

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 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): **November 30, 2020**

**THE HOWARD HUGHES CORPORATION**

(Exact name of registrant as specified in its charter)

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

**001-34856**  
(Commission File Number)

**36-4673192**  
(I.R.S. Employer  
Identification No.)

**9950 Woodloch Forest Drive, Suite 1100  
The Woodlands, Texas 77381**  
(Address of principal executive offices)

Registrant's telephone number, including area code: **(214) 741-7744**

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

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

<b>Title of each class:</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered:</b>
Common stock, \$0.01 par value per share	HHC	New York Stock Exchange

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

Emerging growth company

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

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

***Appointment of David O'Reilly to Chief Executive Officer, Employment Agreement and Equity Awards***

On December 1, 2020, The Howard Hughes Corporation (the "**Company**") announced that David O'Reilly, who has served as the Company's Interim Chief Executive Officer since September 2020, President since June 2020 and Chief Financial Officer since October 2016, has been appointed Chief Executive Officer of the Company effective December 1, 2020, succeeding Paul Layne who retired in September 2020. In addition, the Board of Directors of the Company (the "**Board**") appointed Mr. O'Reilly to serve as a Director on the Board effective December 1, 2020. Mr. O'Reilly will not receive any compensation for his service on the Board and will continue to serve as the Company's Chief Financial Officer until his successor is duly qualified and appointed by the Board.

Mr. O'Reilly, age 46, has extensive leadership experience both at the Company and in his prior roles. Prior to joining the Company, Mr. O'Reilly served as Executive Vice President, Chief Investment Officer of Parkway Properties, Inc., a NYSE-traded real estate investment trust focused on office properties, from November 2011 through October 2014, and was appointed Chief Financial Officer in August 2012, having served as the Interim Chief Financial Officer from May 2012 through August 2012. Previously, Mr. O'Reilly served as Executive Vice President of Banyan Street Capital and as Director of Capital Markets for Eola Capital LLC. He served in the investment banking industry as Senior Vice President of Barclays Capital Inc. and in a similar capacity for Lehman Brothers. Mr. O'Reilly currently serves as a Trustee on the Board of Kite Realty Group Trust. Mr. O'Reilly holds a B.S. in Civil Engineering from Tufts University and an M.B.A. from Columbia University.

Effective December 1, 2020, the Company entered into a Second Amended & Restated Employment Agreement with Mr. O'Reilly (the "**O'Reilly Employment Agreement**"), which has an initial term of five years, subject to earlier termination events described below. Upon the expiration of the initial term, the O'Reilly Employment Agreement will automatically renew for additional one-year periods, unless either party provides the other party with at least 60 days' prior written notice that it does not wish to automatically renew the term. The O'Reilly Employment Agreement provides for: (i) a base salary of \$750,000; (ii) eligibility to receive an annual cash bonus for performance during 2020 in accordance with the terms previously established; (iii) eligibility commencing in 2021 (and each year thereafter) for an annual cash bonus with a target bonus of \$1,500,000 (the "**O'Reilly Target Bonus Amount**"), based upon the achievement of certain performance goals established annually by the Compensation Committee (the "**Compensation Committee**") of the Board; and (iv) eligibility commencing in 2022 (and each year thereafter) to receive an annual equity award (the "**O'Reilly Annual LTIP Award**") with an aggregate grant date value equal to \$2,250,000 ("**O'Reilly Target LTIP Award Amount**"). If the Compensation Committee establishes a minimum overall performance goal for Mr. O'Reilly to receive an annual cash bonus and the minimum is achieved for such calendar year, then the annual bonus for such year will be equal to at least 80%, but not more than 120%, of the O'Reilly Target Bonus Amount. Each O'Reilly Annual LTIP Award shall consist of (i) 50% pro rata five-year time vesting awards and (ii) 50% performance-based vesting awards.

The O'Reilly Employment Agreement provides that if Mr. O'Reilly's employment is terminated by the Company without cause (and other than due to non-renewal, death or permanent disability) or by the executive for good reason, in each case, subject to his execution and non-revocation of a mutual release of claims, the Company will pay and provide the executive, in addition to his previously accrued benefits and compensation, the following: (i) a prorated portion of the O'Reilly Target Bonus Amount, based upon the number of days elapsed during the applicable calendar year in which Mr. O'Reilly was employed (the "**O'Reilly Prorated Bonus**"); (ii) an amount equal to the sum of Mr. O'Reilly's annual base salary plus the O'Reilly Target Bonus Amount; and (iii) (A) all outstanding time-based O'Reilly Annual LTIP Awards will fully vest, and (B) all performance-based O'Reilly Annual LTIP Awards shall remain outstanding and eligible to vest based on actual achievement (the "**O'Reilly Continued Eligibility for Vesting**"). Additionally, if Mr. O'Reilly's employment terminates due to the Company's non-renewal of the O'Reilly Employment Agreement after the expiration of the initial five-year term or any subsequent one-year renewal period, the Company will pay and provide Mr. O'Reilly, in addition to his previously accrued benefits and compensation, the following: (i) the O'Reilly Prorated Bonus; and (ii) (A) full vesting of any time-based O'Reilly Annual LTIP Award, and (B) the O'Reilly Continued Eligibility for Vesting. If Mr. O'Reilly's employment terminates because of death or as a result of permanent disability, the Company will pay and provide Mr. O'Reilly (or his estate), in addition to previously accrued benefits and compensation, the following: (i) the O'Reilly Prorated Bonus, and (ii) the O'Reilly Continued Eligibility for Vesting. If Mr. O'Reilly's employment is terminated by the Company without cause (and other than upon death or permanent disability) or by Mr. O'Reilly for good reason, in either case, in connection with, or within 12 months following, a change in control, the Company will pay and provide Mr. O'Reilly, in addition to his previously accrued benefits and compensation, the following: (i) the O'Reilly Prorated Bonus; (ii) an amount equal to two times the sum of Mr. O'Reilly's annual base salary and the O'Reilly Target Bonus Amount; and (iii) (A) all outstanding time-based O'Reilly Annual LTIP Awards will fully vest, and (B) all outstanding performance-based O'Reilly Annual LTIP Awards will vest at the greater of (1) 100% of the number of shares of common stock granted pursuant to each such award and (2) the performance level achieved as of the date of termination.

The O'Reilly Employment Agreement also provides that if Mr. O'Reilly becomes entitled to receive or if he receives any payments and benefits that would become subject to the excise tax under Section 4999 of the Internal Revenue Code of 1986, as amended, the payments and benefits will be reduced such that the excise tax does not apply, unless he would be better off on an after-tax basis receiving all of the payments and benefits (and paying the excise tax). The O'Reilly Employment Agreement requires Mr. O'Reilly to maintain confidentiality of the Company's proprietary information and includes a non-disparagement covenant. The O'Reilly Employment Agreement also includes customary non-solicit of employees and non-competition covenants, in each case, applicable during the term of Mr. O'Reilly's employment with the Company and for a 12-month period following his termination for any reason.

In connection with his appointment, the Company awarded Mr. O'Reilly an initial long-term equity incentive award with an aggregate targeted grant value of \$2,250,000 (based on the closing price of the Company's common stock on November 30, 2020), consisting of (i) an award of stock options with a Black-Scholes value of \$562,500, (ii) an award of time-based restricted stock with a grant date value of \$843,750, and (iii) an award of performance-based restricted stock with a grant date value of \$843,750. Each of the foregoing awards are subject to the terms and conditions of the Company's 2020 Equity Incentive Plan and the applicable award agreements issued thereunder.

## **Appointment of L. Jay Cross to President, Employment Agreement and Equity Awards**

Further on December 1, 2020, the Company announced that the Board has appointed L. Jay Cross, age 67, as the Company's President. Since July 2008, Mr. Cross has been with The Related Companies, L.P., a privately-owned real estate firm, serving as the President of Related Hudson Yards, a multi-billion dollar, 28-acre real estate development project on the west side of New York City. From 2001 to 2008, Mr. Cross served as the President of the New York Jets LLC, where he was responsible for all business operations of the NFL team. Prior to joining the Jets, Mr. Cross was the Senior Vice President of Marlborough Properties from 1989 to 1994, the Stadium Director of the Toronto Raptors from 1994 to 1996, and the President, Operations for the Miami Heat from 1996 to 2000. Mr. Cross holds a B.S. in Nuclear Engineering from the University of Toronto and a M.S. in Architectural Technology from Columbia University.

Effective December 1, 2020, the Company entered into an Employment Agreement with Mr. Cross (the "**Cross Employment Agreement**"), which has an initial term of five years, subject to earlier termination events described below. Upon the expiration of the initial term, the Cross Employment Agreement will automatically renew for additional one-year periods, unless either party provides the other party with at least 60 days' prior written notice that it does not wish to automatically renew the term. The Cross Employment Agreement provides for: (i) a base salary of \$750,000; (ii) eligibility commencing in 2021 (and each year thereafter) for an annual cash bonus with a target bonus of \$1,950,000 (the "**Cross Target Bonus Amount**"), based upon the achievement of certain performance goals established annually by the Compensation Committee; and (iii) eligibility commencing in 2022 (and each year thereafter) to receive an annual equity award (the "**Cross Annual LTIP Award**") with an aggregate grant date value equal to \$1,800,000 ("**Cross Target LTIP Award Amount**"). If the Compensation Committee establishes a minimum overall performance goal for Mr. Cross to receive an annual cash bonus and the minimum is achieved for such calendar year, then the annual bonus for such year will be equal to at least 80%, but not more than 120%, of the Cross Target Bonus Amount. Each Cross Annual LTIP Award shall consist of (i) 50% pro rata five-year time vesting awards and (ii) 50% performance-based vesting awards.

The Cross Employment Agreement provides that if Mr. Cross's employment is terminated by the Company without cause (and other than due to non-renewal, death or permanent disability) or by the executive for good reason, in each case, subject to his execution and non-revocation of a mutual release of claims, the Company will pay and provide the executive, in addition to his previously accrued benefits and compensation, the following: (i) a prorated portion of the Cross Target Bonus Amount, based upon the number of days elapsed during the applicable calendar year in which Mr. Cross was employed (the "**Cross Prorated Bonus**"); (ii) an amount equal to the sum of Mr. Cross's annual base salary plus the Cross Target Bonus Amount; and (iii) (A) all outstanding time-based Cross Annual LTIP Awards will fully vest, and (B) all performance-based Cross Annual LTIP Awards shall remain outstanding and eligible to vest based on actual achievement (the "**Cross Continued Eligibility for Vesting**"). Additionally, if Mr. Cross's employment terminates due to the Company's non-renewal of the Cross Employment Agreement after the expiration of the initial five-year term or any subsequent one-year renewal period, the Company will pay and provide Mr. Cross, in addition to his previously accrued benefits and compensation, the following: (i) the Cross Prorated Bonus; and (ii) (A) full vesting of any time-based Cross Annual LTIP Award, and (B) the Cross Continued Eligibility for Vesting. If Mr. Cross's employment terminates because of death or as a result of permanent disability, the Company will pay and provide Mr. Cross (or his estate), in addition to previously accrued benefits and compensation, the following: (i) the Cross Prorated Bonus, and (ii) the Cross Continued Eligibility for Vesting. If Mr. Cross's employment is terminated by the Company without cause (and other than upon death or permanent disability) or by Mr. Cross for good reason, in either case, in connection with, or within 12 months following, a change in control, the Company will pay and provide Mr. Cross, in addition to his previously accrued benefits and compensation, the following: (i) the Cross Prorated Bonus; (ii) an amount equal to two times the sum of Mr. Cross's annual base salary and the Cross Target Bonus Amount; and (iii) (A) all outstanding time-based Cross Annual LTIP Awards will fully vest, and (B) all outstanding performance-based Cross Annual LTIP Awards will vest at the greater of (1) 100% of the number of shares of common stock granted pursuant to each such award and (2) the performance level achieved as of the date of termination.

The Cross Employment Agreement also provides that if Mr. Cross becomes entitled to receive or if he receives any payments and benefits that would become subject to the excise tax under Section 4999 of the Internal Revenue Code of 1986, as amended, the payments and benefits will be reduced such that the excise tax does not apply, unless he would be better off on an after-tax basis receiving all of the payments and benefits (and paying the excise tax). The Cross Employment Agreement requires Mr. Cross to maintain confidentiality of the Company's proprietary information and includes a non-disparagement covenant. The Cross Employment Agreement also includes customary non-solicit of employees and non-competition covenants, in each case, applicable during the term of Mr. Cross's employment with the Company and for a 12-month period following his termination for any reason.

In connection with his appointment, the Company awarded Mr. Cross an initial long-term equity incentive award with an aggregate targeted grant value of \$1,800,000 (based on the closing price of the Company's common stock on November 30, 2020), consisting of (i) an award of stock options with a Black-Scholes value of \$450,000, (ii) an award of time-based restricted stock with a grant date value of \$675,000, and (iii) an award of performance-based restricted stock with a grant date value of \$675,000. Each of the foregoing awards are subject to the terms and conditions of the Company's 2020 Equity Incentive Plan and the applicable award agreements issued thereunder.

The foregoing summary of the O'Reilly Employment Agreement and Cross Employment Agreement is not intended to be complete and is qualified in its entirety by reference to the full text of these agreements filed as Exhibits 10.1 and 10.2, respectively, to this Current Report on Form 8-K and incorporated herein by reference.

### **Item 7.01 Regulation FD Disclosure**

On December 1, 2020, the Company issued a press release announcing Mr. O'Reilly's appointment as the Company's Chief Executive Officer and a Director and the appointment of Mr. Cross as the Company's President. The press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information contained in this Current Report on Form 8-K pursuant to this "Item 7.01 Regulation FD Disclosure" is being furnished. This information shall not be deemed to be filed for the purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section and such information shall not be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, unless specifically identified therein as being incorporated by reference.

## Forward-Looking Statements

Statements made in this press release that are not historical facts, including statements accompanied by words such as “will,” “believe,” “expect,” “enables,” “realize,” “plan,” “intend,” “assume,” “transform” and other words of similar expression, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management’s expectations, estimates, assumptions, and projections as of the date of this release and are not guarantees of future performance. Actual results may differ materially from those expressed or implied in these statements. Factors that could cause actual results to differ materially are set forth as risk factors in The Howard Hughes Corporation’s filings with the Securities and Exchange Commission, including its Quarterly and Annual Reports. The Howard Hughes Corporation cautions you not to place undue reliance on the forward-looking statements contained in this release. The Howard Hughes Corporation does not undertake any obligation to publicly update or revise any forward-looking statements to reflect future events, information or circumstances that arise after the date of this release.

## Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<b>Exhibit No.</b>	<b>Description</b>
<a href="#"><u>10.1</u></a>	<a href="#"><u>Second Amended and Restated Employment Agreement, dated December 1, 2020, between The Howard Hughes Corporation and David O’Reilly</u></a>
<a href="#"><u>10.2</u></a>	<a href="#"><u>Employment Agreement, dated December 1, 2020, between The Howard Hughes Corporation and L. Jay Cross</u></a>
<a href="#"><u>99.1</u></a>	<a href="#"><u>Press Release, dated December 1, 2020</u></a>
104	Cover Page Interactive Data File. The cover page XBRL tags are embedded within the inline XBRL document (contained in Exhibit 101)

**SIGNATURE**

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.

THE HOWARD HUGHES CORPORATION

By: /s/ Peter F. Riley

Peter F. Riley

*Senior Executive Vice President, General Counsel and Secretary*

Date: December 2, 2020

## SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This Second Amended and Restated Employment Agreement (this “*Agreement*”), effective as of December 1, 2020 (the “*Effective Date*”), is entered into by and between The Howard Hughes Corporation, a Delaware corporation (the “*Company*”), and David R. O’Reilly (the “*Executive*”).

## RECITALS

WHEREAS, the Company desires to continue to employ the Executive upon and subject to the terms, conditions, rights and obligations set forth in this Agreement;

WHEREAS, the Executive desires to accept such continued employment upon and subject to the terms, conditions, rights and obligations set forth in this Agreement;

WHEREAS, the Company and the Executive previously entered into that certain Amended and Restated Employment Agreement, dated as of February 21, 2018 (as amended on June 24, 2020, the “*Original Agreement*”);

WHEREAS, the Company and the Executive desire to amend and restate the Original Agreement in its entirety through this Agreement; and

WHEREAS, the parties desire to enter into and be bound by this Agreement.

NOW THEREFORE, IT IS HEREBY AGREED THAT THE ORIGINAL AGREEMENT IS HEREBY AMENDED AND RESTATED IN ITS ENTIRETY AS FOLLOWS:

1. **Employment Period.**

The Company hereby agrees to employ the Executive, and the Executive hereby agrees to work in the employ of the Company, subject to the terms and conditions, rights and obligations of this Agreement, for the period commencing on the Effective Date and ending, unless terminated earlier pursuant to Section 3 hereof, on the fifth (5<sup>th</sup>) anniversary of the Effective Date (the “*Employment Period*”). Thereafter, the Employment Period shall renew automatically for additional periods of one (1) year, unless either party provides the other party with written notice of non-renewal at least sixty (60) days prior to the date of automatic renewal.

2. **Terms of Employment.**

(a) *Position and Duties.*

(i) During the Employment Period, the Executive shall serve as Chief Executive Officer of the Company, with such authority, duties and responsibilities as are normally attendant to such position and such other duties commensurate with this position that may be reasonably assigned by the Company’s Board of Directors (the “*Board*”). In addition, the Executive shall continue to serve as Chief Financial Officer of the Company (with corresponding authority, duties and responsibilities) until the Company appoints a replacement interim or permanent Chief Financial Officer. The Executive shall report to the Board. On the Effective Date, the Executive shall be appointed as a director on the Board, and the Company shall nominate the Executive for election to the Board at each annual stockholders’ meeting of the Company that occurs during the Employment Period.

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(ii) During the Employment Period, and excluding any periods of vacation and sick leave to which the Executive is entitled, the Executive agrees to devote all of his business attention and time to the business and affairs of the Company, and to use his reasonable best efforts to perform such responsibilities. During the Employment Period, it shall not be a violation of this Agreement for the Executive to (A) consistent with Company governance policies, serve on corporate boards or committees of businesses that are not competitors of the Company, with prior written approval of the Board or an authorized committee thereof, (B) serve on civic or charitable boards or committees, (C) manage personal and family investments, and (D) engage in lectures or teaching, so long as any such activities referenced in Sections 3(a)(ii) (A)-(D) do not, individually or in the aggregate, interfere with the discharge of the Executive's responsibilities pursuant to this Agreement; provided, however, for the avoidance of doubt, during the Employment Period, the Executive shall not hold any other management positions at other companies or any other entities.

(iii) *Place of Performance.* The principal place of employment of the Executive as of the Effective Date will be at the Company's corporate headquarters in Houston, Texas (the "*Principal Location*"). The Executive understands that he shall regularly be required to travel in connection with the performance of his duties hereunder.

(b) *Compensation.*

(i) *Annual Base Salary.* During the Employment Period, unless increased by the Board in its sole discretion, the Executive shall receive an annual base salary of SEVEN HUNDRED AND FIFTY THOUSAND DOLLARS (\$750,000) (the "*Annual Base Salary*"), payable in equal installments in accordance with the Company's normal payroll practice for its senior executives, subject to the Executive's continued employment with the Company.

(ii) *Annual Bonus.* Commencing in 2021, and continuing during each subsequent calendar year of the Employment Period, the Executive shall be eligible for an annual cash bonus (the "*Annual Bonus*") in the targeted amount of ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000) (the "*Target Bonus Amount*"), which shall be awarded each year during the Employment Period by the Compensation Committee of the Board (the "*Compensation Committee*") based upon its evaluation of such performance measures and objectives as may be established by the Compensation Committee from time to time (the "*Annual Bonus Performance Metrics*"). The amount of the Annual Bonus that shall be paid to Executive each year shall be determined by the Compensation Committee based on the achievement of the Annual Bonus Performance Metrics; provided, however, that, if the Compensation Committee establishes a minimum overall performance goal that is required to be achieved for the Executive to be eligible to receive any Annual Bonus in respect of a calendar year, and that minimum overall goal is achieved for such calendar year, then the Annual Bonus for such calendar year shall be equal to at least EIGHTY PERCENT (80%) of the Target Bonus Amount, but not more than ONE-HUNDRED TWENTY PERCENT (120%) of the Target Bonus Amount. For calendar year 2020, the Executive shall be eligible to receive an Annual Bonus in accordance with the terms of the bonus program established by the Company for the Executive prior to the Effective Date, based on actual performance in accordance with such program; provided, that the Executive's target bonus under such program for 2020 shall be deemed equal to the Target Bonus Amount. The Annual Bonus for each year shall be paid to the Executive as soon as reasonably practicable following the end of such year and at the same time that other senior executives of the Company receive bonus payments, but in no event later than March 15 following the end of the calendar year to which such Annual Bonus relates.

(iii) *Annual Equity or Equity-Based Incentive Awards.* Commencing in 2022, and continuing during each subsequent calendar year of the Employment Period, the Executive shall be eligible to receive an annual equity award (the “*Annual LTIP Award*”), which shall be awarded each year during the Employment Period by the Compensation Committee based upon its evaluation of such performance measures and objectives as may be established by the Compensation Committee from time to time. The Annual LTIP Award shall be a long-term equity or equity-based incentive award with an aggregate targeted grant value (with respect to the portion of the Annual LTIP Award that is subject to performance metrics, based on the achievement of the applicable performance metrics that cause the award to vest at the level of 100%, and without taking into account the probability of the award vesting at that level on the date of grant) on the date of grant equal to TWO MILLION AND TWO HUNDRED FIFTY THOUSAND DOLLARS (\$2,250,000) (the “*Target LTIP Award Amount*”), with the number of shares of the Company’s common stock, par value \$0.01 per share (the “*Common Stock*”) subject to such Annual LTIP Award determined by dividing the aggregate grant value by the closing price per share of the Common Stock on a nationally recognized exchange or as otherwise provided for in the Incentive Plan on the date of grant, which shall be awarded each year by the Compensation Committee based on the achievement of the Annual Bonus Performance Metrics for the applicable year. The determination as to whether the performance goals have been achieved shall be made in the sole discretion of the Compensation Committee. The Annual LTIP Award shall be granted to the Executive at the same time that other senior executives of the Company are granted their annual equity or equity-based incentive awards but in no event later than March 15 following the end of the calendar year to which such Annual LTIP Award relates. Fifty percent (50%) of each Annual LTIP Award granted to the Executive shall provide for *pro rata* time vesting over five years in accordance with the terms of the applicable award agreement (the “*Time Vesting LTIP Award*”) and the other fifty percent (50%) of such award shall provide for performance-based vesting (the “*Performance Vesting LTIP Award*”). All Annual LTIP Awards shall be subject to the terms and conditions of the Incentive Plan and any applicable award agreements thereunder. For purposes of this Agreement, “*Incentive Plan*” shall mean The Howard Hughes Corporation 2020 Equity Incentive Plan, as in effect from time to time (and any successor plan thereto).

(iv) *Initial Annual LTIP Award.* On November 30, 2020, the Company awarded the Executive an initial Annual LTIP Award with an aggregate targeted grant value of TWO MILLION AND TWO HUNDRED FIFTY THOUSAND DOLLARS (\$2,250,000), consisting of (i) an award of stock options with a Black-Scholes value of FIVE HUNDRED SIXTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$562,500) (based on the closing price of the Common Stock on November 30, 2020), (ii) an award of time-based restricted stock with a grant date value of EIGHT HUNDRED FORTY-THREE THOUSAND SEVEN HUNDRED FIFTY DOLLARS (\$843,750) (based on the closing price of the Common Stock on November 30, 2020), and (iii) an award of performance-based restricted stock with a grant date value of EIGHT HUNDRED FORTY-THREE THOUSAND SEVEN HUNDRED FIFTY DOLLARS (\$843,750) (based on the closing price of the Common Stock on November 30, 2020 and the achievement of the applicable performance metrics that cause the award to vest at the level of 100%, and without taking into account the probability of the award vesting at that level on the date of grant). Each of the foregoing awards are subject to the terms and conditions of the Incentive Plan and the applicable award agreements issued thereunder (including, without limitation, the vesting terms contained therein). For the avoidance of doubt, for purposes of Section 4 of this Agreement, the stock options and time-based restricted stock described in the foregoing clauses (i) and (ii), respectively, shall each be treated as a “*Time Vesting LTIP Award*” and the performance-based restricted stock described in clause (iii) shall be treated as a “*Performance Vesting LTIP Award*.”



(v) *Relocation.* The Executive agrees to relocate his principal residence to the Houston, Texas metropolitan area by no later than July 31, 2021, without reimbursement by the Company for expenses in connection with such relocation. If the Board requests, and the Executive agrees, to relocate the Principal Location outside of the Houston, Texas metropolitan area, the Company shall provide the Executive with (A) home sale services (at market price and with no reimbursement for any loss on home price) and (B) reimbursement in accordance with Company policy for the Executive's reasonable and properly documented moving expenses, which shall include the costs of moving the Executive, his family and possessions from the Principal Location to the location requested by the Board.

(vi) *Indemnification.* Simultaneously herewith, or as promptly as practicable hereafter, the Company and the Executive will enter into an indemnification agreement on substantially the same terms as the indemnification agreements entered into by the Company and each of its directors prior to the Effective Date. In addition, to the extent not covered by such indemnification agreement or the Company's other directors and officers indemnification arrangements, the Company shall indemnify the Executive for any losses, costs, or expenses (including reasonable and documented attorneys' fees) actually incurred by the Executive in connection with the Executive's execution of certain liquor licenses on behalf of the Company (or one or more of its subsidiaries) in New York City, New York, to the fullest extent permitted by the Company's organizational documents and applicable law.

(c) *Benefits.* During the Employment Period, except as otherwise expressly provided herein, the Executive shall be entitled to participate in all employee welfare benefit plans, practices, policies and programs and fringe benefits to the extent applicable generally and on a basis no less favorable than that provided to other senior officers of the Company, including, without limitation, health, medical, dental, long-term disability and life insurance plans. The Executive shall be entitled to paid annual vacation totaling four (4) weeks per calendar year in accordance with the Company's vacation policy in effect from time to time.

(d) *Expenses.* The Company shall reimburse the Executive for all reasonable and necessary expenses actually incurred by the Executive in connection with the business affairs of the Company and the performance of the Executive's duties hereunder, in accordance with Company policy as in effect from time to time.

(e) *Business Travel.* Notwithstanding the foregoing, to the extent that the Executive is required to travel during the Employment Period in connection with the Executive's duties and responsibilities hereunder, the Company shall, in accordance with Company policy as in effect from time to time, reimburse the Executive as follows: (i) for first class commercial air travel for the Executive (and the Executive's spouse, if the Executive's spouse's presence is required for Company events, consistent with the Company's general policies); and (ii) for first-class hotel accommodations.

### 3. **Termination of Employment.**

(a) *Death or Permanent Disability.* The Executive's employment shall terminate automatically upon the Executive's death or if the Executive suffers a Permanent Disability. For purposes of this Agreement, "*Permanent Disability*" means the inability of the Executive to perform the essential functions of his job with the Company by reason of a medically determinable physical or mental impairment that can be expected to last for sixty (60) or more consecutive days or more than ninety (90) days during any three hundred sixty-five (365) day period, as determined by a duly licensed physician. If the Executive suffers a Permanent Disability during the Employment Period, the Company may give to the Executive written notice, in accordance with [Section 12\(b\)](#), of its intention to terminate the Executive's employment. In such event, the Executive's employment with the Company shall terminate effective on the thirtieth (30<sup>th</sup>) day after the Executive's receipt of such notice by the Company, provided that, within the thirty (30) days after such receipt, the Executive shall not have returned to full-time performance of the Executive's duties. The Executive shall fully cooperate in connection with the determination of whether a Permanent Disability exists.

