PUBLIC FILING BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IS PUBLICLY DISCLOSED**

EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

Base Pay and Performance Incentive Compensation Targets

The compensation for the below named individual as follows:

Annualized Base Pay:	\$ 304,772
Performance Incentive Compensation Target (at 100% of Plan):	\$ 152,386
Total Annual Target Compensation (at 100% of Plan):	\$ 457,158

The Performance Incentive Compensation Paid is based on the CFO MIP MATRIX below.

Perma-Fix Environmental Services, Inc.
2022 Management Incentive Plan
CFO MIP MATRIX

Target Objectives	Performance Target Achieved				
	75%-89%	90%-110%	111%-129%	130%-150%	>150%
Revenue	\$ 7,619	\$ 15,239	\$ 25,035	\$ 33,743	\$ 40,273
EBITDA	57,146	114,289	150,209	202,455	241,641
Health & Safety	5,714	11,429	11,429	11,429	11,429
Permit & License Violations	5,714	11,429	11,429	11,429	11,429
	<u>\$ 76,193</u>	<u>\$ 152,386</u>	<u>\$ 198,102</u>	<u>\$ 259,056</u>	<u>\$ 304,772</u>

- Revenue is defined as the total consolidated third-party top line revenue as publicly reported in the Company’s 2022 financial statements. The percentage achieved is determined by comparing the actual consolidated revenue for 2022 to the Board approved Revenue Target for 2022, which is \$[***]. 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.
- EBITDA is defined as earnings before interest, taxes, depreciation, and amortization from continuing and discontinued operations, including PF Medical. The percentage achieved is determined by comparing the actual EBITDA to the Board approved EBITDA Target for 2022, which is \$[***]. 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 Worker's Compensation Loss Report provided by the company's carrier or broker. 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 2022.

Work Comp. Claim Number	Performance Target Achieved
3	75%-89%
2	90%-110%
1	111%-129%
1	130%-150%
1	>150%

- 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 during 2022 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) which includes a material financial obligation, as determined by the Company's Board of Directors in their sole discretion, to the Company .

Permit and License Violations	Performance Target Achieved
3	75%-89%
2	90%-110%
1	111%-129%
1	130%-150%
1	>150%

- 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 75% of the EBITDA Target is achieved.

Performance Incentive Compensation Payment

Effective date of plan is January 1, 2022 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 2022 - Compensation Plan. I have read and understand and accept employment under the terms and conditions set forth therein.

/s/ Ben Naccarato
Ben Naccarato

1/25/2022
Date

/s/ Joseph T. Grumski
Board of Directors

1/25/2022
Date

***CERTAIN INFORMATION IN THIS DOCUMENT HAS BEEN EXCLUDED FROM THIS PUBLIC FILING BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED**

EXECUTIVE VICE PRESIDENT OF STRATEGIC INITIATIVES

Effective: January 1, 2022

EVP OF STRATEGIC INITIATIVES

PURPOSE: To define the compensation plan for the Executive Vice President of Strategic Initiatives (“EVP of Strategic Initiatives”).

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 the EVP OF STRATEGIC INITIATIVES MIP MATRIX below. Effective date of plan is January 1, 2022 and incentive will be for entire year of 2022. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on final Form 10-K financial statement.

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.

[*] INDICATED CERTAIN INFORMATION IN THIS DOCUMENT WHICH HAS BEEN OMITTED FROM THIS PUBLIC FILING BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IS PUBLICLY DISCLOSED**

EVP OF STRATEGIC INITIATIVES

Base Pay and Performance Incentive Compensation Targets

The compensation for the below named individual as follows:

Annualized Base Pay:	\$	253,980
Performance Incentive Compensation Target (at 100% of Plan):	\$	126,990
Total Annual Target Compensation (at 100% of Plan):	\$	380,970

The Performance Incentive Compensation Paid is based on the EVP OF STRATEGIC INITIATIVES MATRIX below.

Perma-Fix Environmental Services, Inc.
2022 Management Incentive Plan
EVP OF STRATEGIC INITIATIVES MIP MATRIX

Target Objectives	Performance Target Achieved				
	75%-89%	90%-110%	111%-129%	130%-150%	>150%
Revenue	\$ 6,350	\$ 12,699	\$ 20,863	\$ 28,119	\$ 33,562
EBITDA	47,621	95,243	125,176	168,716	201,370
Health & Safety	4,762	9,524	9,524	9,524	9,524
Permit & License Violations	4,762	9,524	9,524	9,524	9,524
	<u>\$ 63,495</u>	<u>\$ 126,990</u>	<u>\$ 165,087</u>	<u>\$ 215,883</u>	<u>\$ 253,980</u>

- Revenue is defined as the total consolidated third-party top line revenue as publicly reported in the Company’s 2022 financial statements. The percentage achieved is determined by comparing the actual consolidated revenue for 2022 to the Board approved Revenue Target for 2022, which is \$[***]. 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.
- EBITDA is defined as earnings before interest, taxes, depreciation, and amortization from continuing and discontinued operations, including PF Medical. The percentage achieved is determined by comparing the actual EBITDA to the Board approved EBITDA Target for 2022, which is \$[***]. 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 Worker's Compensation Loss Report provided by the company's carrier or broker. 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 2022.

