

**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 19, 2023

PERMA-FIX ENVIRONMENTAL SERVICES, INC.

(Exact name of registrant as specified in its charter)

<u>Delaware</u> (State or other jurisdiction of incorporation)	<u>001-11596</u> (Commission File Number)	<u>58-1954497</u> (IRS Employer Identification No.)
<u>8302 Dunwoody Place, Suite 250, Atlanta, Georgia</u> (Address of principal executive offices)		<u>30350</u> (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:

<u>Title of Each Class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common Stock, Par Value, \$.001 Per Share	PESI	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 5.02 – Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Principal Officers.

Management Incentive Plans (“MIPs”)

On January 19, 2023, the Board of Directors (the “Board”) and the Compensation and Stock Option Committee (the “Compensation Committee”) of Perma-Fix Environmental Services, Inc. (the “Company”) approved individual MIPs for the calendar year 2023 for Mark Duff, our Chief Executive Officer (the “CEO”); Ben Naccarato, our Executive Vice President (“EVP”) and Chief Financial Officer (“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, 2023 and applicable for the 2023 calendar year. Each MIP provides guidelines for the calculation of annual cash incentive-based compensation, subject to Compensation Committee oversight and modification.

The performance compensation under the MIP for each Executive Officers is based upon meeting certain separate target objectives during 2023 as described in the separate MIPs for each of the Executive Officers, attached to this Report as Exhibits 99.1 to 99.5, incorporated herein by reference.

All of the 2023 MIPs include revenue and EBITDA targets, which take into account the Board-approved budget for 2023 as well as the Compensation Committee’s expectation for performance that in its estimation would warrant payment of incentive cash compensation. In formulating such targets, the Compensation Committee and the Board considered 2022 results, economic conditions, potential continued impact of COVID-19 and forecasts for 2023 government spending. Other performance criteria for all Executive Officers other than the EVP of Nuclear and Technical Services include health, safety, and compliance statistics, as well as permit and license violations. In addition to performance targets for revenue, EBITDA, and health, safety, and compliance statistics, the 2023 MIP for the EVP of Nuclear and Technical Services includes a cost performance incentive for maintaining project performance metrics for all Firm Fixed Price task orders.

Total potential target performance compensation is determined based on the percentage of the target achieved. 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 2023 base salary for the CEO (\$93,717 to \$562,304), 25% to 100% of the 2023 base salary for the CFO (\$76,193 to \$304,772), 25% to 100% of the 2023 base salary for the EVP of Strategic Initiatives (\$63,495 to \$253,980), 25% to 100% of the 2023 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 2023 base salary for the EVP of Waste Treatment Operations.

Performance compensation amounts under the 2023 MIPs are to be paid on or about 90 days after year-end, or sooner, based on finalization of our audited financial statements for 2023.

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

The total to be paid to the Executive Officers under the MIPs, in the aggregate, may not exceed 50% of the Company's pre-tax net income prior to the calculation of performance compensation. Additionally, no performance incentive compensation will be payable for any of the performance targets unless a minimum of 75% of the EBITDA Target is achieved.

The descriptions of the 2023 MIPs contained herein are qualified by reference to the respective MIPs attached to this Report as exhibits 99.1 to 99.5.

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Incentive Stock Options ("ISOs")

On January 19, 2023, the Compensation Committee and the Board approved the grant of ISOs to each of the Company's Executive Officers for the purchase, under the Company's 2017 Stock Option Plan, of up to the number of shares of the Company's common stock, par value \$0.001 per share (the "Common Stock"), set forth in such officer's respective Incentive Stock Option Agreement, as follows: CEO, 70,000 shares of Common Stock; CFO, 40,000 shares of Common Stock; EVP of Strategic Initiatives, 30,000 shares of Common Stock; EVP of Waste Treatment Operations, 30,000 shares of Common Stock; and EVP of Nuclear and Technical Services, 30,000 shares of Common Stock. Each of the ISOs has a term of six years, and vests 20% per year over a five-year period commencing on the first anniversary date of grant. The exercise price of each ISO is \$3.95 per share, which is equal to the closing price of the Company's Common Stock on the date of grant as quoted on Nasdaq.

The Incentive Stock Option Agreements are attached to this Report as Exhibits 99.6 to 99.10 and are incorporated herein by reference.

Section 9 – Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

Exhibit	Description
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99.1	2023 Management Incentive Plan for Chief Executive Officer, approved January 19, 2023, but effective January 1, 2023.
99.2	2023 Management Incentive Plan for Chief Financial Officer, approved January 19, 2023, but effective January 1, 2023.
99.3	2023 Management Incentive Plan for EVP of Strategic Initiatives, approved January 19, 2023, but effective January 1, 2023.
99.4	2023 Management Incentive Plan for EVP of Nuclear and Technical Services, approved January 19, 2023, but effective January 1, 2023.
99.5	2023 Management Incentive Plan for EVP of Waste Treatment Operations, approved January 19, 2023, but effective January 1, 2023.
99.6	Incentive Stock Option Agreement between Perma-Fix Environmental Services, Inc. and Chief Executive Officer, dated January 19, 2023.
99.7	Incentive Stock Option Agreement between Perma-Fix Environmental Services, Inc. and Chief Financial Officer, dated January 19, 2023.
99.8	Incentive Stock Option Agreement between Perma-Fix Environmental Services, Inc. and EVP of Strategic Initiatives, dated January 19, 2023.
99.9	Incentive Stock Option Agreement between Perma-Fix Environmental Services, Inc. and EVP of Nuclear and Technical Services, dated January 19, 2023.
99.10	Incentive Stock Option Agreement between Perma-Fix Environmental Services, Inc. and EVP of Waste Treatment Operations, dated January 19, 2023.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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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 23, 2023

PERMA-FIX ENVIRONMENTAL SERVICES, INC.

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

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***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, 2023

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, 2023 and incentive will be for entire year of 2023. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on finalization of the Company’s audited financial statements for 2023.

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.

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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.
2023 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 2023 financial statements. The percentage achieved is determined by comparing the actual consolidated revenue for 2023 to the Board approved Revenue Target for 2023, 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. The percentage achieved is determined by comparing the actual EBITDA to the Board approved EBITDA Target for 2023, 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 2023.

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 2023 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, 2023 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 finalization of the Company's audited financial statements for 2023.

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 2023 - Compensation Plan. I have read and understand and accept employment under the terms and conditions set forth therein.

/s/Mark Duff
Mark Duff

1-19-2023
Date

/s/J.T. Grumski
Board of Directors

1/19/2023
Date

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EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

Effective: January 1, 2023

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, 2023 and incentive will be for entire year of 2023. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on finalization of the Company’s audited financial statements for 2023.

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.

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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.
2023 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 2023 financial statements. The percentage achieved is determined by comparing the actual consolidated revenue for 2023 to the Board approved Revenue Target for 2023, 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. The percentage achieved is determined by comparing the actual EBITDA to the Board approved EBITDA Target for 2023, 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 2023.

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 2023 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, 2023 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 finalization of the Company's audited financial statements for 2023.

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 2023 - Compensation Plan. I have read and understand and accept employment under the terms and conditions set forth therein.

/s/ Ben Naccarato
Ben Naccarato

1-19-2023
Date

/s/J.T. Grumski
Board of Directors

1-19-2023
Date

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EXECUTIVE VICE PRESIDENT OF STRATEGIC INITIATIVES

Effective: January 1, 2023

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, 2023 and incentive will be for entire year of 2023. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on finalization of the Company’s audited financial statements for 2023.

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.

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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.
2023 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 2023 financial statements. The percentage achieved is determined by comparing the actual consolidated revenue for 2023 to the Board approved Revenue Target for 2023, 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. The percentage achieved is determined by comparing the actual EBITDA to the Board approved EBITDA Target for 2023, 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 2023.

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 2023 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, 2023 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 finalization of the Company's audited financial statements for 2023.

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 2023 - Compensation Plan. I have read and understand and accept employment under the terms and conditions set forth therein.