(b) *Cause*. The Company may terminate the Executive's employment during the Employment Period for Cause. For purposes of this Agreement, "Cause" shall mean, as determined in good faith by a unanimous vote (excluding the Executive if he is then a member of the Board) of the Board at a meeting of the Board held for such purpose, and where the Executive and the Executive's counsel had an opportunity (on at least 15 days prior notice) to be heard before the Board, the Executive's:

- (i) conviction, plea of guilty or no contest to any felony;
- (ii) gross negligence or willful misconduct in the performance of the Executive's duties;
- (iii) drug addiction or habitual intoxication;
- (iv) commission of fraud, embezzlement, misappropriation of funds, breach of fiduciary duty, material violation of law or a material act of dishonesty against the Company, in each case that the Board determines was willful;
- (v) material and continued breach of this Agreement, after notice for substantial performance is delivered by the Company in writing that identifies in reasonable detail the manner in which the Company believes the Executive is in breach of this Agreement;
- (vi) willful material breach of Company policy or code of conduct; or
- (vii) willful and continued failure to substantially perform his duties hereunder (other than such failure resulting from the Executive's incapacity due to physical or mental illness);

provided, however, that in each case the Company shall provide the Executive with written notice that an event constituting Cause has occurred (such notice to be provided within sixty (60) days of the initial occurrence of such event) and specifying the details of such event. With respect to any events described under Sections 3(b)(ii), (v), (vi) or (vii) above, the Executive shall be given thirty (30) days from his receipt of written notice to cure such events. If the Executive cures an event during such period that would otherwise constitute Cause, then the Company will have no right to terminate the Executive's employment for Cause. For purposes of this provision, no act or omission on the part of the Executive shall be considered "willful" unless it is done or omitted not in good faith or without reasonable belief that the act or omission was in the best interests of the Company. Any act or omission by the Executive based upon a resolution duly adopted by the Board or advice of counsel for the Company shall be conclusively presumed to have been done or omitted in good faith and in the best interests of the Company. This Section 3(b) shall not prevent the Executive from challenging whether the Board acted in good faith in determining that Cause exists or that the Executive has failed to cure any act (or failure to act) that purportedly formed the basis for the Board's determination in accordance with the procedures set forth in Section 10. In addition, and for the avoidance of doubt, the burden of proof regarding the existence of Cause shall be on the Company.

(c) *Good Reason*. The Executive may terminate the Executive's employment during the Employment Period for Good Reason. For purposes of this Agreement, "Good Reason" shall mean the occurrence of any of the following events without the Executive's written consent:

- (i) a material diminution in the Executive's base compensation;

- (ii) a material diminution in the Executive's authority, duties or responsibilities (other than as a result of the Company's appointment of an interim or permanent Chief Financial Officer as contemplated in Section 2(a)(i) above);
- (iii) the Executive no longer reports directly to the Board;
- (iv) any other action or inaction that constitutes a material breach by the Company of this Agreement; or
- (v) any requirement that the Executive relocate or maintain his Principal Location more than fifty (50) miles from Houston, Texas;

provided, however, that in each case the Executive must provide the Company with written notice that an event constituting Good Reason has occurred (such notice to be provided within sixty (60) days of the initial occurrence of such event) and specifying the details of such event. With respect to any events described under Section 3(c)(i), (ii), (iv) or (v) above, the Company shall be given thirty (30) days from its receipt of written notice to cure such events. If the Company cures an event during such period that would otherwise constitute Good Reason, then the Executive will have no right to terminate his employment for Good Reason. Following the occurrence of a Change in Control (as defined below), any claim by the Executive that Good Reason exists shall be presumed to be valid and correct unless an AAA arbitrator determines, in accordance with Section 10, that the Company has established by clear and convincing evidence that Good Reason does not exist. A termination of the Executive's employment for Good Reason in accordance with this Section 3(c) is intended to be treated as an involuntary separation from service for purposes of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code").

(d) *Without Cause.* Subject to the provisions of this Agreement, the Company shall have the right to terminate the Executive's employment hereunder without Cause by providing the Executive with sixty (60) days' prior written Notice of Termination, and such termination shall not in and of itself be, nor shall it be deemed to be, a breach of this Agreement.

(e) *Without Good Reason.* The Executive will have the right to voluntarily terminate his employment hereunder without Good Reason by providing the Company with sixty (60) days' prior written Notice of Termination, and such voluntary termination shall not in and of itself be, nor shall it be deemed to be, a breach of this Agreement.

(f) *Notice of Termination.* Any termination by the Company or by the Executive shall be communicated by providing Notice of Termination to the other party hereto given in accordance with Section 12(b). For purposes of this Agreement, a "Notice of Termination" means a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated, and (iii) the contemplated date of termination.

#### 4. **Obligations of the Company upon Termination.**

(a) *Non-Change in Control Termination (Other than Non-Renewal).* If (1) during the Employment Period, the Company shall terminate the Executive's employment without Cause (and other than upon the Executive's death or Permanent Disability) or (2) during the Employment Period, the Executive shall terminate his employment for Good Reason, the Company shall have no further obligations to the Executive except as follows:

- (i) the Company shall pay or provide the Executive, to the extent not theretofore paid, as soon as practicable after the date of termination (but in no event later than 60 days after the date of termination): (A) accrued Annual Base Salary and vacation pay through the date of termination; (B) any reimbursement to which the Executive is entitled pursuant to Company policy, but which was not reimbursed prior to the date of termination; and (C) any other earned but unpaid outstanding compensatory arrangements ((A), (B) and (C)), together, the "Accrued Benefits");

(ii) the Company shall pay the Executive at the normally scheduled time an amount equal to the product of (x) the Target Bonus Amount multiplied by (y) a fraction, the numerator of which is the number of days of during such calendar year that the Executive was employed by the Company and the denominator of which is 365 (the “*Prorated Bonus*”);

(iii) the Company shall pay the Executive, on the 60<sup>th</sup> day following the date of termination, a lump sum amount equal to the product of one times (1x) the sum of (A) the Annual Base Salary (which shall be the Annual Base Salary prior to any reduction if the termination is for Good Reason because of a reduction in the Annual Base Salary) plus (B) the Target Bonus Amount; and

(iv) (A) all prior share Awards (as defined in the Incentive Plan or its predecessor), granted to Executive pursuant to any agreement(s) entered into prior to the Effective Date between Executive and the Company to the extent outstanding as of the date of termination that are subject to forfeiture on the date of termination shall fully vest and become non-forfeitable; provided, that any such Awards that are subject to performance-based vesting restrictions or conditions shall instead be treated in accordance with clause (C) of this Section 4(a)(iv), (B) all outstanding Time Vesting LTIP Awards, if any, that are subject to forfeiture on the date of termination shall fully vest and become non-forfeitable, and (C) all outstanding Performance Vesting LTIP Awards, if any, that are subject to forfeiture on the date of termination shall remain outstanding and continue to vest in accordance with the terms and conditions of the grant of the applicable equity award as if Executive’s employment had continued through the date on which the performance metrics are measured (and the Company shall take any action that is necessary to ensure that such equity awards remain outstanding under the Incentive Plan), and at such time such equity awards shall either be vested or forfeited based on the achievement of the applicable performance metrics (the “*Continued Eligibility for Vesting*”).

The amounts payable or to be provided under this Section 4(a) shall be in lieu of any amounts that would otherwise be paid or provided under Section 4(b), Section 4(c) and Section 4(d).

(b) *Non-Renewal*. If the Executive’s employment is terminated based on the Company electing to not renew or extend the Employment Period on the fifth (5<sup>th</sup>) anniversary, or any subsequent anniversary, of the Effective Date, the Company shall have no further obligations to the Executive except as follows:

(i) the Accrued Benefits;

(ii) the Prorated Bonus; and

(iii) (A) all outstanding Time Vesting LTIP Awards, if any, that are subject to forfeiture on the date of termination shall fully vest and become non-forfeitable, and (B) the Continued Eligibility for Vesting.

The amounts payable or to be provided under this Section 4(b) shall be in lieu of any amounts that would otherwise be paid or provided under Section 4(a), Section 4(c) and Section 4(d).

(c) *Termination Because of Death or Permanent Disability.* If, during the Employment Period, the Executive's employment terminates because the Executive dies or as a result of Permanent Disability, the Company shall have no further obligations to the Executive except as follows:

(i) the Accrued Benefits;

(ii) the Prorated Bonus; and

(iii) (A) all outstanding Time Vesting LTIP Awards, if any, that are subject to forfeiture on the date of termination shall fully vest and become non-forfeitable, and (B) the Continued Eligibility for Vesting.

The amounts payable or to be provided under this Section 4(c) shall be in lieu of any amounts that would otherwise be paid or provided under Section 4(a), Section 4(b) and Section 4(d).

(d) *Change in Control Termination.* If, during the Employment Period, the Company shall terminate the Executive's employment without Cause (and other than upon the Executive's death or Permanent Disability), or if the Executive shall terminate his employment for Good Reason, in either case, in connection with, or within twelve (12) months following, a Change in Control (any such termination of employment, a "*Change in Control Termination*"), the Company shall have no further obligations to the Executive except as follows:

(i) the Accrued Benefits;

(ii) the Prorated Bonus;

(iii) the Company shall pay the Executive, on the 60<sup>th</sup> day following the date of termination, a lump sum amount equal to the product of two times (2x) the sum of (A) the Annual Base Salary (which shall be the Annual Base Salary prior to any reduction if the termination is for Good Reason because of a reduction in the Annual Base Salary) plus (B) the Target Bonus Amount; and

(iv) (A) all prior share Awards granted to Executive pursuant to any agreement(s) entered into prior to the Effective Date between Executive and the Company to the extent outstanding as of the date of termination that are subject to forfeiture on the date of termination shall fully vest and become non-forfeitable; provided, that any such Awards that are subject to performance-based vesting restrictions or conditions shall instead be treated in accordance with clause (C) of this Section 4(d)(iv); (B) all outstanding Time Vesting LTIP Awards, if any, that are subject to forfeiture on the date of termination shall fully vest and become non-forfeitable, and (C) all outstanding Performance Vesting LTIP Awards, if any, that are subject to forfeiture on the date of termination shall fully and immediately vest and become non-forfeitable at the greater of (1) one hundred percent (100%) of the number of shares of Common Stock granted pursuant to each such award, or (2) the performance level that has been achieved as of the date of termination.

The amounts payable or to be provided under this Section 4(d) shall be in lieu of any amounts that would otherwise be paid or provided under Section 4(a), Section 4(b) and Section 4(c).

(e) *Condition.* The Company shall not be required to make the payments and provide the benefits specified in Sections 4(a)(ii), 4(a)(iii), 4(a)(iv), 4(b)(ii), 4(b)(iii), 4(c)(ii), 4(c)(iii), 4(d)(ii), 4(d)(iii) or 4(d)(iv) hereof unless, prior to payment, the parties hereto (or the Executive's estate in the event of Executive's death) have entered into a release substantially in the form attached hereto as Exhibit A (for which the applicable seven-day revocation period has expired), prior to the 60<sup>th</sup> day following the date of termination, under which the Executive releases the Company, its Affiliates and their officers, directors and employees from all liability (other than the payments and benefits under this Agreement); provided, that if the time period for executing and returning the release begins in one taxable year and ends in a second taxable year, any payments shall not commence until the second taxable year. In the event that such release is not executed and delivered to the Company in accordance with this Section 4(e) prior to the 60<sup>th</sup> day following the date of termination (with the applicable seven-day revocation period having expired), the Executive shall forfeit the payments and benefits specified in Sections 4(a)(ii), 4(a)(iii), 4(a)(iv), 4(b)(ii), 4(b)(iii), 4(c)(ii), 4(c)(iii), 4(d)(ii), 4(d)(iii) or 4(d)(iv) hereof, as applicable.

(f) *Resignation from Certain Directorships.* Following the Employment Period or the termination of the Executive's employment for any reason, if and to the extent requested by the Board, the Executive agrees to resign from the Board, all fiduciary positions (including as trustee) and from all other offices and positions he holds with the Company and any of its Affiliates; provided, however, that if the Executive refuses to tender his resignation after the Board has made such request, then the Board shall be empowered to tender the Executive's resignation from such offices and positions.

## 5. **Certain Definitions.**

(a) For purposes of this Agreement, "*Change in Control*" shall mean a "Change of Control," as defined in the Incentive Plan; provided, that notwithstanding anything to the contrary in the Incentive Plan or this Agreement, any transaction with Pershing Square Capital Management, L.P. or any of its Affiliates shall not be deemed to be a Change in Control, unless otherwise determined by the Board.

(b) For purposes of this Agreement, "*Affiliate*" means, with respect to any Person, (A) if such Person is not an individual, any Person directly or indirectly controlling or controlled by or under direct or indirect common control with such Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise or any entity in which such Person has a substantial equity interest, and (B) if such Person is an individual, a spouse of such Person, or any child or parent of such Person. For purposes of this Agreement, "*Person*" means any individual, partnership, corporation, limited liability company, association, business trust, joint venture, business entity or other entity of any kind or nature, including any business unit of such Person.

6. **No Mitigation.**

In no event shall the Executive be obligated to seek or obtain other employment after the date of termination, or take any other action by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement, and such amounts shall not be reduced, whether or not the Executive obtains other employment. The Company may offset any amounts that it owes to the Executive by any amounts that the Executive owes to the Company or its Affiliates; provided that, in no event, shall any payment under this Agreement that constitutes “nonqualified deferred compensation” for purposes of Section 409A of the Code be subject to offset by any amount unless such offset is expressly permitted under Section 409A of the Code.

