

Horizon Technology Finance Corp
Form DEFA14A
September 20, 2018

SCHEDULE 14A

(RULE 14a-101)

**Information Required in Proxy Statement
Schedule 14A Information
Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

<input type="checkbox"/> Preliminary Proxy Statement	<input type="checkbox"/> Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
<input type="checkbox"/> Definitive Proxy Statement	
<input checked="" type="checkbox"/> Definitive Additional Material	
<input type="checkbox"/> Soliciting Material Pursuant to Rule 14a-12	

Horizon Technology Finance Corporation

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

.. Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, schedule or registration statement no.:

(3) Filing party:

(4) Date filed:

Horizon Technology Finance Corporation

312 Farmington Avenue

Farmington, CT 06032

September 20, 2018

Dear Fellow Stockholder:

We are writing to remind you that the 2018 Special Meeting of Stockholders (the “Special Meeting”) of Horizon Technology Finance Corporation (the “Company”) will be held at the offices of the Company at 312 Farmington Avenue, Farmington, CT on Thursday, October 11, 2018, at 10:00 a.m. Eastern time.

Our records indicate that as of September 4, 2018, the “Record Date” for the Special Meeting, you held shares of the Company and, therefore, you are entitled to vote on the matter described in the Company’s Definitive Proxy Statement for the Special Meeting (the “Proxy Statement”) and set forth on the proxy card attached thereto, which were mailed to you on or about September 10, 2018. Our records indicate that we have not yet received your vote.

REMEMBER: Your vote is important, no matter how large or small your holdings may be. Please take a moment to vote your shares.

The Company’s Board of Directors, including the Independent Directors, recommends that you vote your shares in favor of the proposals described in the Proxy Statement and set forth on the proxy card. Voting promptly may help reduce solicitation costs and will eliminate your receiving follow-up phone calls or mailings.

As the date of the Special Meeting approaches, if we have not received your proxy you may receive a phone call from a representative of Georgeson LLC, the Company's proxy solicitor, reminding you to exercise your right to vote.

If you have any questions or need assistance voting your shares, please call Georgeson LLC, which is assisting us, toll-free at (888) 867-6963.

Thank you in advance for your participation and your consideration in this extremely important matter.

Sincerely,

/s/ Robert D. Pomeroy, Jr.

Robert D. Pomeroy, Jr.

Chief Executive Officer

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952,862

Post-employment Health Care⁽³⁾

\$

—

\$

—

\$

—

\$

—

\$
—

\$
—

\$
12,351

\$
—

Life Insurance Proceeds

\$
—

\$
—

\$
250,000

\$
—

\$
—

\$
—

\$
—

\$
—

TOTAL

\$
—

\$
—

\$
889,621

\$
639,621

\$
—

\$
—

\$
2,285,213

\$
952,862

64

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Cindi W. Summers

Executive Benefits and Payments Upon Termination	Voluntary Termination		Involuntary Termination			No Termination		
	Voluntary Resignation	Retirement	Death	Disability	Involuntary For Cause Termination	Involuntary Not for Cause Termination	Change in Control (Not For Cause/Good Reason Termination)(1)	Change of Control (Without Termination)
Severance Pay	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—\$ 1,305,000	\$ —
Value of Long-term Incentives ⁽²⁾	\$ —	\$ —	—\$633,760	\$633,760	\$ —	\$ —	—\$ 906,301	\$ 906,301
Post-employment Health Care ⁽³⁾	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—\$ 52,399	\$ —
Life Insurance Proceeds	\$ —	\$ —	—\$250,000	\$ —	\$ —	\$ —	—\$ —	\$ —
TOTAL	\$ —	\$ —	—\$883,760	\$633,760	\$ —	\$ —	—\$ 2,263,700	\$ 906,301

(1) Because no bonuses were earned for the 2017 fiscal year, the amounts of severance pay reported for termination following a change of control are equal to three times base salary and do not reflect the pro-rated bonus for the year of termination or the bonus for purposes of the lump-sum severance amount to which the NEOs are entitled under the change of control severance agreements.

(2) The amounts reported for long-term incentives are based on the closing price of the Company's stock on April 30, 2018 (\$96.60), the last trading day of the fiscal year. No amount is reported for options or RSUs that vested prior to April 30, 2018.