/s/Lou Centofanti
Dr. Louis Centofanti

1-19-2023
Date

/s/J.T. Grumski
Board of Directors

1-19-2023
Date

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EXECUTIVE VICE PRESIDENT OF NUCLEAR & TECHNICAL SERVICES

Effective: January 1, 2023

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, 2023 and incentive will be for entire year of 2023. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on finalization of the Company’s audited financial statements for 2023.

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.

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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.
2023 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 2023 financial statements. The percentage achieved is determined by comparing the actual consolidated revenue for 2023 to the Board approved Revenue Target for 2023, 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. The percentage achieved is determined by comparing the actual EBITDA to the Board approved EBITDA Target for 2023, 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.

***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, 2023

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, 2023 and incentive will be for entire year of 2023. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on finalization of the Company’s audited financial statements for 2023.

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.
2023 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 2023 financial statements. The percentage achieved is determined by comparing the actual consolidated revenue for 2023 to the Board approved Revenue Target for 2023, 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. The percentage achieved is determined by comparing the actual EBITDA to the Board approved EBITDA Target for 2023, 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 2023.

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 2023 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, 2023. Performance incentive compensation will be paid on or about 90 days after year-end, or sooner, based on finalization of the Company's audited financial statements for 2023.

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 2023 - Compensation Plan. I have read and understand and accept employment under the terms and conditions set forth therein.

/s/Richard Grondin
Richard Grondin

1-20-2023
Date

/s/J.T. Grumski
Board of Directors

1-19-2023
Date

PERMA-FIX ENVIRONMENTAL SERVICES, INC

2017 STOCK OPTION PLAN

INCENTIVE STOCK OPTION AGREEMENT

Participant Name:	<u>Mark Duff</u>	Grant Date:	<u>January 19, 2023</u>
Shares Subject to Options:	<u>70,000</u>	<u>Vesting Schedule</u>	
Expiration Date:	<u>January 19, 2029</u>		
Exercise Price:	<u>\$3.95</u>		
		<u>Exercise Dates</u>	<u>Percent Exercisable</u>
		<u>01/19/2024</u>	<u>20%</u>
		<u>01/19/2025</u>	<u>20%</u>
		<u>01/19/2026</u>	<u>20%</u>
		<u>01/19/2027</u>	<u>20%</u>
		<u>01/19/2028</u>	<u>20%</u>

PERMA-FIX ENVIRONMENTAL SERVICES, INC.
2017 STOCK OPTION PLAN

INCENTIVE STOCK OPTION AGREEMENT

THIS AGREEMENT is made as of the Grant Date set forth on the cover page of this Agreement (the "Cover Page") between PERMA-FIX ENVIRONMENTAL SERVICES, INC., a Delaware corporation (the "Company"), and the participant named on the Cover Page (the "Participant"). In consideration of the mutual covenants and conditions herein set forth and for good and valuable consideration, the Company and the Participant agree as follows:

1. Recitations. The Participant is an employee of the Company or a Subsidiary, and the Company believes that the Participant should be provided an inducement to continue the Participant's employment with the Company and to advance the interests of the Company. Accordingly, the Company desires to provide the Participant with the opportunity to purchase certain shares of the Company's common stock, par value \$.001 per share (the "Common Stock"), pursuant to the Company's 2017 Stock Option Plan, adopted by the Board of Directors, and approved by the Company's shareholders on July 27, 2017 (the "Plan"). A copy of the Plan has been delivered to the Participant, and the capitalized terms in this Agreement have the same meaning as set forth in the Plan, unless otherwise indicated.

2. Grant of Option. The Company hereby grants to Participant the option to purchase the shares of Common Stock set forth on the Cover Page (the "Option"). The purchase price for each share to be purchased under the Option will be the exercise price set forth on the Cover Page (the "Exercise Price"), subject to adjustment as provided in the Plan, which Exercise Price is the Fair Market Value of the shares of Common Stock as of the Grant Date. The Option is intended to qualify as an "incentive stock option" as such term is defined under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code").

3. Vesting of Option. The Participant may exercise this Option for the shares of Common Stock, which become vested pursuant to this paragraph 3. The Option will vest ~~20%~~ 20% per year, beginning on the first anniversary date of the Grant Date as stated on the Cover Page. If Participant's employment with the Company or any Subsidiary remains full time and continuous at all times prior to any Exercise Date set forth on the Cover Page, then the Option will be deemed vested and may be exercised for the purchase of all or part of the cumulative number of shares of Common Stock determined by multiplying the Shares Subject to Option set forth on the Cover Page by the designated percentage set forth on the Cover Page.

4. Exercise and Payment. The Option may not be exercised unless the Participant is a full-time employee of the Company or any Subsidiary at all times during the period commencing with the Grant Date and ending on the earlier of (a) the Expiration Date set forth on the Cover Page; (b) 12 months following the Participant's termination of employment as a result of a Disability; (c) six months following the Participant's termination of employment as a result of Retirement; and (d) three months following the Participant's termination of employment as a result of Voluntary Termination or Layoff. If the Participant dies prior to the Expiration Date, the Option may be exercised by the personal representative or executor of the Participant's estate or by a person who acquired the right to exercise by bequest, inheritance or by reason of the Participant's death, as provided in the Plan.

4.1 Notice and Payment. The Option will be exercised by the Participant giving the Company written notice at the Company's principal place of business setting forth the exact number of shares that the Participant is purchasing under the Option. This written notice will be accompanied by the payment to the Company of the full aggregate amount of the Exercise Price determined by multiplying the Exercise Price by the number of shares Participant desires to purchase ("Aggregate Exercise Price"). The form of written notice is attached as Exhibit "A" to this Agreement. The Participant agrees to comply with such other reasonable requirements as the Committee may establish.

4.2 Method of Payment. Payment of the Aggregate Exercise Price may be made by the following:

- (a) cash or wire transfer equal to the Aggregate Exercise Price;
- (b) certified check or bank check equal to the Aggregate Exercise Price;
- (c) other shares of Company Common Stock owned by the Participant for at least six months prior to the date of exercise, provided such shares have a Fair Market Value on the date of exercise of the Stock Option equal to the Aggregate Exercise Price;
- (d) by requesting the Company to withhold such number of Shares then issuable upon exercise of the Option that have an aggregate Fair Market Value equal to the Aggregate Exercise Price; or
- (e) by a combination of the methods described above equal to the Aggregate Exercise Price.

No loan or advance will be made by the Company for the purpose of financing the purchase of shares under the Option.

4.3 **Issuance of Shares.** As soon as practicable after the Company receives notice and payment pursuant to this paragraph 4, the Company will cause one or more certificates for the shares purchased under the Option to be delivered to the Participant or the personal representative of a deceased Participant's estate. If any law or regulation requires the Company to take any action with respect to the shares specified in such written notice before the issuance thereof, then the date of issuance of such shares will be extended for a period necessary to take such action.

5. **Term of Option.** The Option will terminate and become null and void at the close of business on the Expiration Date set forth on the cover page. Notwithstanding anything contained herein to the contrary, the Option may not be exercised after such Expiration Date.

6. **Disqualifying Disposition of Stock.** If the Participant makes a disposition of any shares of Common Stock covered by the Option within one year after the date of exercise of the Option or within two years after the date of grant of the Option, then the Participant will promptly deliver written notice to the President or Chief Financial Officer of the Company specifying (a) the date of such disposition, (b) the number of shares of Common Stock subject to the disposition, and (c) the amount of any consideration received on such disposition. The Company may make such provision as it deems appropriate for the withholding of any applicable federal, state or local taxes arising as a result of such disposition. For purposes of this paragraph 6, the term "disposition" has the meaning set forth in Section 424(c) of the Code and the related regulations.

7. **Nontransferability.** The Option may not be transferred except by will or the laws of descent and distribution. Only the Participant may exercise the Option during the Participant's lifetime. For purposes of this paragraph 7, the term "transfer" includes without limitation, any disposition, assignment, pledge, or hypothecation, whether by operation of law or otherwise. The Option will not be subject to execution, attachment, or similar process. Any attempted assignment, transfer, pledge, hypothecation, or other disposition of the Option contrary to the provisions of this Agreement, and the levy of any execution, attachment or similar process upon the Option, will be null and void and without effect.