7. **Potential Reductions.**

(a) Notwithstanding any other provisions in this Agreement, in the event that any payment or benefit received or to be received by the Executive (including, without limitation, any payment or benefit received in connection with a Change in Control or the termination of the Executive’s employment, whether pursuant to the terms of this Agreement or any other plan, program, arrangement or agreement) (all such payments and benefits, together, the “*Total Payments*”) would be subject (in whole or part), to any excise tax imposed under Section 4999 of the Code, or any successor provision thereto (the “*Excise Tax*”), then, after taking into account any reduction in the Total Payments provided by reason of Section 280G of the Code in such other plan, program, arrangement or agreement, the Company will reduce the Executive’s payments and/or benefits under this Agreement, to the extent necessary so that no portion of the Total Payments is subject to the Excise Tax (but in no event to less than zero), in the following order: (i) any cash severance amount, as described in Sections 4(d)(ii) and 4(d)(iii); and (ii) any acceleration of outstanding equity compensation, as described in Section 4(d)(iv) hereof (the payments and benefits set forth in clauses (i) through (ii) of this Section 7(a), together, the “*Potential Payments*”); provided, however, that the Potential Payments shall only be reduced if (A) the net amount of such Total Payments, as so reduced (and after subtracting the net amount of federal, state and local income taxes on such reduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments), is greater than or equal to (B) the net amount of such Total Payments without such reduction (but after subtracting the net amount of federal, state and local income taxes on such Total Payments and the amount of Excise Tax to which the Executive would be subject in respect of such unreduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments). For purposes of determining whether and the extent to which the Total Payments will be subject to the Excise Tax: (i) no portion of the Total Payments the receipt or enjoyment of which the Executive shall have waived at such time and in such manner as not to constitute a “payment” within the meaning of Section 280G(b) of the Code shall be taken into account; (ii) no portion of the Total Payments shall be taken into account which does not constitute a “parachute payment” within the meaning of Section 280G(b)(2) of the Code (including, without limitation, by reason of Section 280G(b)(4)(A) of the Code) and, in calculating the Excise Tax, no portion of such Total Payments shall be taken into account which constitutes reasonable compensation for services actually rendered, within the meaning of Section 280G(b)(4)(B) of the Code, in excess of the “base amount” (as set forth in Section 280G(b)(3) of the Code) that is allocable to such reasonable compensation; and (iii) the value of any non-cash benefit or any deferred payment or benefit included in the Total Payments shall be determined by in accordance with the principles of Sections 280G(d)(3) and (4) of the Code.

(b) All determinations required to be made under this Section 7, including whether an Excise Tax would otherwise be imposed, whether the Total Payments shall be reduced, the amount of any such reduction and the assumptions to be utilized in arriving at such determinations not expressly provided for herein, shall be made by an independent, nationally recognized accounting firm or compensation consulting firm mutually acceptable to the Company and Executive (the "*Determination Firm*") which shall provide detailed supporting calculations both to the Company and Executive within 15 business days of the receipt of notice from the Company that a payment is due to be made hereunder, or such earlier time as is requested by the Executive. All reasonable fees and expenses of the Determination Firm shall be borne solely by the Company. Any determination by the Determination Firm shall be binding upon the Company and Executive, absent manifest error. As a result of the uncertainty in the application of Section 4999 of the Code at the time of the initial determination by the Determination Firm hereunder, it is possible that payments which Executive was entitled to, but did not receive as a result of application of Section 7, could have been made without the imposition of the Excise Tax ("*Underpayment*"), consistent with the calculations required to be made hereunder. In such event, the Determination Firm shall determine the amount of the Underpayment that has occurred and any such Underpayment shall be promptly paid by the Company to or for the benefit of Executive but no later than March 15 of the year after the year in which the Underpayment is determined to exist, which is when the legally binding right to such Underpayment arises.

(c) The fact that the Executive's right to payments or benefits may be reduced by reason of the limitations contained in this Section 7 shall not of itself limit or otherwise affect any other rights of the Executive under this Agreement.

#### 8. **Restrictive Covenants.**

(a) *Non-Solicit.* During the Employment Period, and for a twelve (12) month period after the Executive's employment is terminated for any reason, the Executive shall not (except in connection with the performance of his duties for the Company) in any manner, directly or indirectly (without the prior written consent of the Company) Solicit (as defined below) anyone who is then an employee or independent contractor of the Company or its Affiliates (or who was an employee or independent contractor of the Company or its Affiliates within the prior twelve (12) months to resign from the Company or its Affiliates or to apply for or accept employment with any other business or enterprise. For purposes of this Agreement, "*Solicit*" means any direct or indirect communication of any kind, regardless of who initiates it, that in any way invites, advises, encourages or requests any person to take or refrain from taking any action.



(b) *Confidential Information.* The Executive hereby acknowledges that, as an employee of the Company, he will be making use of, acquiring and adding to confidential information of a special and unique nature and value relating to the Company and its Affiliates and their strategic plan and financial operations. The Executive further recognizes and acknowledges that all confidential information is the exclusive property of the Company and its Affiliates, is material and confidential, and is critical to the successful conduct of the business of the Company and its Affiliates. Accordingly, the Executive hereby covenants and agrees that he will use confidential information for the benefit of the Company and its Affiliates only and shall not at any time, directly or indirectly, during the term of this Agreement and thereafter divulge, reveal or communicate any confidential information to any person, firm, corporation or entity whatsoever, or use any confidential information for his own benefit or for the benefit of others. Notwithstanding the foregoing, the Executive shall be authorized to disclose confidential information (i) as may be required by law or legal process after providing the Company with prior written notice and an opportunity to respond to such disclosure (unless such notice is prohibited by law), or (ii) with the prior written consent of the Company. Notwithstanding anything to the contrary in this Agreement, the Executive shall not be prohibited from: (i) filing and, as provided for under Section 21F of the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”) maintaining the confidentiality of a claim with a government agency that is responsible for enforcing a law; (ii) providing confidential information to the extent required by law or legal process or permitted by Section 21F of the Exchange Act; (iii) cooperating, participating or assisting in any government or regulatory entity investigation or proceeding; or (iv) receiving an award for information provided to any government agency that is responsible for enforcing the law.

(c) *Non-Competition.* During the Employment Period, and for a twelve (12) month period after the Executive’s employment is terminated for any reason, the Executive shall not directly or indirectly (whether for compensation or otherwise) own or hold any interest in, manage, operate, control, consult with, render services for, or in any manner participate in any business that is directly competitive with the business of the Company, either as a general or limited partner, proprietor, shareholder, officer, director, agent, employee, consultant, trustee, Affiliate or otherwise. Nothing herein shall prohibit the Executive from being a passive owner of not more than 2% of the outstanding securities of any publicly traded company engaged in the business of the Company.

(d) *Survival.* Any termination of the Executive’s employment or of this Agreement shall have no effect on the continuing operation of this Section 8.

(e) *Non-Disparagement.* During the Employment Period and thereafter, the Executive shall not, in any manner, directly or indirectly through another person or entity, knowingly make any false or any disparaging or derogatory statements about the Company, any of its Affiliates or any of their employees, officers or directors. The Company, in turn, agrees that it will not make, in any authorized corporate communications to third parties, and it will direct the members of the Board and the executive officers of the Company, not to in any manner, directly or indirectly through another person or entity, knowingly make any false or any disparaging or derogatory statements about the Executive; provided, however, that nothing herein shall prevent either party from giving truthful testimony or from otherwise making good faith statements in connection with legal investigations or other proceedings.

(f) *Enforcement.* If, at the time of enforcement of this Section 8, a court of competent jurisdiction holds that the restrictions stated herein are unreasonable under circumstances then existing, the parties hereto agree that the maximum period, scope or geographical area reasonable under such circumstances shall be substituted for the stated period, scope or area. Because the Executive's services are unique and because the Executive has access to confidential information, the parties hereto agree that money damages would be an inadequate remedy for any breach of this Section 8. Therefore, in the event of a breach or threatened breach of this Agreement, the Company or its successors or assigns may, in addition to other rights and remedies existing in their favor, apply to any court of competent jurisdiction for specific performance and/or injunctive or other relief in order to enforce, or prevent any violations of, the provisions hereof.

9. **Successors.**

(a) This Agreement is personal to the Executive and without the prior written consent of the Company shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

(c) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. Upon the occurrence of a Change in Control, the Company will similarly require the acquiring entity to assume the Company's obligations under this Agreement. As used in this Agreement, "*Company*" shall mean the Company as defined above and any successor to its business and/or assets (or the acquiring entity upon the occurrence of a Change in Control as described and defined above).

10. **Disputes.**

(a) *Jurisdiction and Choice of Forum.* Except as set forth in Section 8(f), all disputes directly or indirectly arising under or related to the employment of the Executive or the provisions of this Agreement shall be settled by final and binding arbitration under the rules of the American Arbitration Association ("AAA") then in effect, such arbitration shall be held in Houston, Texas, as the sole and exclusive remedy of the parties. The arbitration shall be heard by one (1) AAA arbitrator who shall be selected by AAA. The arbitrator shall have the authority to order expedited discovery and shall set a hearing within ninety (90) days following the arbitrator's appointment as arbitrator by the AAA. The arbitrator shall render an award and decision not later than thirty (30) days following the closing of arbitration hearing. Judgment on any arbitration award may be entered in any court of competent jurisdiction. The prevailing party in any arbitration hearing shall also be entitled to recover his/its costs and attorneys' fees.

(b) *Governing Law.* This Agreement and any disputes, claims or defenses arising under it will be governed by and construed in accordance with the law of the State of Delaware applicable to contracts made and to be performed entirely within that State.

11. **Section 409A of the Code.**

(a) *Compliance.* The intent of the parties is that payments and benefits under this Agreement are either exempt from or comply with Section 409A of the Code ("*Section 409A*") and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to that end. The parties acknowledge and agree that the interpretation of Section 409A and its application to the terms of this Agreement is uncertain and may be subject to change as additional guidance and interpretations become available. In no event whatsoever shall the Company be liable for any tax, interest or penalties that may be imposed on the Executive by Section 409A or any damages for failing to comply with Section 409A.

(b) *Six Month Delay for Specified Employees.* If any payment, compensation or other benefit provided to the Executive in connection with his employment termination is determined, in whole or in part, to constitute "*nonqualified deferred compensation*" within the meaning of Section 409A and the Executive is a "*specified employee*" as defined in Section 409A, no part of such payments shall be paid before the day that is six months plus one day after the Executive's date of termination or, if earlier, the Executive's death (the "*New Payment Date*"). The aggregate of any payments that otherwise would have been paid to the Executive during the period between the date of termination and the New Payment Date shall be paid to the Executive in a lump sum on such New Payment Date. Thereafter, any payments that remain outstanding as of the day immediately following the New Payment Date shall be paid without delay over the time period originally scheduled, in accordance with the terms of this Agreement.

(c) *Termination as a Separation from Service.* A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits subject to Section 409A upon or following a termination of employment until such termination is also a "*separation from service*" within the meaning of Section 409A and for purposes of any such provision of this Agreement, references to a "*resignation,*" "*termination,*" "*terminate,*" "*termination of employment*" or like terms shall mean separation from service.

(d) *Payments for Reimbursements and In-Kind Benefits.* All reimbursements for costs and expenses under this Agreement shall be paid in no event later than the end of the calendar year following the calendar year in which the Executive incurs such expense. With regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, (i) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (ii) the amount of expenses eligible for reimbursement or in-kind benefits provided during any taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year.

(e) *Payments within Specified Number of Days.* Whenever a payment under this Agreement specifies a payment period with reference to a number of days (e.g., "payment shall be made within 30 days following the date of termination"), the actual date of payment within the specified period shall be within the sole discretion of the Company.

(f) *Installments as Separate Payment.* If under this Agreement, an amount is paid in two or more installments, for purposes of Section 409A, each installment shall be treated as a separate payment.

12. **Miscellaneous.**

(a) *Amendment.* This Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives.

(b) *Notices.* Whenever any notice is required or permitted hereunder, such notice must be in writing and personally delivered, mailed by certified or registered mail, return receipt requested, or by email transmission. The parties agree that any notices shall be given at the following addresses; provided that the parties may change, at any time and from time to time, by written notice to the other, the address which it or he had previously specified for receiving notices:

If to the Executive:

at the Executive's primary residential address  
as shown on the records of the Company

If to the Company:

at the Company's corporate headquarters  
Attention: Office of the General Counsel

with a copy to:

William A. Ackman, Chairman of the Board  
888 Seventh Avenue, 42<sup>nd</sup> Floor  
New York, NY 10019

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the addressee.

(c) *Severability.* The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

(d) *Tax Withholding.* The Company may withhold from any amounts payable under this Agreement such federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(e) *Compliance with Dodd-Frank.* All payments under this Agreement, if and to the extent they are subject to the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “*Dodd-Frank Act*”), shall be subject to any incentive compensation policy established from time to time by the Company to comply with the Dodd-Frank Act. The Executive acknowledges and agrees that the Company may from time to time establish incentive compensation policies that may apply to this Agreement and the awards contemplated hereunder.

(f) *No Waiver.* The Executive’s or the Company’s failure to insist upon strict compliance with any provision of this Agreement or the failure to assert any right the Executive or the Company may have hereunder, including, without limitation, the Company’s right to terminate the Executive for Cause pursuant to Section 3 (subject to Executive’s right to challenge such determination in accordance with the provisions set forth in Section 3), shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

(g) *No Strict Construction.* It is the parties’ intention that this Agreement not be construed more strictly with regard to the Executive or the Company.

(h) *Entire Agreement.* This Agreement shall supersede any other employment or severance agreement or similar arrangements between the parties, and shall supersede any prior understandings, agreements or representations by or among the parties, written or oral, whether in term sheets, presentations or otherwise (including, without limitation, the Original Agreement), relating to the subject matter hereof. In the event of any inconsistency or conflict between any terms, definitions or conditions of this Agreement and the terms, definitions or conditions of any other agreement, the terms, definitions and conditions of this Agreement shall govern and control.

(i) *Counterparts.* This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

(j) *Section References; Captions.* Any reference to a “Section” herein is a reference to a section of this Agreement unless otherwise stated. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Executive has hereunto set the Executive's hand and, pursuant to the authorization from the Board or other duly authorized governing body, the Company has caused these presents to be executed in its name on its behalf, all effective as of the Effective Date.

EXECUTIVE

/s/ David R. O'Reilly

David R. O'Reilly

THE HOWARD HUGHES CORPORATION

By /s/ Peter F. Riley

Name: Peter F. Riley

Title: Senior Executive Vice President,

General Counsel & Secretary

*[Signature Page to O'Reilly Employment Agreement]*

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## EXHIBIT A

### WAIVER AND RELEASE AGREEMENT

This Waiver and Release Agreement (hereinafter “*Release*”) is entered into among David R. O’Reilly (hereinafter “*Executive*”) and The Howard Hughes Corporation, a Delaware corporation (the “*Company*”).

The parties previously entered into an employment agreement effective as of December 1, 2020 (the “*Employment Agreement*”), pursuant to which Executive is entitled to certain payments and benefits upon termination of employment subject to the execution and nonrevocation of this Release. Executive has had a termination of employment pursuant to the Employment Agreement.