Work Comp. Claim Number	Performance Target Achieved
3	75%-89%
2	90%-110%
1	111%-129%
1	130%-150%
1	>150%

- 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 during 2022 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) which includes a material financial obligation, as determined by the Company's Board of Directors in their sole discretion, to the Company.

Permit and License Violations	Performance Target Achieved
3	75%-89%
2	90%-110%
1	111%-129%
1	130%-150%
1	>150%

- 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 75% of the EBITDA Target is achieved.

Performance Incentive Compensation Payment

Effective date of plan is January 1, 2022 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 Executive Vice President of Strategic Initiatives 2022 - Compensation Plan. I have read and understand and accept employment under the terms and conditions set forth therein.

/s/ Louis Centofanti
Dr. Louis Centofanti

1/25/2022
Date

/s/ Joseph T. Grumski
Board of Directors

1/25/2022
Date

***CERTAIN INFORMATION IN THIS DOCUMENT HAS BEEN EXCLUDED FROM THIS PUBLIC FILING BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED**

EXECUTIVE VICE PRESIDENT OF NUCLEAR & TECHNICAL SERVICES

Effective: January 1, 2022

EXECUTIVE VICE PRESIDENT OF NUCLEAR & TECHNICAL SERVICES

PURPOSE: To define the compensation plan for the EXECUTIVE VICE PRESIDENT (“EVP”) OF NUCLEAR & TECHNICAL SERVICES.

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 the EVP OF NUCLEAR & TECHNICAL SERVICES MIP Matrix below. Effective date of plan is January 1, 2022 and incentive will be for entire year of 2022. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on final Form 10-K financial statement.

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.

[*] INDICATED CERTAIN INFORMATION IN THIS DOCUMENT WHICH HAS BEEN OMITTED FROM THIS PUBLIC FILING BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IS PUBLICLY DISCLOSED**

EXECUTIVE VICE PRESIDENT OF NUCLEAR & TECHNICAL SERVICES

Base Pay and Performance Incentive Compensation Targets

The compensation for the below named individual as follows:

Annualized Base Pay:	\$	304,772
Performance Incentive Compensation Target (at 100% of Plan):	\$	152,386
Total Annual Target Compensation (at 100% of Plan):	\$	457,158

The Performance Incentive Compensation Target is based on the EVP of NUCLEAR & TECHNICAL SERVICES MIP Matrix below.

Perma-Fix Environmental Services, Inc.
2022 Management Incentive Plan
EVP OF NUCLEAR & TECHNICAL SERVICES MIP MATRIX

Target Objectives	Performance Target Achieved				
	75%-89%	90%-110%	111%-129%	130%-150%	>150%
Revenue	\$ 7,619	\$ 15,239	\$ 21,769	\$ 30,477	\$ 37,008
EBITDA	45,716	91,431	130,617	182,863	222,048
Health & Safety	11,429	22,858	22,858	22,858	22,858
Cost Performance Incentive	11,429	22,858	22,858	22,858	22,858
	<u>\$ 76,193</u>	<u>\$ 152,386</u>	<u>\$ 198,102</u>	<u>\$ 259,056</u>	<u>\$ 304,772</u>

- Revenue is defined as the total consolidated third-party top line revenue as publicly reported in the Company’s 2022 financial statements. The percentage achieved is determined by comparing the actual consolidated revenue for 2022 to the Board approved Revenue Target for 2022, which is \$[***]. 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.
- EBITDA is defined as earnings before interest, taxes, depreciation, and amortization from continuing and discontinued operations, including PF Medical. The percentage achieved is determined by comparing the actual EBITDA to the Board approved EBITDA Target for 2022, which is \$[***]. 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 in the Company's Services Segment, 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 Worker's Compensation Loss Report provided by the company's carrier or broker. 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 2022.

Work Comp. Claim Number	Performance Target Achieved
3	75%-89%
2	90%-110%
1	111%-129%
1	130%-150%
1	>150%

- 4) Cost Performance incentive is earned/determined by maintaining project performance metrics for all Firm Fixed Price task orders and projects to include monitoring Cost Performance Index (CPI) based on recognized earned value calculations. As defined through monthly project reviews, all CPI metrics should exceed 1.0 for Nuclear Services Projects. A cumulative CPI (CCPI) will be calculated from all fixed cost contracts. The following CCPI and corresponding Performance Target Thresholds have been established for annual incentive compensation plan calculation for 2022.