8. **Investment Representations.** The Participant hereby represents, warrants, covenants, agrees and acknowledges the following: The Option will be exercised and shares of Common Stock issued only upon compliance with the Securities Act of 1933, as amended (the "Act"), and any other applicable securities law, or pursuant to an exemption therefrom; the Participant will acquire shares of Common Stock under the Option for investment purposes only and with no present intention to resell or distribute the same; and upon request by the Company, the Participant will execute and deliver to the Company an agreement to the foregoing effect.

3

9. **Annual Limitation.** To the extent that the aggregate Fair Market Value of the shares of Common Stock with respect to which Incentive Stock Option are exercisable for the first time by Participant during any calendar year under all of the Company's plans exceeds \$100,000, such excess Options will be treated as Nonqualified Stock Options under the terms of the Plan.

10. **Rights as a Shareholder.** Participant will have no rights as a shareholder with respect to any shares covered by this Agreement or the Option until the date of issuance of a stock certificate to Participant for such shares. No adjustment will be made for dividends or other rights for which the record date is prior to the date such stock certificate is issued.

11. **Employment.** As long as the Participant continues to be a full-time and continuous employee of the Company or any Subsidiary, the Option will not be effected by any change of duties or position. The Committee will determine whether a leave of absence or part-time employment will be considered a termination of employment with the Company or any Subsidiary within the meaning of the Plan. Nothing in the Plan or in this Agreement will confer upon the Participant any right to continue in the employ of the Company or any Subsidiary or will interfere in any way with the right of the Company or any Subsidiary to terminate the Participant's employment at any time.

12. **Governing Law; Binding Effect.** This Agreement will be governed by, and construed in accordance with, the laws of the State of Delaware without regard to choice of law provisions. This Agreement will be binding upon the heirs, executors, administrators, and successors of the parties hereto.

13. **Amendments.** Subject to the terms of the Plan, the Board may amend any of the provisions of the Plan, and may at any time terminate the Plan. However, no amendment may be made to the Plan, which in any material respect impairs the rights of the Participant under this Agreement without the Participant's consent.

14. **Incorporation by Reference; Interpretation.** The Option is granted pursuant to the Plan, the terms of which are incorporated herein by reference, and the Option and this Agreement will be interpreted in accordance with the Plan. The Committee will (a) construe and interpret the terms and provisions of the Plan and this Agreement, and (b) in its discretion make general and special rules and regulations for administering the Plan. The Committee's construction, interpretation, rules, and regulations will be binding and conclusive upon all persons granted an Option.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

PERMA-FIX ENVIRONMENTAL SERVICES, INC, a Delaware corporation

By: /s/Ben Naccarato

Name: Ben Naccarato

Title: CFO

("Participant")

/s/ Mark Duff

(Signature)

Mark Duff

(Please Print Name)

4

Exhibit "A"
PERMA-FIX ENVIRONMENTAL SERVICES, INC.
2017 STOCK OPTION PLAN

NOTICE OF EXERCISE
OF INCENTIVE STOCK OPTION

Date: _____

Perma-Fix Environmental Services, Inc.
8302 Dunwoody Place #250
Atlanta, GA 30350

Re: ISO No. _____, dated _____, 20__

Dear Sir:

Pursuant to paragraph 4 of the referenced Incentive Stock Option Agreement, the undersigned hereby exercises the related Incentive Stock Option for the purchase of _____ shares of common stock of Perma-Fix Environmental Services, Inc. (the "Company").

The undersigned is delivering to the Company in payment of the Aggregate Exercise Price, the following:

- cash or wire transfer representing the Aggregate Exercise Price;
- certified check or bank check representing the Aggregate Exercise Price;
- shares of Company common stock owned by the undersigned for at least six months prior to the date of this exercise that have a Fair Market Value (as defined in the Plan) on the date of this exercise equal to the Aggregate Exercise Price for the shares of common stock purchased by the exercise of this Option;
- by requesting the Company to withhold such number of shares of common stock issuable upon exercise of the Option that have a Fair Market Value equal to the Aggregate Exercise Price for the shares of common stock being purchased upon the exercise of this Option; or
- by a combination of the methods described above equal to the Aggregate Exercise Price, as follows:

Please issue in my name one certificate for the shares being purchased and deliver the certificate to me at the address set forth below.

Very truly yours,

(Please Sign)

Deliver to:

(Address)

Enclosure

PERMA-FIX ENVIRONMENTAL SERVICES, INC

2017 STOCK OPTION PLAN

INCENTIVE STOCK OPTION AGREEMENT

Participant Name:	<u>Ben Naccarato</u>	Grant Date:	<u>January 19, 2023</u>
Shares Subject to Options:	<u>40,000</u>	<u>Vesting Schedule</u>	
Expiration Date:	<u>January 19, 2029</u>		
Exercise Price:	<u>\$3.95</u>		
		<u>Exercise Dates</u>	<u>Percent Exercisable</u>
		<u>01/19/2024</u>	<u>20%</u>
		<u>01/19/2025</u>	<u>20%</u>
		<u>01/19/2026</u>	<u>20%</u>
		<u>01/19/2027</u>	<u>20%</u>
		<u>01/19/2028</u>	<u>20%</u>

PERMA-FIX ENVIRONMENTAL SERVICES, INC.
2017 STOCK OPTION PLAN

INCENTIVE STOCK OPTION AGREEMENT

THIS AGREEMENT is made as of the Grant Date set forth on the cover page of this Agreement (the "Cover Page") between PERMA-FIX ENVIRONMENTAL SERVICES, INC., a Delaware corporation (the "Company"), and the participant named on the Cover Page (the "Participant"). In consideration of the mutual covenants and conditions herein set forth and for good and valuable consideration, the Company and the Participant agree as follows:

1. Recitations. The Participant is an employee of the Company or a Subsidiary, and the Company believes that the Participant should be provided an inducement to continue the Participant's employment with the Company and to advance the interests of the Company. Accordingly, the Company desires to provide the Participant with the opportunity to purchase certain shares of the Company's common stock, par value \$.001 per share (the "Common Stock"), pursuant to the Company's 2017 Stock Option Plan, adopted by the Board of Directors, and approved by the Company's shareholders on July 27, 2017 (the "Plan"). A copy of the Plan has been delivered to the Participant, and the capitalized terms in this Agreement have the same meaning as set forth in the Plan, unless otherwise indicated.

2. Grant of Option. The Company hereby grants to Participant the option to purchase the shares of Common Stock set forth on the Cover Page (the "Option"). The purchase price for each share to be purchased under the Option will be the exercise price set forth on the Cover Page (the "Exercise Price"), subject to adjustment as provided in the Plan, which Exercise Price is the Fair Market Value of the shares of Common Stock as of the Grant Date. The Option is intended to qualify as an "incentive stock option" as such term is defined under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code").

3. Vesting of Option. The Participant may exercise this Option for the shares of Common Stock, which become vested pursuant to this paragraph 3. The Option will vest ~~20%~~ 20% per year, beginning on the first anniversary date of the Grant Date as stated on the Cover Page. If Participant's employment with the Company or any Subsidiary remains full time and continuous at all times prior to any Exercise Date set forth on the Cover Page, then the Option will be deemed vested and may be exercised for the purchase of all or part of the cumulative number of shares of Common Stock determined by multiplying the Shares Subject to Option set forth on the Cover Page by the designated percentage set forth on the Cover Page.

4. Exercise and Payment. The Option may not be exercised unless the Participant is a full-time employee of the Company or any Subsidiary at all times during the period commencing with the Grant Date and ending on the earlier of (a) the Expiration Date set forth on the Cover Page; (b) 12 months following the Participant's termination of employment as a result of a Disability; (c) six months following the Participant's termination of employment as a result of Retirement; and (d) three months following the Participant's termination of employment as a result of Voluntary Termination or Layoff. If the Participant dies prior to the Expiration Date, the Option may be exercised by the personal representative or executor of the Participant's estate or by a person who acquired the right to exercise by bequest, inheritance or by reason of the Participant's death, as provided in the Plan.