NOW THEREFORE, in consideration of certain payments and benefits under the Employment Agreement, Executive and the Company agree as follows:

1. Executive expressly waives and releases the Company, its affiliates and related entities, parent corporations and subsidiaries, and all current and former directors, administrators, supervisors, managers, agents, officers, partners, stockholders, attorneys, insurers and employees of the Company and its affiliates, related entities, parent corporations and subsidiaries, and their successors and assigns (the “*Company Released Entities*”), from any and all claims, actions and causes of action, at law or in equity, known or unknown, including, without limitation, those directly or indirectly relating to or connected with Executive’s employment with the Company or termination of such employment, including but not limited to any and all claims under the Texas Commission on Human Rights Act, the Texas Payday Act, the Employee Retirement Income Security Act of 1974, Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Americans with Disabilities Act, as such Acts have been amended, and all other forms of employment discrimination whether under federal, state or local statute or ordinance, wrongful termination, retaliatory discharge, breach of express, implied, or oral contract, interference with contractual relations, defamation, intentional infliction of emotional distress and any other tort or contract claim under common law of any state or for attorneys’ fees, based on any act, transaction, circumstance or event arising up to and including the date of Executive’s execution of this Release; provided, however, that (i) nothing herein shall limit or impede Executive’s right to file or pursue an administrative charge with, or participate in, any investigation before the Equal Employment Opportunity Commission, or any similar local, state or federal agency, or to file a claim for unemployment compensation benefits, and/or any causes of action which by law Executive may not legally waive, (ii) Executive does not release the Company Released Entities from any rights and/or claims (a) Executive may have that arise after the date Executive signs this Release, (b) that by law cannot be waived by private agreement, (c) to enforce the Employment Agreement in accordance with its terms (including the severance provisions set forth in the Employment Agreement), subject to the terms of this Release or (d) to enforce this Release. Executive agrees, however, that if Executive or anyone acting on Executive’s behalf, brings any action concerning or related to any cause of action or liability released in this Release, Executive waives any right to, and will not accept, any payments, monies, damages, or other relief, awarded in connection therewith. Notwithstanding anything to the contrary in this Release, Executive shall not be prohibited from: (i) filing and, as provided for under Section 21F of the Securities Exchange Act of 1934, maintaining the confidentiality of a claim with a government agency that is responsible for enforcing a law; (ii) providing confidential information to the extent required by law or legal process or permitted by Section 21F of the Securities Exchange Act of 1934; (iii) cooperating, participating or assisting in any government or regulatory entity investigation or proceeding; or (iv) receiving an award for information provided to any government agency that is responsible for enforcing the law. The Company expressly waives and releases Executive from any and all claims, actions and causes of action, at law or in equity, known or unknown, arising prior to the Effective Date; provided, however, the Company does not release Executive from any of the following rights and/or claims: (i) any rights and/or claims the Company may have that arise after the date Executive signs this Release; (ii) any rights and/or claims that by law cannot be waived by private agreement; (iii) any rights and/or claims which are based upon any acts or omissions of Executive that involve fraud or arising out of acts that constitute a violation of criminal laws; (iv) any rights and/or claims to enforce the Employment Agreement in accordance with its terms (including the restrictive covenants set forth in the Employment Agreement), subject to the terms of this Release; or (v) any rights and/or claims to enforce this Release.

2. Executive acknowledges: (a) that Executive has been advised in writing hereby to consult with an attorney before signing this Release, and (b) that Executive has had at least [twenty-one (21)][forty-five (45)] days after receipt of this information and Release to consider whether to accept or reject this Release. Executive understands that Executive may sign this Release prior to the end of such [twenty-one (21)][forty-five (45)] day period, but is not required to do so. In addition, Executive has seven (7) days after Executive signs this Release to revoke it. Such revocation must be in writing and delivered either by hand or mailed and postmarked within the seven (7) day revocation period. If sent by mail, it is requested that it be sent by certified mail, return receipt requested to the Company, in care of the office of the General Counsel. If Executive revokes this Release as provided herein, it shall be null and void. If Executive does not revoke this Release within seven (7) days after signing it, this Release shall become enforceable and effective on the eighth (8<sup>th</sup>) day after the Executive signs this Release (the “*Effective Date*”).

3. Executive and the Company agree that neither this Release nor the performance hereunder constitutes an admission by the Company or any of its affiliates of any violation of any federal, state or local law, regulation, or common law, or any breach of any contract or any other wrongdoing of any type.

4. This Release shall be construed and enforced pursuant to the laws of the State of Delaware as to substance and procedure, including all questions of conflicts of laws.

5. This Release constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all prior and contemporaneous agreements, if any, between the parties relating to the subject matter thereof; provided that this Release does not apply to: (a) any claims under employee benefit plans subject to the Employee Retirement Income Security Act of 1974 in accordance with the terms of the applicable employee benefit plan, or any option agreement or other agreement pursuant to which Executive may exercise rights after termination of employment to acquire stock or other equity of the Company, (b) any claim under or based on a breach of this Release or Sections 4 or 8 of the Employment Agreement after the date that Executive signs this Release; (c) rights or claims that may arise under the Age Discrimination in Employment Act or otherwise after the date that Executive signs this Release; or (d) any right to indemnification or directors and officers liability insurance coverage to which Executive is otherwise entitled in accordance with the Employment Agreement.



6. EXECUTIVE ACKNOWLEDGES THAT EXECUTIVE HAS FULLY READ AND FULLY UNDERSTANDS THIS RELEASE; AND THAT EXECUTIVE ENTERED INTO IT FREELY AND VOLUNTARILY AND WITHOUT COERCION OR PROMISES NOT CONTAINED IN THIS RELEASE.

EXECUTIVE

\_\_\_\_\_  
David R. O'Reilly

THE HOWARD HUGHES CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## EMPLOYMENT AGREEMENT

This Employment Agreement (this “*Agreement*”), effective as of December 1, 2020 (the “*Effective Date*”), is entered into by and between The Howard Hughes Corporation, a Delaware corporation (the “*Company*”), and L. Jay Cross (the “*Executive*”).

## RECITALS

WHEREAS, the Company desires to employ the Executive upon and subject to the terms, conditions, rights and obligations set forth in this Agreement;

WHEREAS, the Executive desires to accept such employment upon and subject to the terms, conditions, rights and obligations set forth in this Agreement; and

WHEREAS, the parties desire to enter into and be bound by this Agreement.

NOW THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. **Employment Period.** The Company hereby agrees to employ the Executive, and the Executive hereby agrees to work in the employ of the Company, subject to the terms and conditions, rights and obligations of this Agreement, for the period commencing on the Effective Date and ending, unless terminated earlier pursuant to Section 3 hereof, on the fifth (5<sup>th</sup>) anniversary of the Effective Date (the “*Employment Period*”). Thereafter, the Employment Period shall renew automatically for additional periods of one (1) year, unless either party provides the other party with written notice of non-renewal at least sixty (60) days prior to the date of automatic renewal.

2. **Terms of Employment.**

(a) *Position and Duties.*

(i) During the Employment Period, the Executive shall serve as President of the Company, with such authority, duties and responsibilities as are normally attendant to such position and such other duties commensurate with this position that may be reasonably assigned by the Company’s Board of Directors (the “*Board*”). The Executive shall report to the Board.

(ii) During the Employment Period, and excluding any periods of vacation and sick leave to which the Executive is entitled, the Executive agrees to devote all of his business attention and time to the business and affairs of the Company, and to use his reasonable best efforts to perform such responsibilities. During the Employment Period, it shall not be a violation of this Agreement for the Executive to (A) consistent with Company governance policies, serve on corporate boards or committees of businesses that are not competitors of the Company, with prior written approval of the Board or an authorized committee thereof, (B) serve on civic or charitable boards or committees, (C) manage personal and family investments, and (D) engage in lectures or teaching, so long as any such activities referenced in Sections 3(a)(ii) (A)-(D) do not, individually or in the aggregate, interfere with the discharge of the Executive’s responsibilities pursuant to this Agreement; provided, however, for the avoidance of doubt, during the Employment Period, the Executive shall not hold any other management positions at other companies or any other entities. The Company acknowledges that the Executive’s prior employer will make payments to the Executive through December 31, 2020, but that such payments shall not constitute a violation of this Section 2(a)(ii); provided, that the Executive does not render any services to or engage in any activities with such prior employer in violation of this Agreement, it being acknowledged and agreed that the Executive’s limited transition services to such prior employer as previously disclosed to the Company shall not be deemed to violate this Agreement.

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(iii) *Place of Performance.* The principal place of employment of the Executive as of the Effective Date will be at the Company's corporate headquarters in Houston, Texas and its offices in New York City, New York (the "*Principal Location*"). The Executive understands that he shall regularly be required to travel in connection with the performance of his duties hereunder.

(b) *Compensation.*

(i) *Annual Base Salary.* During the Employment Period, unless increased by the Board in its sole discretion, the Executive shall receive an annual base salary of SEVEN HUNDRED AND FIFTY THOUSAND DOLLARS (\$750,000) (the "*Annual Base Salary*"), payable in equal installments in accordance with the Company's normal payroll practice for its senior executives, subject to the Executive's continued employment with the Company.

(ii) *Annual Bonus.* Commencing in 2021, and continuing during each subsequent calendar year of the Employment Period, the Executive shall be eligible for an annual cash bonus (the "*Annual Bonus*") in the targeted amount of ONE MILLION NINE HUNDRED FIFTY THOUSAND DOLLARS (\$1,950,000) (the "*Target Bonus Amount*"), which shall be awarded each year during the Employment Period by the Compensation Committee of the Board (the "*Compensation Committee*") based upon its evaluation of such performance measures and objectives as may be established by the Compensation Committee from time to time (the "*Annual Bonus Performance Metrics*"). The amount of the Annual Bonus that shall be paid to Executive each year shall be determined by the Compensation Committee based on the achievement of the Annual Bonus Performance Metrics; provided, however, that, if the Compensation Committee establishes a minimum overall performance goal that is required to be achieved for the Executive to be eligible to receive any Annual Bonus in respect of a calendar year, and that minimum overall goal is achieved for such calendar year, then the Annual Bonus for such calendar year shall be equal to at least EIGHTY PERCENT (80%) of the Target Bonus Amount, but not more than ONE-HUNDRED TWENTY PERCENT (120%) of the Target Bonus Amount. The Annual Bonus for each year shall be paid to the Executive as soon as reasonably practicable following the end of such year and at the same time that other senior executives of the Company receive bonus payments, but in no event later than March 15 following the end of the calendar year to which such Annual Bonus relates.

(iii) *Annual Equity or Equity-Based Incentive Awards.* Commencing in 2022, and continuing during each subsequent calendar year of the Employment Period, the Executive shall be eligible to receive an annual equity award (the “*Annual LTIP Award*”), which shall be awarded each year during the Employment Period by the Compensation Committee based upon its evaluation of such performance measures and objectives as may be established by the Compensation Committee from time to time. The Annual LTIP Award shall be a long-term equity or equity-based incentive award with an aggregate targeted grant value (with respect to the portion of the Annual LTIP Award that is subject to performance metrics, based on the achievement of the applicable performance metrics that cause the award to vest at the level of 100%, and without taking into account the probability of the award vesting at that level on the date of grant) on the date of grant of ONE MILLION EIGHT HUNDRED THOUSAND DOLLARS (\$1,800,000) (the “*Target LTIP Award Amount*”), with the number of shares of the Company’s common stock, par value \$0.01 per share (the “*Common Stock*”) subject to such Annual LTIP Award determined by dividing the aggregate grant value by the closing price per share of the Common Stock on a nationally recognized exchange or as otherwise provided for in the Incentive Plan on the date of grant, which shall be awarded each year by the Compensation Committee based on the achievement of the Annual Bonus Performance Metrics for the applicable year. The determination as to whether the performance goals have been achieved shall be made in the sole discretion of the Compensation Committee. The Annual LTIP Award shall be granted to the Executive at the same time that other senior executives of the Company are granted their annual equity or equity-based incentive awards but in no event later than March 15 following the end of the calendar year to which such Annual LTIP Award relates. Fifty percent (50%) of each Annual LTIP Award granted to the Executive shall provide for *pro rata* time vesting over five years in accordance with the terms of the applicable award agreement (the “*Time Vesting LTIP Award*”) and the other fifty percent (50%) of such award shall provide for performance-based vesting (the “*Performance Vesting LTIP Award*”). All Annual LTIP Awards shall be subject to the terms and conditions of the Incentive Plan and any applicable award agreements thereunder. For purposes of this Agreement, “*Incentive Plan*” shall mean The Howard Hughes Corporation 2020 Equity Incentive Plan, as in effect from time to time (and any successor plan thereto).

(iv) *Initial Annual LTIP Award.* On November 30, 2020, the Company approved the grant to the Executive of an initial Annual LTIP Award (to be effective as of the Effective Date) with an aggregate targeted grant value of ONE MILLION EIGHT HUNDRED THOUSAND DOLLARS (\$1,800,000), consisting of (i) an award of stock options with a Black-Scholes value of FOUR HUNDRED FIFTY THOUSAND DOLLARS (\$450,000) (based on the closing price of the Common Stock on November 30, 2020), (ii) an award of time-based restricted stock with a grant date value of SIX HUNDRED SEVENTY-FIVE THOUSAND DOLLARS (\$675,000) (based on the closing price of the Common Stock on November 30, 2020), and (iii) an award of performance-based restricted stock with a grant date value of SIX HUNDRED SEVENTY-FIVE THOUSAND DOLLARS (\$675,000) (based on the closing price of the Common Stock on November 30, 2020 and the achievement of the applicable performance metrics that cause the award to vest at the level of 100%, and without taking into account the probability of the award vesting at that level on the date of grant). Each of the foregoing awards are subject to the terms and conditions of the Incentive Plan and the applicable award agreements issued thereunder (including, without limitation, the vesting terms contained therein). For the avoidance of doubt, for purposes of Section 4 of this Agreement, the stock options and time-based restricted stock described in the foregoing clauses (i) and (ii), respectively, shall each be treated as a “*Time Vesting LTIP Award*” and the performance-based restricted stock described in clause (iii) shall be treated as a “*Performance Vesting LTIP Award*.”