(3) In the Change of Control (Not For Cause/Good Reason Termination) column, includes the estimated cost of continued welfare benefit plans of the Company as of April 30, 2018.

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CEO PAY RATIO

Pursuant to Section 953(b) of the Dodd-Frank Act and Item 402(u) of Regulation S-K, we provide the following “pay ratio” information for 2018 fiscal year. The pay ratio included in this information represents a reasonable estimate calculated in a manner consistent with Item 402(u) of Regulation S-K.

For 2018, our last completed fiscal year:

The annual total compensation of our CEO, Mr. Handley, was \$2,337,197, as provided in the Summary Compensation Table on page 49.

The annual total compensation of our median employee, a part-time store employee located in rural Illinois, was \$14,948, which was calculated using the same methodology as required by the Summary Compensation Table.

The ratio of the annual total compensation of our CEO to that of our median employee was approximately 156:1.

To determine the median employee (excluding our CEO), we used April 30, 2018 as the determination date, and we ranked each employee (other than our CEO) based on total gross wages received (as reflected in the Company’s payroll records) in respect of the 12-month period beginning on May 1, 2017, and ending on April 30, 2018. Compensation for permanent employees who did not work the entire measurement period was annualized; however, no other exemptions, assumptions, adjustments or estimates were used.

Because the SEC rules for identifying the median employee and calculating the pay ratio based on that employee’s annual total compensation allow companies to adopt a variety of methodologies, to apply certain exclusions, and to make reasonable estimates and assumptions that reflect their compensation practices, the pay ratio reported by other companies may not be comparable to the pay ratio reported above.

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DIRECTOR COMPENSATION

The Compensation Committee annually reviews director compensation and seeks to compensate our directors in a manner that attracts and retains highly qualified directors and aligns the interests of our directors with those of our shareholders.

The compensation program compensates our directors for their Board service for the period between annual shareholders' meetings, which are typically held in September of each year. Directors elected to the board, or appointed to committees or chair positions after the start of such period, receive prorated compensation. Only non-employee directors receive compensation for their service on the Board.

As described below, our director compensation program has undergone significant enhancements, effective as of March 2, 2018. Until these changes went into effect on March 2, 2018, our director compensation program contained the following components:

Total annual retainer of \$195,000 to each independent director, consisting of \$80,000 paid in cash and \$115,000 granted in the form of vested shares of Common Stock. Each director was able to elect to receive up to the full value of the cash retainer in the form of additional stock, at his or her discretion.

• Annual cash retainer of \$50,000 for serving as a non-independent Board Chair.

• Annual cash retainer of \$25,000 for serving as the Lead Director.

Committee fees of \$12,000 for the Audit Committee (or \$25,000 as the chair), \$10,000 for the Compensation Committee (or \$20,000 as the chair), \$8,000 for the Nominating and Corporate Governance and Risk Committees (or \$15,000 as the chair) and \$2,000 for the Succession Planning Committee (or \$5,000 as the chair). The chair of the Audit Committee received an additional \$5,000 fee for serving on the “disclosure committee”, an internal management group that reviews certain of the Company’s public disclosures with its independent registered public accounting firm and outside counsel.

The following benefits, which were previously in place before the changes described below, remain in place for our directors: (i) reimbursement for travel and other necessary business expenses (ii) coverage under the Company’s group life insurance plan, with coverages of up to \$50,000 for each non-employee director; and (iii) reimbursement up to a maximum of \$5,000 per year for costs associated with continuing education relating to corporate governance matters.

Significant 2018 Fiscal Year Director Compensation Changes

The Compensation Committee determined that it would be in the best interests of our shareholders to make significant changes to our director compensation program in the 2018 fiscal year to promote alignment with our governance and Board leadership changes, as described in the section named “Governance of the Company--2018 Fiscal Year Governance Enhancements” on page 13, and to ensure that our program is competitive and consistent with best practices. In accordance with its charter, in February 2018 the Compensation Committee directly engaged WTW to provide a competitive assessment of the Company’s director compensation practices, including board, committee and chair cash retainers, the form and terms of the equity component of the board retainers, the schedule of payments and grant dates of such retainers and the stock ownership guidelines. The Compensation Committee assessed the independence of WTW and did not identify any conflict of interest that would prevent WTW from independently advising the Compensation Committee.