4.1 Notice and Payment. The Option will be exercised by the Participant giving the Company written notice at the Company's principal place of business setting forth the exact number of shares that the Participant is purchasing under the Option. This written notice will be accompanied by the payment to the Company of the full aggregate amount of the Exercise Price determined by multiplying the Exercise Price by the number of shares Participant desires to purchase ("Aggregate Exercise Price"). The form of written notice is attached as Exhibit "A" to this Agreement. The Participant agrees to comply with such other reasonable requirements as the Committee may establish.

4.2 Method of Payment. Payment of the Aggregate Exercise Price may be made by the following:

- (a) cash or wire transfer equal to the Aggregate Exercise Price;
- (b) certified check or bank check equal to the Aggregate Exercise Price;
- (c) other shares of Company Common Stock owned by the Participant for at least six months prior to the date of exercise, provided such shares have a Fair Market Value on the date of exercise of the Stock Option equal to the Aggregate Exercise Price;
- (d) by requesting the Company to withhold such number of Shares then issuable upon exercise of the Option that have an aggregate Fair Market Value equal to the Aggregate Exercise Price; or
- (e) by a combination of the methods described above equal to the Aggregate Exercise Price.

No loan or advance will be made by the Company for the purpose of financing the purchase of shares under the Option.

4.3 **Issuance of Shares.** As soon as practicable after the Company receives notice and payment pursuant to this paragraph 4, the Company will cause one or more certificates for the shares purchased under the Option to be delivered to the Participant or the personal representative of a deceased Participant's estate. If any law or regulation requires the Company to take any action with respect to the shares specified in such written notice before the issuance thereof, then the date of issuance of such shares will be extended for a period necessary to take such action.

5. **Term of Option.** The Option will terminate and become null and void at the close of business on the Expiration Date set forth on the cover page. Notwithstanding anything contained herein to the contrary, the Option may not be exercised after such Expiration Date.

6. **Disqualifying Disposition** of Stock. If the Participant makes a disposition of any shares of Common Stock covered by the Option within one year after the date of exercise of the Option or within two years after the date of grant of the Option, then the Participant will promptly deliver written notice to the President or Chief Financial Officer of the Company specifying (a) the date of such disposition, (b) the number of shares of Common Stock subject to the disposition, and (c) the amount of any consideration received on such disposition. The Company may make such provision as it deems appropriate for the withholding of any applicable federal, state or local taxes arising as a result of such disposition. For purposes of this paragraph 6, the term "disposition" has the meaning set forth in Section 424(c) of the Code and the related regulations.

7. **Nontransferability.** The Option may not be transferred except by will or the laws of descent and distribution. Only the Participant may exercise the Option during the Participant's lifetime. For purposes of this paragraph 7, the term "transfer" includes without limitation, any disposition, assignment, pledge, or hypothecation, whether by operation of law or otherwise. The Option will not be subject to execution, attachment, or similar process. Any attempted assignment, transfer, pledge, hypothecation, or other disposition of the Option contrary to the provisions of this Agreement, and the levy of any execution, attachment or similar process upon the Option, will be null and void and without effect.

8. **Investment Representations.** The Participant hereby represents, warrants, covenants, agrees and acknowledges the following: The Option will be exercised and shares of Common Stock issued only upon compliance with the Securities Act of 1933, as amended (the "Act"), and any other applicable securities law, or pursuant to an exemption therefrom; the Participant will acquire shares of Common Stock under the Option for investment purposes only and with no present intention to resell or distribute the same; and upon request by the Company, the Participant will execute and deliver to the Company an agreement to the foregoing effect.

3

9. **Annual Limitation.** To the extent that the aggregate Fair Market Value of the shares of Common Stock with respect to which Incentive Stock Option are exercisable for the first time by Participant during any calendar year under all of the Company's plans exceeds \$100,000, such excess Options will be treated as Nonqualified Stock Options under the terms of the Plan.

10. **Rights as a Shareholder.** Participant will have no rights as a shareholder with respect to any shares covered by this Agreement or the Option until the date of issuance of a stock certificate to Participant for such shares. No adjustment will be made for dividends or other rights for which the record date is prior to the date such stock certificate is issued.

11. **Employment.** As long as the Participant continues to be a full-time and continuous employee of the Company or any Subsidiary, the Option will not be effected by any change of duties or position. The Committee will determine whether a leave of absence or part-time employment will be considered a termination of employment with the Company or any Subsidiary within the meaning of the Plan. Nothing in the Plan or in this Agreement will confer upon the Participant any right to continue in the employ of the Company or any Subsidiary or will interfere in any way with the right of the Company or any Subsidiary to terminate the Participant's employment at any time.

12. **Governing Law; Binding Effect.** This Agreement will be governed by, and construed in accordance with, the laws of the State of Delaware without regard to choice of law provisions. This Agreement will be binding upon the heirs, executors, administrators, and successors of the parties hereto.

13. **Amendments.** Subject to the terms of the Plan, the Board may amend any of the provisions of the Plan, and may at any time terminate the Plan. However, no amendment may be made to the Plan, which in any material respect impairs the rights of the Participant under this Agreement without the Participant's consent.

14. **Incorporation by Reference; Interpretation.** The Option is granted pursuant to the Plan, the terms of which are incorporated herein by reference, and the Option and this Agreement will be interpreted in accordance with the Plan. The Committee will (a) construe and interpret the terms and provisions of the Plan and this Agreement, and (b) in its discretion make general and special rules and regulations for administering the Plan. The Committee's construction, interpretation, rules, and regulations will be binding and conclusive upon all persons granted an Option.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

PERMA-FIX ENVIRONMENTAL SERVICES, INC, a Delaware corporation

By: /s/Mark Duff

Name: Mark Duff

Title: President and CEO

("Participant")

/s/ Ben Naccarato

(Signature)

Ben Naccarato

(Please Print Name)

4

Exhibit "A"
PERMA-FIX ENVIRONMENTAL SERVICES, INC.
2017 STOCK OPTION PLAN

NOTICE OF EXERCISE
OF INCENTIVE STOCK OPTION

Date: _____

Perma-Fix Environmental Services, Inc.
8302 Dunwoody Place #250
Atlanta, GA 30350

Re: ISO No. _____, dated _____, 20__

Dear Sir:

Pursuant to paragraph 4 of the referenced Incentive Stock Option Agreement, the undersigned hereby exercises the related Incentive Stock Option for the purchase of _____ shares of common stock of Perma-Fix Environmental Services, Inc. (the "Company").

The undersigned is delivering to the Company in payment of the Aggregate Exercise Price, the following:

- cash or wire transfer representing the Aggregate Exercise Price;
- certified check or bank check representing the Aggregate Exercise Price;
- shares of Company common stock owned by the undersigned for at least six months prior to the date of this exercise that have a Fair Market Value (as defined in the Plan) on the date of this exercise equal to the Aggregate Exercise Price for the shares of common stock purchased by the exercise of this Option;
- by requesting the Company to withhold such number of shares of common stock issuable upon exercise of the Option that have a Fair Market Value equal to the Aggregate Exercise Price for the shares of common stock being purchased upon the exercise of this Option; or
- by a combination of the methods described above equal to the Aggregate Exercise Price, as follows:

Please issue in my name one certificate for the shares being purchased and deliver the certificate to me at the address set forth below.