(v) *Indemnification.* Simultaneously herewith, or as promptly as practicable hereafter, the Company and the Executive will enter into an indemnification agreement on substantially the same terms as the indemnification agreements entered into by the Company and each of its directors and/or executive officers prior to the Effective Date.

(c) *Benefits.* During the Employment Period, except as otherwise expressly provided herein, the Executive shall be entitled to participate in all employee welfare benefit plans, practices, policies and programs and fringe benefits to the extent applicable generally and on a basis no less favorable than that provided to other senior officers of the Company, including, without limitation, health, medical, dental, long-term disability and life insurance plans. The Executive shall be entitled to paid annual vacation totaling four (4) weeks per calendar year in accordance with the Company's vacation policy in effect from time to time.

(d) *Expenses.* The Company shall reimburse the Executive for all reasonable and necessary expenses actually incurred by the Executive in connection with the business affairs of the Company and the performance of the Executive's duties hereunder, in accordance with Company policy as in effect from time to time.

(e) *Business Travel.* Notwithstanding the foregoing, to the extent that the Executive is required to travel during the Employment Period in connection with the Executive's duties and responsibilities hereunder, the Company shall, in accordance with Company policy as in effect from time to time, reimburse the Executive as follows: (i) for first class commercial air travel for the Executive (and the Executive's spouse, if the Executive's spouse's presence is required for Company events, consistent with the Company's general policies); and (ii) for first-class hotel accommodations.

### 3. **Termination of Employment.**

(a) *Death or Permanent Disability.* The Executive's employment shall terminate automatically upon the Executive's death or if the Executive suffers a Permanent Disability. For purposes of this Agreement, "*Permanent Disability*" means the inability of the Executive to perform the essential functions of his job with the Company by reason of a medically determinable physical or mental impairment that can be expected to last for sixty (60) or more consecutive days or more than ninety (90) days during any three hundred sixty-five (365) day period, as determined by a duly licensed physician. If the Executive suffers a Permanent Disability during the Employment Period, the Company may give to the Executive written notice, in accordance with Section 12(b), of its intention to terminate the Executive's employment. In such event, the Executive's employment with the Company shall terminate effective on the thirtieth (30<sup>th</sup>) day after the Executive's receipt of such notice by the Company, provided that, within the thirty (30) days after such receipt, the Executive shall not have returned to full-time performance of the Executive's duties. The Executive shall fully cooperate in connection with the determination of whether a Permanent Disability exists.

(b) *Cause*. The Company may terminate the Executive's employment during the Employment Period for Cause. For purposes of this Agreement, "Cause" shall mean, as determined in good faith by a unanimous vote (excluding the Executive if he is then a member of the Board) of the Board at a meeting of the Board held for such purpose, and where the Executive and the Executive's counsel had an opportunity (on at least 15 days prior notice) to be heard before the Board, the Executive's:

- (i) conviction, plea of guilty or no contest to any felony;
- (ii) gross negligence or willful misconduct in the performance of the Executive's duties;
- (iii) drug addiction or habitual intoxication;
- (iv) commission of fraud, embezzlement, misappropriation of funds, breach of fiduciary duty, material violation of law or a material act of dishonesty against the Company, in each case that the Board determines was willful;
- (v) material and continued breach of this Agreement, after notice for substantial performance is delivered by the Company in writing that identifies in reasonable detail the manner in which the Company believes the Executive is in breach of this Agreement;
- (vi) willful material breach of Company policy or code of conduct; or
- (vii) willful and continued failure to substantially perform his duties hereunder (other than such failure resulting from the Executive's incapacity due to physical or mental illness);

provided, however, that in each case the Company shall provide the Executive with written notice that an event constituting Cause has occurred (such notice to be provided within sixty (60) days of the initial occurrence of such event) and specifying the details of such event. With respect to any events described under Sections 3(b)(ii),(v),(vi) or (vii) above, the Executive shall be given thirty (30) days from his receipt of written notice to cure such events. If the Executive cures an event during such period that would otherwise constitute Cause, then the Company will have no right to terminate the Executive's employment for Cause. For purposes of this provision, no act or omission on the part of the Executive shall be considered "willful" unless it is done or omitted not in good faith or without reasonable belief that the act or omission was in the best interests of the Company. Any act or omission by the Executive based upon a resolution duly adopted by the Board or advice of counsel for the Company shall be conclusively presumed to have been done or omitted in good faith and in the best interests of the Company. This Section 3(b) shall not prevent the Executive from challenging whether the Board acted in good faith in determining that Cause exists or that the Executive has failed to cure any act (or failure to act) that purportedly formed the basis for the Board's determination in accordance with the procedures set forth in Section 10. In addition, and for the avoidance of doubt, the burden of proof regarding the existence of Cause shall be on the Company.

(c) *Good Reason.* The Executive may terminate the Executive's employment during the Employment Period for Good Reason. For purposes of this Agreement, "Good Reason" shall mean the occurrence of any of the following events without the Executive's written consent:

- (i) a material diminution in the Executive's base compensation;
- (ii) a material diminution in the Executive's authority, duties or responsibilities;
- (iii) the Executive no longer reports directly to the Board;
- (iv) any other action or inaction that constitutes a material breach by the Company of this Agreement; or
- (v) any requirement that the Executive relocate or maintain his Principal Location more than fifty (50) miles from the Principal Location on the date of this Agreement;

provided, however, that in each case the Executive must provide the Company with written notice that an that an event constituting Good Reason has occurred (such notice to be provided within sixty (60) days of the initial occurrence of such event) and specifying the details of such event. With respect to any events described under Section 3(c)(i), (ii), (iv) or (v) above, the Company shall be given thirty (30) days from its receipt of written notice to cure such events. If the Company cures an event during such period that would otherwise constitute Good Reason, then the Executive will have no right to terminate his employment for Good Reason. Following the occurrence of a Change in Control (as defined below), any claim by the Executive that Good Reason exists shall be presumed to be valid and correct unless an AAA arbitrator determines, in accordance with Section 10, that the Company has established by clear and convincing evidence that Good Reason does not exist. A termination of the Executive's employment for Good Reason in accordance with this Section 3(c) is intended to be treated as an involuntary separation from service for purposes of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code").

(d) *Without Cause.* Subject to the provisions of this Agreement, the Company shall have the right to terminate the Executive's employment hereunder without Cause by providing the Executive with sixty (60) days' prior written Notice of Termination, and such termination shall not in and of itself be, nor shall it be deemed to be, a breach of this Agreement.

(e) *Without Good Reason.* The Executive will have the right to voluntarily terminate his employment hereunder without Good Reason by providing the Company with sixty (60) days' prior written Notice of Termination, and such voluntary termination shall not in and of itself be, nor shall it be deemed to be, a breach of this Agreement.

(f) *Notice of Termination.* Any termination by the Company or by the Executive shall be communicated by providing Notice of Termination to the other party hereto given in accordance with Section 12(b). For purposes of this Agreement, a "Notice of Termination" means a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated, and (iii) the contemplated date of termination.

#### 4. **Obligations of the Company upon Termination.**

(a) *Non-Change in Control Termination (Other than Non-Renewal).* If (1) during the Employment Period, the Company shall terminate the Executive's employment without Cause (and other than upon the Executive's death or Permanent Disability) or (2) during the Employment Period, the Executive shall terminate his employment for Good Reason, the Company shall have no further obligations to the Executive except as follows:

(i) the Company shall pay or provide the Executive, to the extent not theretofore paid, as soon as practicable after the date of termination (but in no event later than 60 days after the date of termination): (A) accrued Annual Base Salary and vacation pay through the date of termination; (B) any reimbursement to which the Executive is entitled pursuant to Company policy, but which was not reimbursed prior to the date of termination; and (C) any other earned but unpaid outstanding compensatory arrangements ((A), (B) and (C)), together, the "Accrued Benefits");

(ii) the Company shall pay the Executive at the normally scheduled time an amount equal to the product of (x) the Target Bonus Amount multiplied by (y) a fraction, the numerator of which is the number of days of during such calendar year that the Executive was employed by the Company and the denominator of which is 365 (the "Prorated Bonus");

(iii) the Company shall pay the Executive, on the 60<sup>th</sup> day following the date of termination, a lump sum amount equal to the product of one times (1x) the sum of (A) the Annual Base Salary (which shall be the Annual Base Salary prior to any reduction if the termination is for Good Reason because of a reduction in the Annual Base Salary) plus (B) the Target Bonus Amount; and

(iv) (A) all outstanding Time Vesting LTIP Awards, if any, that are subject to forfeiture on the date of termination shall fully vest and become non-forfeitable, and (B) all outstanding Performance Vesting LTIP Awards, if any, that are subject to forfeiture on the date of termination shall remain outstanding and continue to vest in accordance with the terms and conditions of the grant of the applicable equity award as if Executive's employment had continued through the date on which the performance metrics are measured (and the Company shall take any action that is necessary to ensure that such equity awards remain outstanding under the Incentive Plan), and at such time such equity awards shall either be vested or forfeited based on the achievement of the applicable performance metrics (the "Continued Eligibility for Vesting").



The amounts payable or to be provided under this Section 4(a) shall be in lieu of any amounts that would otherwise be paid or provided under Section 4(b), Section 4(c) and Section 4(d).

(b) *Non-Renewal*. If the Executive's employment is terminated based on the Company electing to not renew or extend the Employment Period on the fifth (5<sup>th</sup>) anniversary, or any subsequent anniversary, of the Effective Date, the Company shall have no further obligations to the Executive except as follows:

(i) the Accrued Benefits;

(ii) the Prorated Bonus; and

(iii) (A) all outstanding Time Vesting LTIP Awards, if any, that are subject to forfeiture on the date of termination shall fully vest and become non-forfeitable, and (B) the Continued Eligibility for Vesting.

The amounts payable or to be provided under this Section 4(b) shall be in lieu of any amounts that would otherwise be paid or provided under Section 4(a), Section 4(c) and Section 4(d).

(c) *Termination Because of Death or Permanent Disability*. If, during the Employment Period, the Executive's employment terminates because the Executive dies or as a result of Permanent Disability, the Company shall have no further obligations to the Executive except as follows:

(i) the Accrued Benefits;

(ii) the Prorated Bonus; and

(iii) the Continued Eligibility for Vesting.

The amounts payable or to be provided under this Section 4(c) shall be in lieu of any amounts that would otherwise be paid or provided under Section 4(a), Section 4(b) and Section 4(d).

(d) *Change in Control Termination.* If, during the Employment Period, the Company shall terminate the Executive's employment without Cause (and other than upon the Executive's death or Permanent Disability), or if the Executive shall terminate his employment for Good Reason, in either case, in connection with, or within twelve (12) months following, a Change in Control (any such termination of employment, a "Change in Control Termination"), the Company shall have no further obligations to the Executive except as follows:

(i) the Accrued Benefits;

(ii) the Prorated Bonus;

(iii) the Company shall pay the Executive, on the 60<sup>th</sup> day following the date of termination, a lump sum amount equal to the product of two times (2x) the sum of (A) the Annual Base Salary (which shall be the Annual Base Salary prior to any reduction if the termination is for Good Reason because of a reduction in the Annual Base Salary) plus (B) the Target Bonus Amount; and

(iv) (A) all outstanding Time Vesting LTIP Awards, if any, that are subject to forfeiture on the date of termination shall fully vest and become non-forfeitable, and (B) all outstanding Performance Vesting LTIP Awards, if any, that are subject to forfeiture on the date of termination shall fully and immediately vest and become non-forfeitable at the greater of (1) one hundred percent (100%) of the number of shares of Common Stock granted pursuant to each such award, or (2) the performance level that has been achieved as of the date of termination.

The amounts payable or to be provided under this Section 4(d) shall be in lieu of any amounts that would otherwise be paid or provided under Section 4(a), Section 4(b) and Section 4(c).

(e) *Condition.* The Company shall not be required to make the payments and provide the benefits specified in Sections 4(a)(ii), 4(a)(iii), 4(a)(iv), 4(b)(ii), 4(b)(iii), 4(c)(ii), 4(c)(iii), 4(d)(ii), 4(d)(iii) or 4(d)(iv) hereof unless, prior to payment, the parties hereto (or the Executive's estate in the event of Executive's death) have entered into a release substantially in the form attached hereto as Exhibit A (for which the applicable seven-day revocation period has expired), prior to the 60<sup>th</sup> day following the date of termination, under which the Executive releases the Company, its Affiliates and their officers, directors and employees from all liability (other than the payments and benefits under this Agreement); provided, that if the time period for executing and returning the release begins in one taxable year and ends in a second taxable year, any payments shall not commence until the second taxable year. In the event that such release is not executed and delivered to the Company in accordance with this Section 4(e) prior to the 60<sup>th</sup> day following the date of termination (with the applicable seven-day revocation period having expired), the Executive shall forfeit the payments and benefits specified in Sections 4(a)(ii), 4(a)(iii), 4(a)(iv), 4(b)(ii), 4(b)(iii), 4(c)(ii), 4(c)(iii), 4(d)(ii), 4(d)(iii) or 4(d)(iv) hereof, as applicable.

(f) *Resignation from Certain Directorships.* Following the Employment Period or the termination of the Executive's employment for any reason, if and to the extent requested by the Board, the Executive agrees to resign from the Board, all fiduciary positions (including as trustee) and from all other offices and positions he holds with the Company and any of its Affiliates; provided, however, that if the Executive refuses to tender his resignation after the Board has made such request, then the Board shall be empowered to tender the Executive's resignation from such offices and positions.

5. **Certain Definitions.**

(a) For purposes of this Agreement, “*Change in Control*” shall mean a “Change of Control,” as defined in the Incentive Plan; provided, that notwithstanding anything to the contrary in the Incentive Plan or this Agreement, any transaction with Pershing Square Capital Management, L.P. or any of its Affiliates shall not be deemed to be a Change in Control, unless otherwise determined by the Board.

(b) For purposes of this Agreement, “*Affiliate*” means, with respect to any Person, (A) if such Person is not an individual, any Person directly or indirectly controlling or controlled by or under direct or indirect common control with such Person, where “control” means the possession, directly or indirectly, of the power to direct the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise or any entity in which such Person has a substantial equity interest, and (B) if such Person is an individual, a spouse of such Person, or any child or parent of such Person. For purposes of this Agreement, “*Person*” means any individual, partnership, corporation, limited liability company, association, business trust, joint venture, business entity or other entity of any kind or nature, including any business unit of such Person.