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WTW reviewed available data and practices of members of our Compensation Peer Group used for purposes of our NEOs' compensation, as described in the section named "Compensation Discussion and Analysis--Process for Determining Executive Compensation--Use of Peer Groups" on page 31, in order to assess the alignment of the Company's program with market practices and current trends. In particular, WTW analyzed the design features and values of each element of the Compensation Peer Group's director compensation programs and created competitive market ranges (i.e., 25th, 50th and 75th percentile) in respect of such design features and values. Based on this information, WTW made recommendations to the Compensation Committee on how to make our director compensation program more competitive and create greater alignment between our directors and the long-term interests of our shareholders.

The Compensation Committee carefully considered WTW's recommendations, along with several other factors, and determined to make certain changes to the Company's director compensation program, effective as of March 2, 2018. These changes are as follows:

Board Retainer: The annual Board retainer remained at \$195,000 in total value, consisting of \$80,000 in cash and \$115,000 in equity. The equity portion of the retainer is granted in the form of restricted stock units ("RSUs"), rather than our previous approach of granting such equity in the form of vested shares of Common Stock. The RSU awards are generally subject to vesting on or around our next annual shareholders' meeting and will cliff-vest at the end of such period, subject to each director's continued service as a director. Beginning with the 2019 fiscal year, the Compensation Committee has discontinued its prior practice of allowing directors to elect to receive a portion of their cash retainer in the form of additional stock. These changes are consistent with market practice and better align the interests of our directors and shareholders.

Schedule of Payments: Our new practice is to pay the cash portion of retainer fees on a quarterly basis rather than our previous approach of paying cash retainer fees on an annual basis. The equity portion of the retainer will continue to be granted to our directors on an annual basis at the time of our annual shareholders' meeting.

Independent Board Chair: As described in the section named "Governance of the Company--2018 Fiscal Year Governance Enhancements" on page 13, the Board elected Mr. Horak to the position of independent Board Chair. The independent Board Chair will receive an additional annual cash retainer in the amount of \$130,000.

Committees: The annual committee retainer for the Audit Committee increased from \$12,000 to \$15,000, which brings such retainer in line with market practice. No changes were made to the annual committee retainers for the Compensation Committee, which remained at \$10,000, to the Nominating and Corporate Governance Committee, which remained at \$8,000, or to the Risk Committee, which remained at \$8,000. In order to improve efficiency and eliminate redundancies, the Board combined the duties of its Succession Planning Committee with those of its Compensation Committee, resulting in the elimination of a separate Succession Planning Committee.

Committee Chairs: As set forth above, and consistent with our prior practice, a director serving as the chair of a committee is provided an annual committee chair retainer in lieu of standard committee fees. In order to improve the additional competitiveness of our executive compensation program, the annual retainers for the Audit Committee chair increased from \$25,000 to \$32,500, plus the Audit Committee chair continues to receive the \$5,000 annual fee for serving on the "disclosure committee" (as described above), the Compensation Committee chair increased from \$20,000 to \$25,000, the Nominating and Corporate

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Governance chair increased from \$15,000 to \$20,000, and the Risk Committee chair increased from \$15,000 to \$20,000.

Stock Ownership Requirements: The Board previously set forth a policy that required directors to accumulate share holdings of at least 5,000 shares of Company stock within three years of becoming a director. Our new practice is for each director to accumulate share holdings of at least five times the amount of the regular annual cash retainer for Board members (excluding committee retainers), currently \$80,000, within five years of becoming a Board member. Consistent with our previous approach, the directors should employ reasonable, good faith efforts thereafter to maintain share holdings of at least that amount throughout their tenure as directors of the Company. If, after the amount is achieved, there is a change in the price of Company stock which results in a drop below the requirement, the requirement shall remain satisfied. For this purpose, restricted stock and unvested RSUs may be counted towards the ownership requirement, but stock options may not be.