Very truly yours,

(Please Sign)

Deliver to:

(Address)

Enclosure

PERMA-FIX ENVIRONMENTAL SERVICES, INC

2017 STOCK OPTION PLAN

INCENTIVE STOCK OPTION AGREEMENT

Participant Name:	<u>Dr. Louis Centofanti</u>	Grant Date:	<u>January 19, 2023</u>
Shares Subject to Options:	<u>30,000</u>	<u>Vesting Schedule</u>	
Expiration Date:	<u>January 19, 2029</u>		
Exercise Price:	<u>\$3.95</u>		
		<u>Exercise Dates</u>	<u>Percent Exercisable</u>
		<u>01/19/2024</u>	<u>20%</u>
		<u>01/19/2025</u>	<u>20%</u>
		<u>01/19/2026</u>	<u>20%</u>
		<u>01/19/2027</u>	<u>20%</u>
		<u>01/19/2028</u>	<u>20%</u>

PERMA-FIX ENVIRONMENTAL SERVICES, INC.
2017 STOCK OPTION PLAN

INCENTIVE STOCK OPTION AGREEMENT

THIS AGREEMENT is made as of the Grant Date set forth on the cover page of this Agreement (the "Cover Page") between PERMA-FIX ENVIRONMENTAL SERVICES, INC., a Delaware corporation (the "Company"), and the participant named on the Cover Page (the "Participant"). In consideration of the mutual covenants and conditions herein set forth and for good and valuable consideration, the Company and the Participant agree as follows:

1. Recitations. The Participant is an employee of the Company or a Subsidiary, and the Company believes that the Participant should be provided an inducement to continue the Participant's employment with the Company and to advance the interests of the Company. Accordingly, the Company desires to provide the Participant with the opportunity to purchase certain shares of the Company's common stock, par value \$.001 per share (the "Common Stock"), pursuant to the Company's 2017 Stock Option Plan, adopted by the Board of Directors, and approved by the Company's shareholders on July 27, 2017 (the "Plan"). A copy of the Plan has been delivered to the Participant, and the capitalized terms in this Agreement have the same meaning as set forth in the Plan, unless otherwise indicated.

2. Grant of Option. The Company hereby grants to Participant the option to purchase the shares of Common Stock set forth on the Cover Page (the "Option"). The purchase price for each share to be purchased under the Option will be the exercise price set forth on the Cover Page (the "Exercise Price"), subject to adjustment as provided in the Plan, which Exercise Price is the Fair Market Value of the shares of Common Stock as of the Grant Date. The Option is intended to qualify as an "incentive stock option" as such term is defined under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code").

3. Vesting of Option. The Participant may exercise this Option for the shares of Common Stock, which become vested pursuant to this paragraph 3. The Option will vest ~~20%~~ 20% per year, beginning on the first anniversary date of the Grant Date as stated on the Cover Page. If Participant's employment with the Company or any Subsidiary remains full time and continuous at all times prior to any Exercise Date set forth on the Cover Page, then the Option will be deemed vested and may be exercised for the purchase of all or part of the cumulative number of shares of Common Stock determined by multiplying the Shares Subject to Option set forth on the Cover Page by the designated percentage set forth on the Cover Page.

4. Exercise and Payment. The Option may not be exercised unless the Participant is a full-time employee of the Company or any Subsidiary at all times during the period commencing with the Grant Date and ending on the earlier of (a) the Expiration Date set forth on the Cover Page; (b) 12 months following the Participant's termination of employment as a result of a Disability; (c) six months following the Participant's termination of employment as a result of Retirement; and (d) three months following the Participant's termination of employment as a result of Voluntary Termination or Layoff. If the Participant dies prior to the Expiration Date, the Option may be exercised by the personal representative or executor of the Participant's estate or by a person who acquired the right to exercise by bequest, inheritance or by reason of the Participant's death, as provided in the Plan.

4.1 Notice and Payment. The Option will be exercised by the Participant giving the Company written notice at the Company's principal place of business setting forth the exact number of shares that the Participant is purchasing under the Option. This written notice will be accompanied by the payment to the Company of the full aggregate amount of the Exercise Price determined by multiplying the Exercise Price by the number of shares Participant desires to purchase ("Aggregate Exercise Price"). The form of written notice is attached as Exhibit "A" to this Agreement. The Participant agrees to comply with such other reasonable requirements as the Committee may establish.

4.2 Method of Payment. Payment of the Aggregate Exercise Price may be made by the following:

- (a) cash or wire transfer equal to the Aggregate Exercise Price;
- (b) certified check or bank check equal to the Aggregate Exercise Price;
- (c) other shares of Company Common Stock owned by the Participant for at least six months prior to the date of exercise, provided such shares have a Fair Market Value on the date of exercise of the Stock Option equal to the Aggregate Exercise Price;
- (d) by requesting the Company to withhold such number of Shares then issuable upon exercise of the Option that have an aggregate Fair Market Value equal to the Aggregate Exercise Price; or
- (e) by a combination of the methods described above equal to the Aggregate Exercise Price.

No loan or advance will be made by the Company for the purpose of financing the purchase of shares under the Option.

4.3 **Issuance of Shares.** As soon as practicable after the Company receives notice and payment pursuant to this paragraph 4, the Company will cause one or more certificates for the shares purchased under the Option to be delivered to the Participant or the personal representative of a deceased Participant's estate. If any law or regulation requires the Company to take any action with respect to the shares specified in such written notice before the issuance thereof, then the date of issuance of such shares will be extended for a period necessary to take such action.

5. **Term of Option.** The Option will terminate and become null and void at the close of business on the Expiration Date set forth on the cover page. Notwithstanding anything contained herein to the contrary, the Option may not be exercised after such Expiration Date.

6. **Disqualifying Disposition** of Stock. If the Participant makes a disposition of any shares of Common Stock covered by the Option within one year after the date of exercise of the Option or within two years after the date of grant of the Option, then the Participant will promptly deliver written notice to the President or Chief Financial Officer of the Company specifying (a) the date of such disposition, (b) the number of shares of Common Stock subject to the disposition, and (c) the amount of any consideration received on such disposition. The Company may make such provision as it deems appropriate for the withholding of any applicable federal, state or local taxes arising as a result of such disposition. For purposes of this paragraph 6, the term "disposition" has the meaning set forth in Section 424(c) of the Code and the related regulations.

7. **Nontransferability.** The Option may not be transferred except by will or the laws of descent and distribution. Only the Participant may exercise the Option during the Participant's lifetime. For purposes of this paragraph 7, the term "transfer" includes without limitation, any disposition, assignment, pledge, or hypothecation, whether by operation of law or otherwise. The Option will not be subject to execution, attachment, or similar process. Any attempted assignment, transfer, pledge, hypothecation, or other disposition of the Option contrary to the provisions of this Agreement, and the levy of any execution, attachment or similar process upon the Option, will be null and void and without effect.

8. **Investment Representations.** The Participant hereby represents, warrants, covenants, agrees and acknowledges the following: The Option will be exercised and shares of Common Stock issued only upon compliance with the Securities Act of 1933, as amended (the "Act"), and any other applicable securities law, or pursuant to an exemption therefrom; the Participant will acquire shares of Common Stock under the Option for investment purposes only and with no present intention to resell or distribute the same; and upon request by the Company, the Participant will execute and deliver to the Company an agreement to the foregoing effect.

3

9. **Annual Limitation.** To the extent that the aggregate Fair Market Value of the shares of Common Stock with respect to which Incentive Stock Option are exercisable for the first time by Participant during any calendar year under all of the Company's plans exceeds \$100,000, such excess Options will be treated as Nonqualified Stock Options under the terms of the Plan.

10. **Rights as a Shareholder.** Participant will have no rights as a shareholder with respect to any shares covered by this Agreement or the Option until the date of issuance of a stock certificate to Participant for such shares. No adjustment will be made for dividends or other rights for which the record date is prior to the date such stock certificate is issued.

11. **Employment.** As long as the Participant continues to be a full-time and continuous employee of the Company or any Subsidiary, the Option will not be effected by any change of duties or position. The Committee will determine whether a leave of absence or part-time employment will be considered a termination of employment with the Company or any Subsidiary within the meaning of the Plan. Nothing in the Plan or in this Agreement will confer upon the Participant any right to continue in the employ of the Company or any Subsidiary or will interfere in any way with the right of the Company or any Subsidiary to terminate the Participant's employment at any time.

12. **Governing Law; Binding Effect.** This Agreement will be governed by, and construed in accordance with, the laws of the State of Delaware without regard to choice of law provisions. This Agreement will be binding upon the heirs, executors, administrators, and successors of the parties hereto.

13. **Amendments.** Subject to the terms of the Plan, the Board may amend any of the provisions of the Plan, and may at any time terminate the Plan. However, no amendment may be made to the Plan, which in any material respect impairs the rights of the Participant under this Agreement without the Participant's consent.