6. **No Mitigation.** In no event shall the Executive be obligated to seek or obtain other employment after the date of termination, or take any other action by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement, and such amounts shall not be reduced, whether or not the Executive obtains other employment. The Company may offset any amounts that it owes to the Executive by any amounts that the Executive owes to the Company or its Affiliates; provided that, in no event, shall any payment under this Agreement that constitutes “nonqualified deferred compensation” for purposes of Section 409A of the Code be subject to offset by any amount unless such offset is expressly permitted under Section 409A of the Code.

7. **Potential Reductions.**

(a) Notwithstanding any other provisions in this Agreement, in the event that any payment or benefit received or to be received by the Executive (including, without limitation, any payment or benefit received in connection with a Change in Control or the termination of the Executive’s employment, whether pursuant to the terms of this Agreement or any other plan, program, arrangement or agreement) (all such payments and benefits, together, the “*Total Payments*”) would be subject (in whole or part), to any excise tax imposed under Section 4999 of the Code, or any successor provision thereto (the “*Excise Tax*”), then, after taking into account any reduction in the Total Payments provided by reason of Section 280G of the Code in such other plan, program, arrangement or agreement, the Company will reduce the Executive’s payments and/or benefits under this Agreement, to the extent necessary so that no portion of the Total Payments is subject to the Excise Tax (but in no event to less than zero), in the following order: (i) any cash severance amount, as described in Sections 4(d)(ii) and 4(d)(iii); and (ii) any acceleration of outstanding equity compensation, as described in Section 4(d)(iv) hereof (the payments and benefits set forth in clauses (i) through (ii) of this Section 7(a), together, the “*Potential Payments*”); provided, however, that the Potential Payments shall only be reduced if (A) the net amount of such Total Payments, as so reduced (and after subtracting the net amount of federal, state and local income taxes on such reduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments), is greater than or equal to (B) the net amount of such Total Payments without such reduction (but after subtracting the net amount of federal, state and local income taxes on such Total Payments and the amount of Excise Tax to which the Executive would be subject in respect of such unreduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments). For purposes of determining whether and the extent to which the Total Payments will be subject to the Excise Tax: (i) no portion of the Total Payments the receipt or enjoyment of which the Executive shall have waived at such time and in such manner as not to constitute a “payment” within the meaning of Section 280G(b) of the Code shall be taken into account; (ii) no portion of the Total Payments shall be taken into account which does not constitute a “parachute payment” within the meaning of Section 280G(b)(2) of the Code (including, without limitation, by reason of Section 280G(b)(4)(A) of the Code) and, in calculating the Excise Tax, no portion of such Total Payments shall be taken into account which constitutes reasonable compensation for services actually rendered, within the meaning of Section 280G(b)(4)(B) of the Code, in excess of the “base amount” (as set forth in Section 280G(b)(3) of the Code) that is allocable to such reasonable compensation; and (iii) the value of any non-cash benefit or any deferred payment or benefit included in the Total Payments shall be determined by in accordance with the principles of Sections 280G(d)(3) and (4) of the Code.

(b) All determinations required to be made under this Section 7, including whether an Excise Tax would otherwise be imposed, whether the Total Payments shall be reduced, the amount of any such reduction and the assumptions to be utilized in arriving at such determinations not expressly provided for herein, shall be made by an independent, nationally recognized accounting firm or compensation consulting firm mutually acceptable to the Company and Executive (the "*Determination Firm*") which shall provide detailed supporting calculations both to the Company and Executive within 15 business days of the receipt of notice from the Company that a payment is due to be made hereunder, or such earlier time as is requested by the Executive. All reasonable fees and expenses of the Determination Firm shall be borne solely by the Company. Any determination by the Determination Firm shall be binding upon the Company and Executive, absent manifest error. As a result of the uncertainty in the application of Section 4999 of the Code at the time of the initial determination by the Determination Firm hereunder, it is possible that payments which Executive was entitled to, but did not receive as a result of application of Section 7, could have been made without the imposition of the Excise Tax ("*Underpayment*"), consistent with the calculations required to be made hereunder. In such event, the Determination Firm shall determine the amount of the Underpayment that has occurred and any such Underpayment shall be promptly paid by the Company to or for the benefit of Executive but no later than March 15 of the year after the year in which the Underpayment is determined to exist, which is when the legally binding right to such Underpayment arises.

(c) The fact that the Executive's right to payments or benefits may be reduced by reason of the limitations contained in this Section 7 shall not of itself limit or otherwise affect any other rights of the Executive under this Agreement.

## 8. Restrictive Covenants.

(a) *Non-Solicit.* During the Employment Period, and for a twelve (12) month period after the Executive's employment is terminated for any reason, the Executive shall not (except in connection with the performance of his duties for the Company) in any manner, directly or indirectly (without the prior written consent of the Company) Solicit (as defined below) anyone who is then an employee or independent contractor of the Company or its Affiliates (or who was an employee or independent contractor of the Company or its Affiliates within the prior twelve (12) months to resign from the Company or its Affiliates or to apply for or accept employment with any other business or enterprise. For purposes of this Agreement, "Solicit" means any direct or indirect communication of any kind, regardless of who initiates it, that in any way invites, advises, encourages or requests any person to take or refrain from taking any action.

(b) *Confidential Information.* The Executive hereby acknowledges that, as an employee of the Company, he will be making use of, acquiring and adding to confidential information of a special and unique nature and value relating to the Company and its Affiliates and their strategic plan and financial operations. The Executive further recognizes and acknowledges that all confidential information is the exclusive property of the Company and its Affiliates, is material and confidential, and is critical to the successful conduct of the business of the Company and its Affiliates. Accordingly, the Executive hereby covenants and agrees that he will use confidential information for the benefit of the Company and its Affiliates only and shall not at any time, directly or indirectly, during the term of this Agreement and thereafter divulge, reveal or communicate any confidential information to any person, firm, corporation or entity whatsoever, or use any confidential information for his own benefit or for the benefit of others. Notwithstanding the foregoing, the Executive shall be authorized to disclose confidential information (i) as may be required by law or legal process after providing the Company with prior written notice and an opportunity to respond to such disclosure (unless such notice is prohibited by law), or (ii) with the prior written consent of the Company. Notwithstanding anything to the contrary in this Agreement, the Executive shall not be prohibited from: (i) filing and, as provided for under Section 21F of the Securities Exchange Act of 1934, as amended (the "Exchange Act") maintaining the confidentiality of a claim with a government agency that is responsible for enforcing a law; (ii) providing confidential information to the extent required by law or legal process or permitted by Section 21F of the Exchange Act; (iii) cooperating, participating or assisting in any government or regulatory entity investigation or proceeding; or (iv) receiving an award for information provided to any government agency that is responsible for enforcing the law.

(c) *Non-Competition.* During the Employment Period, and for a twelve (12) month period after the Executive's employment is terminated for any reason, the Executive shall not directly or indirectly (whether for compensation or otherwise) own or hold any interest in, manage, operate, control, consult with, render services for, or in any manner participate in any business that is directly competitive with the business of the Company, either as a general or limited partner, proprietor, shareholder, officer, director, agent, employee, consultant, trustee, Affiliate or otherwise. Nothing herein shall prohibit the Executive from being a passive owner of not more than 2% of the outstanding securities of any publicly traded company engaged in the business of the Company.

(d) *Survival.* Any termination of the Executive's employment or of this Agreement shall have no effect on the continuing operation of this Section 8.

(e) *Non-Disparagement.* During the Employment Period and thereafter, the Executive shall not, in any manner, directly or indirectly through another person or entity, knowingly make any false or any disparaging or derogatory statements about the Company, any of its Affiliates or any of their employees, officers or directors. The Company, in turn, agrees that it will not make, in any authorized corporate communications to third parties, and it will direct the members of the Board and the executive officers of the Company, not to in any manner, directly or indirectly through another person or entity, knowingly make any false or any disparaging or derogatory statements about the Executive; provided, however, that nothing herein shall prevent either party from giving truthful testimony or from otherwise making good faith statements in connection with legal investigations or other proceedings.

(f) *Enforcement.* If, at the time of enforcement of this Section 8, a court of competent jurisdiction holds that the restrictions stated herein are unreasonable under circumstances then existing, the parties hereto agree that the maximum period, scope or geographical area reasonable under such circumstances shall be substituted for the stated period, scope or area. Because the Executive's services are unique and because the Executive has access to confidential information, the parties hereto agree that money damages would be an inadequate remedy for any breach of this Section 8. Therefore, in the event of a breach or threatened breach of this Agreement, the Company or its successors or assigns may, in addition to other rights and remedies existing in their favor, apply to any court of competent jurisdiction for specific performance and/or injunctive or other relief in order to enforce, or prevent any violations of, the provisions hereof.

#### 9. **Successors.**

(a) This Agreement is personal to the Executive and without the prior written consent of the Company shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

(c) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. Upon the occurrence of a Change in Control, the Company will similarly require the acquiring entity to assume the Company's obligations under this Agreement. As used in this Agreement, "*Company*" shall mean the Company as defined above and any successor to its business and/or assets (or the acquiring entity upon the occurrence of a Change in Control as described and defined above).

10. **Disputes.**

(a) *Jurisdiction and Choice of Forum.* Except as set forth in Section 8(f), all disputes directly or indirectly arising under or related to the employment of the Executive or the provisions of this Agreement shall be settled by final and binding arbitration under the rules of the American Arbitration Association (“AAA”) then in effect, such arbitration shall be held in Houston, Texas, as the sole and exclusive remedy of the parties. The arbitration shall be heard by one (1) AAA arbitrator who shall be selected by AAA. The arbitrator shall have the authority to order expedited discovery and shall set a hearing within ninety (90) days following the arbitrator’s appointment as arbitrator by the AAA. The arbitrator shall render an award and decision not later than thirty (30) days following the closing of arbitration hearing. Judgment on any arbitration award may be entered in any court of competent jurisdiction. The prevailing party in any arbitration hearing shall also be entitled to recover his/its costs and attorneys’ fees.

(b) *Governing Law.* This Agreement and any disputes, claims or defenses arising under it will be governed by and construed in accordance with the law of the State of Delaware applicable to contracts made and to be performed entirely within that State.

11. **Section 409A of the Code.**

(a) *Compliance.* The intent of the parties is that payments and benefits under this Agreement are either exempt from or comply with Section 409A of the Code (“*Section 409A*”) and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to that end. The parties acknowledge and agree that the interpretation of Section 409A and its application to the terms of this Agreement is uncertain and may be subject to change as additional guidance and interpretations become available. In no event whatsoever shall the Company be liable for any tax, interest or penalties that may be imposed on the Executive by Section 409A or any damages for failing to comply with Section 409A.

(b) *Six Month Delay for Specified Employees.* If any payment, compensation or other benefit provided to the Executive in connection with his employment termination is determined, in whole or in part, to constitute “*nonqualified deferred compensation*” within the meaning of Section 409A and the Executive is a “*specified employee*” as defined in Section 409A, no part of such payments shall be paid before the day that is six months plus one day after the Executive’s date of termination or, if earlier, the Executive’s death (the “*New Payment Date*”). The aggregate of any payments that otherwise would have been paid to the Executive during the period between the date of termination and the New Payment Date shall be paid to the Executive in a lump sum on such New Payment Date. Thereafter, any payments that remain outstanding as of the day immediately following the New Payment Date shall be paid without delay over the time period originally scheduled, in accordance with the terms of this Agreement.

(c) *Termination as a Separation from Service.* A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits subject to Section 409A upon or following a termination of employment until such termination is also a “*separation from service*” within the meaning of Section 409A and for purposes of any such provision of this Agreement, references to a “*resignation,*” “*termination,*” “*terminate,*” “*termination of employment*” or like terms shall mean separation from service.

(d) *Payments for Reimbursements and In-Kind Benefits.* All reimbursements for costs and expenses under this Agreement shall be paid in no event later than the end of the calendar year following the calendar year in which the Executive incurs such expense. With regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, (i) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (ii) the amount of expenses eligible for reimbursement or in-kind benefits provided during any taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year.

(e) *Payments within Specified Number of Days.* Whenever a payment under this Agreement specifies a payment period with reference to a number of days (e.g., "payment shall be made within 30 days following the date of termination"), the actual date of payment within the specified period shall be within the sole discretion of the Company.

(f) *Installments as Separate Payment.* If under this Agreement, an amount is paid in two or more installments, for purposes of Section 409A, each installment shall be treated as a separate payment.

## 12. **Miscellaneous.**

(a) *Amendment.* This Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives.

(b) *Notices.* Whenever any notice is required or permitted hereunder, such notice must be in writing and personally delivered, mailed by certified or registered mail, return receipt requested, or by email transmission. The parties agree that any notices shall be given at the following addresses; provided that the parties may change, at any time and from time to time, by written notice to the other, the address which it or he had previously specified for receiving notices:

If to the Executive:

at the Executive's primary residential address  
as shown on the records of the Company

If to the Company:

at the Company's corporate headquarters  
Attention: Office of the General Counsel

with a copy to:

William A. Ackman, Chairman of the Board  
888 Seventh Avenue, 42<sup>nd</sup> Floor  
New York, NY 10019

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the addressee.



(c) *Severability.* The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

(d) *Tax Withholding.* The Company may withhold from any amounts payable under this Agreement such federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(e) *Compliance with Dodd-Frank.* All payments under this Agreement, if and to the extent they are subject to the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “*Dodd-Frank Act*”), shall be subject to any incentive compensation policy established from time to time by the Company to comply with the Dodd-Frank Act. The Executive acknowledges and agrees that the Company may from time to time establish incentive compensation policies that may apply to this Agreement and the awards contemplated hereunder.

(f) *No Waiver.* The Executive’s or the Company’s failure to insist upon strict compliance with any provision of this Agreement or the failure to assert any right the Executive or the Company may have hereunder, including, without limitation, the Company’s right to terminate the Executive for Cause pursuant to Section 3 (subject to Executive’s right to challenge such determination in accordance with the provisions set forth in Section 3), shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

(g) *No Strict Construction.* It is the parties’ intention that this Agreement not be construed more strictly with regard to the Executive or the Company.