The following table summarizes the compensation paid to the Company's non-employees directors during the 2018 fiscal year:

Director Compensation Table

Director	Fees Earned or Paid in Cash (\$)(1)	Stock Awards (\$)(1)(2)	All Other Compensation (\$)(3)	Total (\$)
Current Directors				
H. Lynn Horak (4)	\$146,032	\$115,022	—	\$261,054
Diane C. Bridgewater	\$110,770	\$115,022	—	\$225,792
Donald E. Frieson (5)	\$26,258	\$60,813	—	\$87,071
Cara K. Heiden (6)	\$112,497	\$115,022	—	\$227,519
David K. Lenhardt (7)	\$28,576	\$60,813	—	\$89,389
Larree M. Renda	\$118,436	\$115,022	—	\$233,458
Judy K. Schmeling (8)	\$22,012	\$53,568	—	\$75,580
Allison M. Wing (9)	\$26,773	\$60,813	—	\$87,586
Former Directors (10)				
Johnny Danos	\$119,978	\$115,022	—	\$235,000
William C. Kimball	\$102,978	\$115,022	—	\$218,000
Jeffrey M. Lamberti	\$94,978	\$115,022	—	\$210,000
Robert J. Myers	\$122,253	\$115,022	—	\$237,275

Each director received approximately \$195,000 in total compensation for the 2018 fiscal year, consisting of \$80,000 in cash and \$115,000 in equity, plus certain additional cash retainers for service on committees as members and chairs and for service as Board Chair. Such amounts were pro-rated based on each director's length of service since the 2017 annual shareholders' meeting as a director of the Company or in the relevant role, as (1) applicable. The incumbent directors received their equity as vested shares of Common Stock at the time of the 2017 annual shareholders' meeting and directors who joined the Board after the 2017 annual shareholders' meeting received their equity as RSUs, pursuant to the Company's newly adopted policy in respect of director compensation. No director elected to receive any of his or her cash retainer for the 2018 fiscal year in the form of additional stock, and the Company has discontinued such program beginning with the 2019 fiscal year.

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The amounts reported for stock awards represent the aggregate grant date fair value of stock of (i) in the case of Mr. Horak, Ms. Bridgewater, Ms. Heiden, Ms. Renda, Mr. Danos, Mr. Kimball, Mr. Lamberti and Mr. Myers, 1,043 vested shares of Common Stock, (ii) in the case of Mr. Frieson, Mr. Lenhardt and Ms. Wing, 554 RSUs and (iii) in the case of Ms. Schmeling, 488 RSUs. The RSU awards were pro-rated for each director's length of service (2) as a director and will cliff-vest on September 21, 2018, subject, in each case, to continued service as a director. The actual value, if any, that is realized by a director from an RSU award, will depend on the market price of Common Stock on the applicable vest date. For information about the financial reporting of the RSUs granted in the 2018 fiscal year, see Note 4 to the Company's consolidated financial statements included in the Company's Form 10-K filing in respect of the 2018 fiscal year.

At the end of the 2018 fiscal year, Mr. Frieson, Mr. Lenhardt and Ms. Swing each held 544 RSUs, and Ms. Schmeling held 488 RSUs.

In accordance with the de minimis exceptions under the SEC rules, no amounts are included in this column for director life insurance premiums, because the aggregate amount in respect of the 2018 fiscal year was less than \$200 per person. In addition, pursuant to SEC rules, Mr. Myers' annual retirement benefit of \$330,000, which he (3) receives pursuant to his employment agreement from the time he served as the Chief Executive Officer of the Company, is not included because his right to receive such retirement benefits is unrelated to his service as a director of the Company. For additional information regarding Mr. Myers' retirement benefit, see the section named "Certain Relationships and Related Transactions" on page 71.

(4) Mr. Horak was the Company's Lead Director for the 2018 fiscal year, and was later appointed as the independent Board Chair on March 6, 2018.

(5) Mr. Frieson was elected to the Board on March 6, 2018, at which time he was appointed to the Nominating and Corporate Governance and Risk Committees.

(6) Ms. Heiden was elected to the Board on July 19, 2017, and was appointed to the Audit, Compensation and Risk Committees on September 15, 2017. She became Audit Committee chair following the death of Mr. Danos on March 18, 2018.

(7) Mr. Lenhardt was elected to the Board on March 6, 2018, at which time he was appointed to the Audit and Compensation Committees.

(8) Ms. Schmeling was elected to the Board on March 29, 2018, at which time she was appointed to the Audit and Nominating and Corporate Governance Committees.

(9) Ms. Wing was elected to the Board on March 6, 2018, at which time she was appointed to the Compensation and Risk Committees.

(10) Mr. Kimball, Mr. Lamberti and Mr. Myers retired and resigned from the Board effective March 6, 2018. Mr. Danos served as a director until his death on March 18, 2018.