14. **Incorporation by Reference; Interpretation.** The Option is granted pursuant to the Plan, the terms of which are incorporated herein by reference, and the Option and this Agreement will be interpreted in accordance with the Plan. The Committee will (a) construe and interpret the terms and provisions of the Plan and this Agreement, and (b) in its discretion make general and special rules and regulations for administering the Plan. The Committee's construction, interpretation, rules, and regulations will be binding and conclusive upon all persons granted an Option.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

PERMA-FIX ENVIRONMENTAL SERVICES, INC, a Delaware corporation

By: /s/Mark Duff

Name: Mark Duff

Title: President and CEO

("Participant")

/s/ Lou Centofanti

(Signature)

Lou Centofanti

(Please Print Name)

4

Exhibit "A"
PERMA-FIX ENVIRONMENTAL SERVICES, INC.
2017 STOCK OPTION PLAN

NOTICE OF EXERCISE
OF INCENTIVE STOCK OPTION

Date: _____

Perma-Fix Environmental Services, Inc.
8302 Dunwoody Place #250
Atlanta, GA 30350

Re: ISO No. _____, dated _____, 20__

Dear Sir:

Pursuant to paragraph 4 of the referenced Incentive Stock Option Agreement, the undersigned hereby exercises the related Incentive Stock Option for the purchase of _____ shares of common stock of Perma-Fix Environmental Services, Inc. (the "Company").

The undersigned is delivering to the Company in payment of the Aggregate Exercise Price, the following:

- cash or wire transfer representing the Aggregate Exercise Price;
- certified check or bank check representing the Aggregate Exercise Price;
- shares of Company common stock owned by the undersigned for at least six months prior to the date of this exercise that have a Fair Market Value (as defined in the Plan) on the date of this exercise equal to the Aggregate Exercise Price for the shares of common stock purchased by the exercise of this Option;
- by requesting the Company to withhold such number of shares of common stock issuable upon exercise of the Option that have a Fair Market Value equal to the Aggregate Exercise Price for the shares of common stock being purchased upon the exercise of this Option; or
- by a combination of the methods described above equal to the Aggregate Exercise Price, as follows:

Please issue in my name one certificate for the shares being purchased and deliver the certificate to me at the address set forth below.

Very truly yours,

(Please Sign)

Deliver to:

(Address)

Enclosure

PERMA-FIX ENVIRONMENTAL SERVICES, INC

2017 STOCK OPTION PLAN

INCENTIVE STOCK OPTION AGREEMENT

Participant Name:	<u>Andy Lombardo</u>	Grant Date:	<u>January 19, 2023</u>
Shares Subject to Options:	<u>30,000</u>	<u>Vesting Schedule</u>	
Expiration Date:	<u>January 19, 2029</u>		
Exercise Price:	<u>\$3.95</u>		
		<u>Exercise Dates</u>	<u>Percent Exercisable</u>
		<u>01/19/2024</u>	<u>20%</u>
		<u>01/19/2025</u>	<u>20%</u>
		<u>01/19/2026</u>	<u>20%</u>
		<u>01/19/2027</u>	<u>20%</u>
		<u>01/19/2028</u>	<u>20%</u>

PERMA-FIX ENVIRONMENTAL SERVICES, INC.
2017 STOCK OPTION PLAN

INCENTIVE STOCK OPTION AGREEMENT

THIS AGREEMENT is made as of the Grant Date set forth on the cover page of this Agreement (the "Cover Page") between PERMA-FIX ENVIRONMENTAL SERVICES, INC., a Delaware corporation (the "Company"), and the participant named on the Cover Page (the "Participant"). In consideration of the mutual covenants and conditions herein set forth and for good and valuable consideration, the Company and the Participant agree as follows:

1. Recitations. The Participant is an employee of the Company or a Subsidiary, and the Company believes that the Participant should be provided an inducement to continue the Participant's employment with the Company and to advance the interests of the Company. Accordingly, the Company desires to provide the Participant with the opportunity to purchase certain shares of the Company's common stock, par value \$.001 per share (the "Common Stock"), pursuant to the Company's 2017 Stock Option Plan, adopted by the Board of Directors, and approved by the Company's shareholders on July 27, 2017 (the "Plan"). A copy of the Plan has been delivered to the Participant, and the capitalized terms in this Agreement have the same meaning as set forth in the Plan, unless otherwise indicated.

2. Grant of Option. The Company hereby grants to Participant the option to purchase the shares of Common Stock set forth on the Cover Page (the "Option"). The purchase price for each share to be purchased under the Option will be the exercise price set forth on the Cover Page (the "Exercise Price"), subject to adjustment as provided in the Plan, which Exercise Price is the Fair Market Value of the shares of Common Stock as of the Grant Date. The Option is intended to qualify as an "incentive stock option" as such term is defined under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code").

3. Vesting of Option. The Participant may exercise this Option for the shares of Common Stock, which become vested pursuant to this paragraph 3. The Option will vest ~~20%~~ 20% per year, beginning on the first anniversary date of the Grant Date as stated on the Cover Page. If Participant's employment with the Company or any Subsidiary remains full time and continuous at all times prior to any Exercise Date set forth on the Cover Page, then the Option will be deemed vested and may be exercised for the purchase of all or part of the cumulative number of shares of Common Stock determined by multiplying the Shares Subject to Option set forth on the Cover Page by the designated percentage set forth on the Cover Page.

4. Exercise and Payment. The Option may not be exercised unless the Participant is a full-time employee of the Company or any Subsidiary at all times during the period commencing with the Grant Date and ending on the earlier of (a) the Expiration Date set forth on the Cover Page; (b) 12 months following the Participant's termination of employment as a result of a Disability; (c) six months following the Participant's termination of employment as a result of Retirement; and (d) three months following the Participant's termination of employment as a result of Voluntary Termination or Layoff. If the Participant dies prior to the Expiration Date, the Option may be exercised by the personal representative or executor of the Participant's estate or by a person who acquired the right to exercise by bequest, inheritance or by reason of the Participant's death, as provided in the Plan.

4.1 Notice and Payment. The Option will be exercised by the Participant giving the Company written notice at the Company's principal place of business setting forth the exact number of shares that the Participant is purchasing under the Option. This written notice will be accompanied by the payment to the Company of the full aggregate amount of the Exercise Price determined by multiplying the Exercise Price by the number of shares Participant desires to purchase ("Aggregate Exercise Price"). The form of written notice is attached as Exhibit "A" to this Agreement. The Participant agrees to comply with such other reasonable requirements as the Committee may establish.

4.2 Method of Payment. Payment of the Aggregate Exercise Price may be made by the following:

- (a) cash or wire transfer equal to the Aggregate Exercise Price;
- (b) certified check or bank check equal to the Aggregate Exercise Price;
- (c) other shares of Company Common Stock owned by the Participant for at least six months prior to the date of exercise, provided such shares have a Fair Market Value on the date of exercise of the Stock Option equal to the Aggregate Exercise Price;
- (d) by requesting the Company to withhold such number of Shares then issuable upon exercise of the Option that have an aggregate Fair Market Value equal to the Aggregate Exercise Price; or
- (e) by a combination of the methods described above equal to the Aggregate Exercise Price.

No loan or advance will be made by the Company for the purpose of financing the purchase of shares under the Option.

4.3 **Issuance of Shares.** As soon as practicable after the Company receives notice and payment pursuant to this paragraph 4, the Company will cause one or more certificates for the shares purchased under the Option to be delivered to the Participant or the personal representative of a deceased Participant's estate. If any law or regulation requires the Company to take any action with respect to the shares specified in such written notice before the issuance thereof, then the date of issuance of such shares will be extended for a period necessary to take such action.

5. **Term of Option.** The Option will terminate and become null and void at the close of business on the Expiration Date set forth on the cover page. Notwithstanding anything contained herein to the contrary, the Option may not be exercised after such Expiration Date.