(h) *Entire Agreement.* This Agreement shall supersede any other employment or severance agreement or similar arrangements between the parties, and shall supersede any prior understandings, agreements or representations by or among the parties, written or oral, whether in term sheets, presentations or otherwise, relating to the subject matter hereof. In the event of any inconsistency or conflict between any terms, definitions or conditions of this Agreement and the terms, definitions or conditions of any other agreement, the terms, definitions and conditions of this Agreement shall govern and control.

(i) *Counterparts.* This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

(j) *Section References; Captions.* Any reference to a “Section” herein is a reference to a section of this Agreement unless otherwise stated. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Executive has hereunto set the Executive's hand and, pursuant to the authorization from the Board or other duly authorized governing body, the Company has caused these presents to be executed in its name on its behalf, all effective as of the Effective Date.

EXECUTIVE

/s/ L. Jay Cross

L. Jay Cross

THE HOWARD HUGHES CORPORATION

By /s/ Peter F. Riley

Name: Peter F. Riley

Title: Senior Executive Vice President,  
General Counsel & Secretary

*[Signature Page to Cross Employment Agreement]*

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## EXHIBIT A

### WAIVER AND RELEASE AGREEMENT

This Waiver and Release Agreement (hereinafter “*Release*”) is entered into among L. Jay Cross (hereinafter “*Executive*”) and The Howard Hughes Corporation, a Delaware corporation (the “*Company*”).

The parties previously entered into an employment agreement effective as of December 1, 2020 (the “*Employment Agreement*”), pursuant to which Executive is entitled to certain payments and benefits upon termination of employment subject to the execution and nonrevocation of this Release. Executive has had a termination of employment pursuant to the Employment Agreement.

NOW THEREFORE, in consideration of certain payments and benefits under the Employment Agreement, Executive and the Company agree as follows:

1. Executive expressly waives and releases the Company, its affiliates and related entities, parent corporations and subsidiaries, and all current and former directors, administrators, supervisors, managers, agents, officers, partners, stockholders, attorneys, insurers and employees of the Company and its affiliates, related entities, parent corporations and subsidiaries, and their successors and assigns (the “*Company Released Entities*”), from any and all claims, actions and causes of action, at law or in equity, known or unknown, including, without limitation, those directly or indirectly relating to or connected with Executive’s employment with the Company or termination of such employment, including but not limited to any and all claims under the Texas Commission on Human Rights Act, the Texas Payday Act, the Employee Retirement Income Security Act of 1974, Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, the Americans with Disabilities Act, as such Acts have been amended, and all other forms of employment discrimination whether under federal, state or local statute or ordinance, wrongful termination, retaliatory discharge, breach of express, implied, or oral contract, interference with contractual relations, defamation, intentional infliction of emotional distress and any other tort or contract claim under common law of any state or for attorneys’ fees, based on any act, transaction, circumstance or event arising up to and including the date of Executive’s execution of this Release; provided, however, that (i) nothing herein shall limit or impede Executive’s right to file or pursue an administrative charge with, or participate in, any investigation before the Equal Employment Opportunity Commission, or any similar local, state or federal agency, or to file a claim for unemployment compensation benefits, and/or any causes of action which by law Executive may not legally waive, (ii) Executive does not release the Company Released Entities from any rights and/or claims (a) Executive may have that arise after the date Executive signs this Release, (b) that by law cannot be waived by private agreement, (c) to enforce the Employment Agreement in accordance with its terms (including the severance provisions set forth in the Employment Agreement), subject to the terms of this Release or (d) to enforce this Release. Executive agrees, however, that if Executive or anyone acting on Executive’s behalf, brings any action concerning or related to any cause of action or liability released in this Release, Executive waives any right to, and will not accept, any payments, monies, damages, or other relief, awarded in connection therewith. Notwithstanding anything to the contrary in this Release, Executive shall not be prohibited from: (i) filing and, as provided for under Section 21F of the Securities Exchange Act of 1934, maintaining the confidentiality of a claim with a government agency that is responsible for enforcing a law; (ii) providing confidential information to the extent required by law or legal process or permitted by Section 21F of the Securities Exchange Act of 1934; (iii) cooperating, participating or assisting in any government or regulatory entity investigation or proceeding; or (iv) receiving an award for information provided to any government agency that is responsible for enforcing the law. The Company expressly waives and releases Executive from any and all claims, actions and causes of action, at law or in equity, known or unknown, arising prior to the Effective Date; provided, however, the Company does not release Executive from any of the following rights and/or claims: (i) any rights and/or claims the Company may have that arise after the date Executive signs this Release; (ii) any rights and/or claims that by law cannot be waived by private agreement; (iii) any rights and/or claims which are based upon any acts or omissions of Executive that involve fraud or arising out of acts that constitute a violation of criminal laws; (iv) any rights and/or claims to enforce the Employment Agreement in accordance with its terms (including the restrictive covenants set forth in the Employment Agreement), subject to the terms of this Release; or (v) any rights and/or claims to enforce this Release.

2. Executive acknowledges: (a) that Executive has been advised in writing hereby to consult with an attorney before signing this Release, and (b) that Executive has had at least [twenty-one (21)][forty-five (45)] days after receipt of this information and Release to consider whether to accept or reject this Release. Executive understands that Executive may sign this Release prior to the end of such [twenty-one (21)][forty-five (45)] day period, but is not required to do so. In addition, Executive has seven (7) days after Executive signs this Release to revoke it. Such revocation must be in writing and delivered either by hand or mailed and postmarked within the seven (7) day revocation period. If sent by mail, it is requested that it be sent by certified mail, return receipt requested to the Company, in care of the office of the General Counsel. If Executive revokes this Release as provided herein, it shall be null and void. If Executive does not revoke this Release within seven (7) days after signing it, this Release shall become enforceable and effective on the eighth (8<sup>th</sup>) day after the Executive signs this Release (the “*Effective Date*”).

3. Executive and the Company agree that neither this Release nor the performance hereunder constitutes an admission by the Company or any of its affiliates of any violation of any federal, state or local law, regulation, or common law, or any breach of any contract or any other wrongdoing of any type.

4. This Release shall be construed and enforced pursuant to the laws of the State of Delaware as to substance and procedure, including all questions of conflicts of laws.

5. This Release constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all prior and contemporaneous agreements, if any, between the parties relating to the subject matter thereof; provided that this Release does not apply to: (a) any claims under employee benefit plans subject to the Employee Retirement Income Security Act of 1974 in accordance with the terms of the applicable employee benefit plan, or any option agreement or other agreement pursuant to which Executive may exercise rights after termination of employment to acquire stock or other equity of the Company, (b) any claim under or based on a breach of this Release or Sections 4 or 8 of the Employment Agreement after the date that Executive signs this Release; (c) rights or claims that may arise under the Age Discrimination in Employment Act or otherwise after the date that Executive signs this Release; or (d) any right to indemnification or directors and officers liability insurance coverage to which Executive is otherwise entitled in accordance with the Employment Agreement.

6. EXECUTIVE ACKNOWLEDGES THAT EXECUTIVE HAS FULLY READ AND FULLY UNDERSTANDS THIS RELEASE; AND THAT EXECUTIVE ENTERED INTO IT FREELY AND VOLUNTARILY AND WITHOUT COERCION OR PROMISES NOT CONTAINED IN THIS RELEASE.

EXECUTIVE

\_\_\_\_\_  
L. Jay Cross

THE HOWARD HUGHES CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

# Howard Hughes.



**THE HOWARD HUGHES CORPORATION® ANNOUNCES NEW EXECUTIVE LEADERSHIP TEAM  
TO FULFILL COMPANY'S VISION FOR GROWTH ACROSS PORTFOLIO**

*Interim CEO David R. O'Reilly Appointed Chief Executive Officer;  
Industry Veteran L. Jay Cross to join HHC as President*

**HOUSTON, TX (December 1, 2020)** – The Howard Hughes Corporation® (NYSE: HHC) announced today the appointment of a new executive leadership team that will lead the continued growth of the company's acclaimed national portfolio of master planned communities (MPCs) and small cities. The company's Interim CEO, David R. O'Reilly, has been named Chief Executive Officer, and L. Jay Cross, the former President of Related Hudson Yards, has joined the company as its new President. Both appointments are effective immediately.

Mr. O'Reilly has most recently served as the company's Interim CEO; President and Chief Financial Officer. Promoted to President in June of this year, he joined The Howard Hughes Corporation in 2016 as the CFO, and will continue in that role while a search is conducted for a permanent successor.

"For more than four years, the Board has had the opportunity to work closely alongside David O'Reilly," said Bill Ackman Chairman of HHC. "Watching him execute on the company's strategic plan and pivot quickly to adjust to changed market conditions furthered our confidence in him as our new leader. David is highly respected by our employees, customers, and shareholders. That made it an easy decision for the Board to select him as our CEO. When Jay approached the company about his interest in joining HHC, we knew that his partnership with David would create a superb team to lead Howard Hughes into the future."

As the architect and leader of the company's 2019 Transformation Plan, Mr. O'Reilly realized meaningful reductions in overhead, executed on the sale of non-core assets, and refocused the company on its highly profitable MPCs. David also successfully completed an equity raise and bond offering, further diversifying HHC's funding sources and increasing our liquidity to enable us to pursue value-creating opportunities in a challenging environment.

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“It is an exciting time for me to become the CEO of The Howard Hughes Corporation,” said Mr. O’Reilly. “Our acclaimed master planned communities are well positioned to realize significant growth from both new residents and corporations seeking walkable communities in natural settings with expansive open green space and sought-after urban amenities. Our MPCs offer the highest-quality live/work/play lifestyle that people and companies desire today. I look forward to partnering with Jay as we continue to drive the success of the extraordinary communities in our portfolio and tenaciously pursue every opportunity to unlock the value inherent in our assets.”

The appointment of L. Jay Cross as the new President of The Howard Hughes Corporation bolsters the company’s executive leadership team with an industry veteran who brings a proven track record of delivering large-scale, mixed-use projects that are proven catalysts for urban transformation and community development.

With decades of experience in the real estate industry and with professional sports franchises, Mr. Cross joins The Howard Hughes Corporation following his role as President of Related Hudson Yards. In that role, he led the ultimate development of the \$20 billion, 28-acre megaproject that has redefined the west side of Manhattan—including the development of 11 million square feet of mixed-use commercial, residential, retail, and entertainment space, along with seven acres of open public space featuring the acclaimed Heatherwick-designed Vessel. Previously, Mr. Cross served as President of the New York Jets and was the driving force behind the development of the \$1.3 billion MetLife Stadium, the team’s joint venture with the New York Giants.

“We are extremely fortunate that Jay is joining The Howard Hughes Corporation as its new President,” said Mr. Ackman. “Jay’s extraordinary development career is perfectly matched with HHC’s vision to accelerate strategic development in its master planned communities, and build the cities of tomorrow. Jay is a fantastic addition to our executive leadership team. With David and Jay at the helm, we are ideally positioned to fulfill our vision for HHC’s growth.”

Prior to his work in the New York region, Mr. Cross served as President of Business Operations for the NBA’s Miami Heat and was responsible for the development of the America Airlines Arena. This \$213 million waterfront project included the creation of a public-private partnership between the team and Miami-Dade County, as well as a pioneering development program for urban amenities surrounding the arena, driving the revitalization of downtown Miami. Previously, he oversaw the development of Toronto’s \$265 million Air Canada Centre through a complex rezoning process. The innovative dual-sport complex is home to the NBA’s Toronto Raptors and the NHL’s Toronto Maple Leafs, and is located on one of the finest arena sites in North America, adjacent to Toronto’s regional financial center.

“I look forward to joining David in leading The Howard Hughes Corporation and pursuing the unique opportunities that come with developing some of our country’s most-acclaimed master planned communities and mixed-use small cities,” said Mr. Cross. “HHC is a one-of-a-kind real estate company, and we will work to drive the sustainable growth of our exceptional assets and create thriving walkable urban centers that will define our communities for decades to come.”

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## **Investor Presentation Call Information**

The company will hold an investor conference call and presentation today, Tuesday, December 1 at 10:00 a.m. Eastern Time.

- To access the live presentation, use [this weblink](#).
- To participate in the live Q&A, dial 1-877-879-1183 within the U.S., 1-866-605-3850 within Canada, or 1-412-902-6703 when dialing internationally.
- All participants should dial in at least five minutes prior to the scheduled start time using 7133978 as the passcode.

The presentation will be available on the Investors section of the [company's website](#) following the conference call.

## **About The Howard Hughes Corporation<sup>®</sup>**

The Howard Hughes Corporation owns, manages and develops commercial, residential and mixed-use real estate throughout the U.S. Its award-winning assets include the country's preeminent portfolio of master planned cities and communities, as well as operating properties and development opportunities including the Seaport District in New York; Columbia, Maryland; The Woodlands<sup>®</sup>, The Woodlands Hills<sup>®</sup>, and Bridgeland<sup>®</sup> in the Greater Houston, Texas area; Summerlin<sup>®</sup>, Las Vegas; and Ward Village<sup>®</sup> in Honolulu, Hawai'i. The Howard Hughes Corporation's portfolio is strategically positioned to meet and accelerate development based on market demand, resulting in one of the strongest real estate platforms in the country. Dedicated to innovative placemaking, the company is recognized for its ongoing commitment to design excellence and to the cultural life of its communities. The Howard Hughes Corporation is traded on the New York Stock Exchange as HHC. For additional information visit [www.howardhughes.com](http://www.howardhughes.com).

## **Safe Harbor Statement**

Statements made in this press release that are not historical facts, including statements accompanied by words such as "will," "believe," "expect," "enables," "realize," "plan," "intend," "assume," "transform" and other words of similar expression, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management's expectations, estimates, assumptions, and projections as of the date of this release and are not guarantees of future performance. Actual results may differ materially from those expressed or implied in these statements. Factors that could cause actual results to differ materially are set forth as risk factors in The Howard Hughes Corporation's filings with the Securities and Exchange Commission, including its Quarterly and Annual Reports. The Howard Hughes Corporation cautions you not to place undue reliance on the forward-looking statements contained in this release.

The Howard Hughes Corporation does not undertake any obligation to publicly update or revise any forward-looking statements to reflect future events, information or circumstances that arise after the date of this release.

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**Contacts:**

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