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Certain Relationships and Related Transactions

The Company has a written policy requiring the disclosure to and approval by the Audit Committee of certain "related party transactions" in which the Company is a participant that may be required to be disclosed under Item 404 of Regulation S-K. For this purpose, "related parties" include all directors, executive officers and any director nominee (and their immediate family members), and any holder of more than 5% of the Common Stock (and their immediate family members). For the purposes of the Company's policy, a "related party transaction" generally is any transaction in which (i) the aggregate amount involved will or may be expected to exceed \$75,000 in any fiscal year, (ii) the Company is a participant, and (iii) any "related party" has or will have a direct or indirect interest, in each case, subject to certain pre-approved exceptions set forth in the policy.

Under the policy, each director and executive officer shall identify to the Chair of the Audit Committee any related party transaction for which he or she may be a related party, along with any requested supplemental information. The Audit Committee will review the material facts of all related party transactions that require the Committee's approval and either approve or disapprove of the same, or if advance approval is not feasible, consider whether to ratify the same. In determining whether to approve or ratify a related party transaction, the Audit Committee will take into account, among other factors it deems appropriate, whether the transaction is in the best interests of the Company, whether it is on non-preferential terms, and the extent of the related party's interest in the transaction. No director may participate in any discussion or approval of a transaction for which he or she is a related party, except that the director must provide all material information concerning the transaction to the Audit Committee. The Audit Committee will report its action with respect to any related party transaction to the Board of Directors. The Audit Committee did not review or approve any related party transactions during the 2018 fiscal year.

In 1997, the Company established a Non-Qualified Supplemental Executive Retirement Plan ("SERP") for the benefit of two former officers and directors, Ronald M. Lamb and Donald F. Lamberti, a founder of the Company and the father of former director Jeffrey M. Lamberti. The SERP provides for the payment of an annual retirement benefit to the specified officers for the earlier of a period of 20 years or until their death, after which such benefits are to be paid, in each case, to the officer's spouse for a period ending on the 20th anniversary of the officer's retirement or the spouse's death, whichever occurs first. Mr. Lamb's spouse and Donald F. Lamberti participate in the SERP and receive annual retirement benefits of \$350,000 and \$275,000, respectively.

Under the employment agreement with our former Chief Executive Officer and Board Chair, Mr. Myers, commencing on January 1, 2017 and continuing for a period until the earlier of ten years thereafter or the death of Mr. Myers and his spouse, the Company will pay an annual retirement benefit to Mr. Myers (or his spouse, in the event of his death during said period) equal to \$330,000 per year.

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REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

The Audit Committee operates under a Charter approved by the Board of Directors. All members of the Audit Committee are “independent”, as defined by the SEC as well as the applicable Nasdaq Listing Standards.

The Audit Committee reviews the Company’s financial reporting process, including internal control over financial reporting, on behalf of the Board of Directors. Management has the primary responsibility for the financial statements and the reporting process, including the system of internal controls. The Company's independent registered public accounting firm, KPMG LLP ("KPMG"), is responsible for expressing an opinion as to the fairness of the financial statements and the conformity of those audited financial statements with U.S. generally accepted accounting principles. Additionally, KPMG expresses an opinion on whether the Company maintained, in all material respects, effective internal control over financial reporting.

In this context, the Audit Committee has met and held discussions with management, internal audit, and KPMG. Management represented to the Committee that the Company’s consolidated financial statements were prepared in accordance with U.S. generally accepted accounting principles, and the Committee has reviewed and discussed the consolidated financial statements with management and the independent auditors. The Committee also discussed with KPMG matters required to be discussed by the Public Company Accounting Oversight Board ("PCAOB") Auditing Standard No. 1301, Communication With Audit Committees. The Committee also has received and reviewed written communication from KPMG related to independence as required by the applicable requirements of the PCAOB, has discussed with KPMG the firm's independence, and has considered whether the provision of non-audit services by KPMG, and the fees paid for such services, are compatible with maintaining its independence.

In reliance on the reviews and discussions referred to above, the Committee recommended to the Board of Directors that the audited financial statements be included in the Company’s Annual Report on Form 10-K for the year ended April 30, 2018.