6. **Disqualifying Disposition** of Stock. If the Participant makes a disposition of any shares of Common Stock covered by the Option within one year after the date of exercise of the Option or within two years after the date of grant of the Option, then the Participant will promptly deliver written notice to the President or Chief Financial Officer of the Company specifying (a) the date of such disposition, (b) the number of shares of Common Stock subject to the disposition, and (c) the amount of any consideration received on such disposition. The Company may make such provision as it deems appropriate for the withholding of any applicable federal, state or local taxes arising as a result of such disposition. For purposes of this paragraph 6, the term "disposition" has the meaning set forth in Section 424(c) of the Code and the related regulations.

7. **Nontransferability.** The Option may not be transferred except by will or the laws of descent and distribution. Only the Participant may exercise the Option during the Participant's lifetime. For purposes of this paragraph 7, the term "transfer" includes without limitation, any disposition, assignment, pledge, or hypothecation, whether by operation of law or otherwise. The Option will not be subject to execution, attachment, or similar process. Any attempted assignment, transfer, pledge, hypothecation, or other disposition of the Option contrary to the provisions of this Agreement, and the levy of any execution, attachment or similar process upon the Option, will be null and void and without effect.

8. **Investment Representations.** The Participant hereby represents, warrants, covenants, agrees and acknowledges the following: The Option will be exercised and shares of Common Stock issued only upon compliance with the Securities Act of 1933, as amended (the "Act"), and any other applicable securities law, or pursuant to an exemption therefrom; the Participant will acquire shares of Common Stock under the Option for investment purposes only and with no present intention to resell or distribute the same; and upon request by the Company, the Participant will execute and deliver to the Company an agreement to the foregoing effect.

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9. **Annual Limitation.** To the extent that the aggregate Fair Market Value of the shares of Common Stock with respect to which Incentive Stock Option are exercisable for the first time by Participant during any calendar year under all of the Company's plans exceeds \$100,000, such excess Options will be treated as Nonqualified Stock Options under the terms of the Plan.

10. **Rights as a Shareholder.** Participant will have no rights as a shareholder with respect to any shares covered by this Agreement or the Option until the date of issuance of a stock certificate to Participant for such shares. No adjustment will be made for dividends or other rights for which the record date is prior to the date such stock certificate is issued.

11. **Employment.** As long as the Participant continues to be a full-time and continuous employee of the Company or any Subsidiary, the Option will not be effected by any change of duties or position. The Committee will determine whether a leave of absence or part-time employment will be considered a termination of employment with the Company or any Subsidiary within the meaning of the Plan. Nothing in the Plan or in this Agreement will confer upon the Participant any right to continue in the employ of the Company or any Subsidiary or will interfere in any way with the right of the Company or any Subsidiary to terminate the Participant's employment at any time.

12. **Governing Law; Binding Effect.** This Agreement will be governed by, and construed in accordance with, the laws of the State of Delaware without regard to choice of law provisions. This Agreement will be binding upon the heirs, executors, administrators, and successors of the parties hereto.

13. **Amendments.** Subject to the terms of the Plan, the Board may amend any of the provisions of the Plan, and may at any time terminate the Plan. However, no amendment may be made to the Plan, which in any material respect impairs the rights of the Participant under this Agreement without the Participant's consent.

14. **Incorporation by Reference; Interpretation.** The Option is granted pursuant to the Plan, the terms of which are incorporated herein by reference, and the Option and this Agreement will be interpreted in accordance with the Plan. The Committee will (a) construe and interpret the terms and provisions of the Plan and this Agreement, and (b) in its discretion make general and special rules and regulations for administering the Plan. The Committee's construction, interpretation, rules, and regulations will be binding and conclusive upon all persons granted an Option.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

PERMA-FIX ENVIRONMENTAL SERVICES, INC, a Delaware corporation

By: /s/Mark Duff

Name: Mark Duff

Title: President and CEO

("Participant")

/s/ Andy Lombardo

(Signature)

Andy Lombardo

(Please Print Name)

4

Date: _____

Perma-Fix Environmental Services, Inc.
8302 Dunwoody Place #250
Atlanta, GA 30350

Re: ISO No. _____, dated _____, 20__

Dear Sir:

Pursuant to paragraph 4 of the referenced Incentive Stock Option Agreement, the undersigned hereby exercises the related Incentive Stock Option for the purchase of _____ shares of common stock of Perma-Fix Environmental Services, Inc. (the "Company").

The undersigned is delivering to the Company in payment of the Aggregate Exercise Price, the following:

- cash or wire transfer representing the Aggregate Exercise Price;
- certified check or bank check representing the Aggregate Exercise Price;
- shares of Company common stock owned by the undersigned for at least six months prior to the date of this exercise that have a Fair Market Value (as defined in the Plan) on the date of this exercise equal to the Aggregate Exercise Price for the shares of common stock purchased by the exercise of this Option;
- by requesting the Company to withhold such number of shares of common stock issuable upon exercise of the Option that have a Fair Market Value equal to the Aggregate Exercise Price for the shares of common stock being purchased upon the exercise of this Option; or
- by a combination of the methods described above equal to the Aggregate Exercise Price, as follows:

Please issue in my name one certificate for the shares being purchased and deliver the certificate to me at the address set forth below.

Very truly yours,

(Please Sign)

Deliver to:

(Address)

Enclosure

PERMA-FIX ENVIRONMENTAL SERVICES, INC

2017 STOCK OPTION PLAN

INCENTIVE STOCK OPTION AGREEMENT

Participant Name:	<u>Richard Grondin</u>	Grant Date:	<u>January 19, 2023</u>
Shares Subject to Options:	<u>30,000</u>	<u>Vesting Schedule</u>	
Expiration Date:	<u>January 19, 2029</u>		
Exercise Price:	<u>\$3.95</u>		
		<u>Exercise Dates</u>	<u>Percent Exercisable</u>
		<u>01/19/2024</u>	<u>20%</u>
		<u>01/19/2025</u>	<u>20%</u>
		<u>01/19/2026</u>	<u>20%</u>
		<u>01/19/2027</u>	<u>20%</u>
		<u>01/19/2028</u>	<u>20%</u>

PERMA-FIX ENVIRONMENTAL SERVICES, INC.
2017 STOCK OPTION PLAN

INCENTIVE STOCK OPTION AGREEMENT

THIS AGREEMENT is made as of the Grant Date set forth on the cover page of this Agreement (the "Cover Page") between PERMA-FIX ENVIRONMENTAL SERVICES, INC., a Delaware corporation (the "Company"), and the participant named on the Cover Page (the "Participant"). In consideration of the mutual covenants and conditions herein set forth and for good and valuable consideration, the Company and the Participant agree as follows:

1. Recitations. The Participant is an employee of the Company or a Subsidiary, and the Company believes that the Participant should be provided an inducement to continue the Participant's employment with the Company and to advance the interests of the Company. Accordingly, the Company desires to provide the Participant with the opportunity to purchase certain shares of the Company's common stock, par value \$.001 per share (the "Common Stock"), pursuant to the Company's 2017 Stock Option Plan, adopted by the Board of Directors, and approved by the Company's shareholders on July 27, 2017 (the "Plan"). A copy of the Plan has been delivered to the Participant, and the capitalized terms in this Agreement have the same meaning as set forth in the Plan, unless otherwise indicated.

2. Grant of Option. The Company hereby grants to Participant the option to purchase the shares of Common Stock set forth on the Cover Page (the "Option"). The purchase price for each share to be purchased under the Option will be the exercise price set forth on the Cover Page (the "Exercise Price"), subject to adjustment as provided in the Plan, which Exercise Price is the Fair Market Value of the shares of Common Stock as of the Grant Date. The Option is intended to qualify as an "incentive stock option" as such term is defined under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code").

3. Vesting of Option. The Participant may exercise this Option for the shares of Common Stock, which become vested pursuant to this paragraph 3. The Option will vest ~~20%~~ 20% per year, beginning on the first anniversary date of the Grant Date as stated on the Cover Page. If Participant's employment with the Company or any Subsidiary remains full time and continuous at all times prior to any Exercise Date set forth on the Cover Page, then the Option will be deemed vested and may be exercised for the purchase of all or part of the cumulative number of shares of Common Stock determined by multiplying the Shares Subject to Option set forth on the Cover Page by the designated percentage set forth on the Cover Page.