CPI (if CCPI is)	Performance Target Achieved
0.75-0.89	75%-89%
0.90-1.10	90%-110%
1.11-1.29	111%-129%
1.30-1.50	130%-150%
>1.50	>150%

- 5) No performance incentive compensation will be payable for achieving the health and safety, and CPI, and revenue targets unless a minimum of 75% of the EBITDA Target is achieved.

Performance Incentive Compensation Payment

Effective date of plan is January 1, 2022. 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 EVP OF NUCLEAR & TECHNICAL SERVICES 2022 - Compensation Plan. I have read and understand and accept employment under the terms and conditions set forth therein.

/s/ Andy Lombardo

Andrew Lombardo

1/25/2022

Date

/s/ Joseph T. Grumski

Board of Directors

1/25/2022

Date

***CERTAIN INFORMATION IN THIS DOCUMENT HAS BEEN EXCLUDED FROM THIS PUBLIC FILING BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED**

EXECUTIVE VICE PRESIDENT OF WASTE TREATMENT OPERATIONS

Effective: January 1, 2022

EXECUTIVE VICE PRESIDENT OF WASTE TREATMENT OPERATIONS

PURPOSE: To define the compensation plan for the EXECUTIVE VICE PRESIDENT (“EVP”) OF WASTE TREATMENT OPERATIONS.

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 the EVP OF WASTE TREATMENT OPERATIONS MIP Matrix below. Effective date of plan is January 1, 2022 and incentive will be for entire year of 2022. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on final Form 10-K financial statement.

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.

***** INDICATED CERTAIN INFORMATION IN THIS DOCUMENT WHICH HAS BEEN OMITTED FROM THIS PUBLIC FILING BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IS PUBLICLY DISCLOSED**

EXECUTIVE VICE PRESIDENT OF WASTE TREATMENT OPERATIONS

Base Pay and Performance Incentive Compensation Targets

The compensation for the below named individual as follows:

Annualized Base Pay:	\$	261,233
Performance Incentive Compensation Target (at 100% of Plan):	\$	130,617
Total Annual Target Compensation (at 100% of Plan):	\$	391,850

The Performance Incentive Compensation Target is based on the EVP of WASTE TREATMENT OPERATIONS MIP Matrix below.

Perma-Fix Environmental Services, Inc.
2022 Management Incentive Plan
EVP OF WASTE TREATMENT OPERATIONS MIP MATRIX

Target Objectives	Performance Target Achieved				
	75%-89%	90%-110%	111%-129%	130%-150%	>150%
Revenue	\$ 6,531	\$ 13,062	\$ 18,660	\$ 26,123	\$ 31,721
EBITDA	39,185	78,371	111,958	156,741	190,328
Health & Safety	9,796	19,592	19,592	19,592	19,592
Permit & License Violations	9,796	19,592	19,592	19,592	19,592
	<u>\$ 65,308</u>	<u>\$ 130,617</u>	<u>\$ 169,802</u>	<u>\$ 222,048</u>	<u>\$ 261,233</u>

- Revenue is defined as the total consolidated third-party top line revenue as publicly reported in the Company’s 2022 financial statements. The percentage achieved is determined by comparing the actual consolidated revenue for 2022 to the Board approved Revenue Target for 2022, which is \$[***]. 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.
- EBITDA is defined as earnings before interest, taxes, depreciation, and amortization from continuing and discontinued operations, including PF Medical. The percentage achieved is determined by comparing the actual EBITDA to the Board approved EBITDA Target for 2022, which is \$[***]. 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 in the Company's Services Segment, 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 Worker's Compensation Loss Report provided by the company's carrier or broker. 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 2022.

Work Comp. Claim Number	Performance Target Achieved
3	75%-89%
2	90%-110%
1	111%-129%
1	130%-150%
1	>150%

- 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 during 2022 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) which includes a material financial obligation, as determined by the Company's Board of Directors in their sole discretion, to the Company.

Permit and License Violations	Performance Target Achieved
3	75%-89%
2	90%-110%
1	111%-129%
1	130%-150%
1	>150%

- 5) No performance incentive compensation will be payable for achieving the health and safety, permit and license violations, and revenue targets unless a minimum of 75% of the EBITDA Target is achieved.

Performance Incentive Compensation Payment

Effective date of plan is January 1, 2022. 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 EVP OF WASTE TREATMENT OPERATIONS 2022 - Compensation Plan. I have read and understand and accept employment under the terms and conditions set forth therein.

/s/ Richard Grondin 1/25/2022
Richard Grondin Date

/s/ Joseph T. Grumski 1/25/2022
Board of Directors Date