AUDIT COMMITTEE

Cara K. Heiden, Chair

Diane C. Bridgewater

David K. Lenhardt

Judy A. Schmeling

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PROPOSAL 2

RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Subject to shareholder ratification, the Audit Committee has appointed KPMG to audit the consolidated financial statements of the Company for the 2019 fiscal year. The Company has used KPMG (and its predecessor firms) as the Company's independent registered public accounting firm since the 1988 fiscal year. Ratification of the appointment of the independent registered public accounting firm requires the affirmative vote of a majority of the votes cast on the matter at the Annual Meeting. Abstentions will not be counted as votes cast for such purposes and therefore will have no effect on the results of the vote. If the shareholders do not ratify this appointment, the Audit Committee will consider the matter of the appointment of the independent registered public accounting firm.

The Board of Directors recommends that shareholders vote FOR such ratification.

Representatives of KPMG will be present at the Annual Meeting, will be given an opportunity to make a statement if they so desire and will be available to respond to appropriate questions relating to the audit of the Company's 2018 fiscal year consolidated financial statements.

Independent Auditor Fees

The following table sets forth the aggregate fees billed to the Company and subsidiaries for the last two fiscal years ended April 30, 2018 and April 30, 2017 by the Company's independent registered public accounting firm, KPMG:

	2018	2017
Audit Fees(a)	\$722,900	\$653,924
Audit-Related Fees(b)	\$17,500	\$15,500
Tax Fees(c)	\$72,400	\$39,075
All Other Fees (d)	\$1,780	\$1,500
	\$814,580	\$709,999

Audit fees primarily relate to (i) the audit of our consolidated financial statements for the indicated fiscal years, (ii) the audit of the effectiveness of internal control over financial reporting in accordance with Section 404 of the (a) Sarbanes-Oxley Act of 2002, and (iii) the reviews of our unaudited consolidated condensed interim financial statements during the indicated fiscal years.

(b) Fees for audits of employee benefit plans.

(c) Fees for tax consulting.

(d) Fees for subscription for online research services.

The chair of the Audit Committee has advised the Board of Directors that the Audit Committee has determined the non-audit services rendered by KPMG during the Company's most recent year are compatible with maintaining the independence of the auditors.

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Prior to the issuance of its audit report, KPMG communicated (i) its responsibility under existing auditing standards generally accepted in the United States of America, (ii) all critical accounting policies and practices used by the Company, and (iii) other significant written communication between KPMG and management of the Company.

Pre-Approval Procedures

Under its charter, the Audit Committee shall pre-approve all audit and any permitted non-audit services provided to the Company by the independent registered public accounting firm and the fees to be paid for those services. The Audit Committee may delegate authority to subcommittees (consisting of one or more members) to grant pre-approvals of certain audit and permitted non-audit services, provided that decisions of such subcommittee to grant pre-approvals are presented to the full Audit Committee at its next scheduled meeting. All of the services provided by the independent registered public accounting firm to the Company during the 2018 fiscal year were pre-approved by the Audit Committee or its chair pursuant to delegated authority.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE
"FOR" THIS ADVISORY RESOLUTION TO RATIFY THE APPOINTMENT OF OUR INDEPENDENT
REGISTERED PUBLIC ACCOUNTING FIRM

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PROPOSAL 3

ADVISORY VOTE ON OUR NAMED EXECUTIVE OFFICER COMPENSATION

The Board is committed to compensation governance and recognizes the significant interest of shareholders in executive compensation matters. We provide our shareholders annually with an opportunity to cast an advisory vote regarding the compensation of our named executive officers, as disclosed in this Proxy Statement. This “say-on-pay” proposal is intended to provide shareholders with the opportunity to express their views on our compensation decisions and policies regarding our named executive officers. In prior years, our shareholders have expressed strong support through this “say-on-pay” vote, including at our annual shareholders’ meetings in September 2017, at which our named executive officers’ compensation received approval of over 96% of the votes cast.

As described in the section named “Compensation Discussion and Analysis”, our executive compensation program is designed to closely align the interests of our named executive officers with the interests of shareholders, and to balance long-term performance with shorter-term goals. Furthermore, the updates to our executive compensation program that took effect in the 2018 fiscal year significantly strengthened the link between executive pay and our long-term financial performance, including by subjecting 75% of long-term incentive compensation to achievement of performance goals relating to return on invested capital and relative total shareholder return, in each case, over a three-year period. The Compensation Committee believes its compensation decisions for the 2018 fiscal year appropriately compensate the executive officers for the Company’s performance and are closely aligned with the long-term interests of our shareholders.