4. Exercise and Payment. The Option may not be exercised unless the Participant is a full-time employee of the Company or any Subsidiary at all times during the period commencing with the Grant Date and ending on the earlier of (a) the Expiration Date set forth on the Cover Page; (b) 12 months following the Participant's termination of employment as a result of a Disability; (c) six months following the Participant's termination of employment as a result of Retirement; and (d) three months following the Participant's termination of employment as a result of Voluntary Termination or Layoff. If the Participant dies prior to the Expiration Date, the Option may be exercised by the personal representative or executor of the Participant's estate or by a person who acquired the right to exercise by bequest, inheritance or by reason of the Participant's death, as provided in the Plan.

4.1 Notice and Payment. The Option will be exercised by the Participant giving the Company written notice at the Company's principal place of business setting forth the exact number of shares that the Participant is purchasing under the Option. This written notice will be accompanied by the payment to the Company of the full aggregate amount of the Exercise Price determined by multiplying the Exercise Price by the number of shares Participant desires to purchase ("Aggregate Exercise Price"). The form of written notice is attached as Exhibit "A" to this Agreement. The Participant agrees to comply with such other reasonable requirements as the Committee may establish.

4.2 Method of Payment. Payment of the Aggregate Exercise Price may be made by the following:

- (a) cash or wire transfer equal to the Aggregate Exercise Price;
- (b) certified check or bank check equal to the Aggregate Exercise Price;
- (c) other shares of Company Common Stock owned by the Participant for at least six months prior to the date of exercise, provided such shares have a Fair Market Value on the date of exercise of the Stock Option equal to the Aggregate Exercise Price;
- (d) by requesting the Company to withhold such number of Shares then issuable upon exercise of the Option that have an aggregate Fair Market Value equal to the Aggregate Exercise Price; or
- (e) by a combination of the methods described above equal to the Aggregate Exercise Price.

No loan or advance will be made by the Company for the purpose of financing the purchase of shares under the Option.

4.3 **Issuance of Shares.** As soon as practicable after the Company receives notice and payment pursuant to this paragraph 4, the Company will cause one or more certificates for the shares purchased under the Option to be delivered to the Participant or the personal representative of a deceased Participant's estate. If any law or regulation requires the Company to take any action with respect to the shares specified in such written notice before the issuance thereof, then the date of issuance of such shares will be extended for a period necessary to take such action.

5. **Term of Option.** The Option will terminate and become null and void at the close of business on the Expiration Date set forth on the cover page. Notwithstanding anything contained herein to the contrary, the Option may not be exercised after such Expiration Date.

6. **Disqualifying Disposition** of Stock. If the Participant makes a disposition of any shares of Common Stock covered by the Option within one year after the date of exercise of the Option or within two years after the date of grant of the Option, then the Participant will promptly deliver written notice to the President or Chief Financial Officer of the Company specifying (a) the date of such disposition, (b) the number of shares of Common Stock subject to the disposition, and (c) the amount of any consideration received on such disposition. The Company may make such provision as it deems appropriate for the withholding of any applicable federal, state or local taxes arising as a result of such disposition. For purposes of this paragraph 6, the term "disposition" has the meaning set forth in Section 424(c) of the Code and the related regulations.

7. **Nontransferability.** The Option may not be transferred except by will or the laws of descent and distribution. Only the Participant may exercise the Option during the Participant's lifetime. For purposes of this paragraph 7, the term "transfer" includes without limitation, any disposition, assignment, pledge, or hypothecation, whether by operation of law or otherwise. The Option will not be subject to execution, attachment, or similar process. Any attempted assignment, transfer, pledge, hypothecation, or other disposition of the Option contrary to the provisions of this Agreement, and the levy of any execution, attachment or similar process upon the Option, will be null and void and without effect.

8. **Investment Representations.** The Participant hereby represents, warrants, covenants, agrees and acknowledges the following: The Option will be exercised and shares of Common Stock issued only upon compliance with the Securities Act of 1933, as amended (the "Act"), and any other applicable securities law, or pursuant to an exemption therefrom; the Participant will acquire shares of Common Stock under the Option for investment purposes only and with no present intention to resell or distribute the same; and upon request by the Company, the Participant will execute and deliver to the Company an agreement to the foregoing effect.

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9. **Annual Limitation.** To the extent that the aggregate Fair Market Value of the shares of Common Stock with respect to which Incentive Stock Option are exercisable for the first time by Participant during any calendar year under all of the Company's plans exceeds \$100,000, such excess Options will be treated as Nonqualified Stock Options under the terms of the Plan.

10. **Rights as a Shareholder.** Participant will have no rights as a shareholder with respect to any shares covered by this Agreement or the Option until the date of issuance of a stock certificate to Participant for such shares. No adjustment will be made for dividends or other rights for which the record date is prior to the date such stock certificate is issued.

11. **Employment.** As long as the Participant continues to be a full-time and continuous employee of the Company or any Subsidiary, the Option will not be effected by any change of duties or position. The Committee will determine whether a leave of absence or part-time employment will be considered a termination of employment with the Company or any Subsidiary within the meaning of the Plan. Nothing in the Plan or in this Agreement will confer upon the Participant any right to continue in the employ of the Company or any Subsidiary or will interfere in any way with the right of the Company or any Subsidiary to terminate the Participant's employment at any time.

12. **Governing Law; Binding Effect.** This Agreement will be governed by, and construed in accordance with, the laws of the State of Delaware without regard to choice of law provisions. This Agreement will be binding upon the heirs, executors, administrators, and successors of the parties hereto.

13. **Amendments.** Subject to the terms of the Plan, the Board may amend any of the provisions of the Plan, and may at any time terminate the Plan. However, no amendment may be made to the Plan, which in any material respect impairs the rights of the Participant under this Agreement without the Participant's consent.

14. **Incorporation by Reference; Interpretation.** The Option is granted pursuant to the Plan, the terms of which are incorporated herein by reference, and the Option and this Agreement will be interpreted in accordance with the Plan. The Committee will (a) construe and interpret the terms and provisions of the Plan and this Agreement, and (b) in its discretion make general and special rules and regulations for administering the Plan. The Committee's construction, interpretation, rules, and regulations will be binding and conclusive upon all persons granted an Option.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

PERMA-FIX ENVIRONMENTAL SERVICES, INC, a Delaware corporation

By: /s/Mark Duff

Name: Mark Duff

Title: President and CEO

("Participant")

/s/ Richard Grondin

(Signature)

Richard Grondin

(Please Print Name)

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Exhibit "A"
PERMA-FIX ENVIRONMENTAL SERVICES, INC.
2017 STOCK OPTION PLAN

NOTICE OF EXERCISE
OF INCENTIVE STOCK OPTION

Date: _____

Perma-Fix Environmental Services, Inc.
8302 Dunwoody Place #250
Atlanta, GA 30350

Re: ISO No. _____, dated _____, 20__

Dear Sir:

Pursuant to paragraph 4 of the referenced Incentive Stock Option Agreement, the undersigned hereby exercises the related Incentive Stock Option for the purchase of _____ shares of common stock of Perma-Fix Environmental Services, Inc. (the "Company").

The undersigned is delivering to the Company in payment of the Aggregate Exercise Price, the following:

- cash or wire transfer representing the Aggregate Exercise Price;
- certified check or bank check representing the Aggregate Exercise Price;
- shares of Company common stock owned by the undersigned for at least six months prior to the date of this exercise that have a Fair Market Value (as defined in the Plan) on the date of this exercise equal to the Aggregate Exercise Price for the shares of common stock purchased by the exercise of this Option;
- by requesting the Company to withhold such number of shares of common stock issuable upon exercise of the Option that have a Fair Market Value equal to the Aggregate Exercise Price for the shares of common stock being purchased upon the exercise of this Option; or
- by a combination of the methods described above equal to the Aggregate Exercise Price, as follows:

Please issue in my name one certificate for the shares being purchased and deliver the certificate to me at the address set forth below.

Very truly yours,

(Please Sign)

Deliver to:

(Address)

Enclosure