In view of the foregoing, the Company is asking shareholders to approve the following resolution:

RESOLVED, that the shareholders approve, on an advisory basis, the compensation of the Company’s named executive officers described in the Proxy Statement for the 2018 annual shareholders’ meeting, including the compensation discussion and analysis, the compensation tables, and the narrative executive compensation disclosures contained in the Proxy Statement.

Shareholders may vote FOR, AGAINST or ABSTAIN on this item. Because your vote is advisory, it will not be binding on the Company, and will not overrule any decision by the Board or require the Board to take any particular action. However, the Board values the views of shareholders on executive compensation matters, and will consider the outcome of this vote when considering future executive compensation arrangements for the named executive officers.

THE BOARD RECOMMENDS THAT SHAREHOLDERS VOTE "FOR" THIS ADVISORY RESOLUTION ON OUR NAMED EXECUTIVE OFFICER COMPENSATION.

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PROPOSAL 4

APPROVAL OF THE 2018 STOCK INCENTIVE PLAN

In June 2018, the Board approved the Casey's General Stores, Inc. 2018 Stock Incentive Plan (the "Plan"), subject to approval by our shareholders. The Board adopted the Plan as a flexible omnibus incentive compensation plan that would allow the Company to use different forms of compensation awards to attract new employees, executives and directors, to further the goal of retaining and motivating existing personnel and directors and to further align such individuals' interests with those of our shareholders. Accordingly, the Board is seeking shareholder approval of the Plan.

The following information regarding the Plan is being provided to you in connection with the solicitation of proxies for the approval of the Plan. The following description of the Plan is a summary only and does not purport to be complete. The summary is qualified in its entirety by reference to the Plan, which is attached as Appendix A to this proxy statement. You are urged to read the Plan.

The Board of Directors recommends that shareholders vote FOR approval of the Plan as described below.

General Plan Information

The Plan is intended to replace the Casey's General Stores, Inc. 2009 Stock Incentive Plan (the "2009 Plan"), under which no new awards will be allowed to be granted as of the date the Plan is approved by the shareholders of the Company (the "Effective Date"). The 2009 Plan previously replaced and superseded the Casey's General Stores, Inc. 2000 Stock Option Plan and the Casey's General Stores, Inc. Non-Employees Directors' Stock Option Plan (collectively with the 2009 Plan, the "Prior Plans"). If the Plan is approved, 3,000,000 shares of Common Stock (the "Shares") would be available for issuance under the Plan pursuant to any form of equity awards permitted under the Plan. Outstanding awards under the Prior Plans would continue to be governed by the terms of the Prior Plans and award agreements, as applicable, including any such terms that are intended to survive the termination of the Prior Plans or the settlement of such awards. However, no future awards would be granted under the Prior Plans following approval of the Plan.

The Compensation Committee's (the "Committee") independent compensation consultant, Willis Towers Watson ("WTW"), provided analysis to management regarding the number of Shares to reserve for issuance pursuant to the Plan, and conducted a general review of the Plan with respect to current market practices.

Burn Rate Calculation

The following table sets forth information regarding awards granted and the burn rate for each of the last three fiscal years and the average burn rate over such period. For each fiscal year, the burn rate has been calculated as the quotient of (1) awards granted in such year divided by (2) the weighted average number of Shares outstanding at the end of such year. If the Plan is not approved, the Company will no longer be able to grant equity awards after the date the 2009 Plan expires on September 18, 2019, which we expect may occur prior to our 2019 Annual Meeting. This could have a detrimental effect on the Company's ability to attract, retain and motivate directors, officers and employees. As of June 28, 2018, there were 2,669,626 Shares available for future grants under the 2009 Plan, which, as noted above, would not be allowed to be granted from and after the Effective Date.

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Burn Rate

	Fiscal Year Ended April 30, 2018			Three-Year Average
	2018	2017	2016	
Equity Awards Granted ⁽¹⁾	126,980	111,150	114,200	117,443
Weighted Average Shares Outstanding	37,778,304	39,124,665	39,016,299	38,639,756
Burn Rate	0.34%	0.28%	0.29%	0.30%

Represents, with respect to each fiscal year listed above, the sum of (x) the number of service-based restricted (1) stock units granted in such fiscal year and (y) the number of Shares that may be issued under performance share units granted in the 2018 fiscal year based on target-level performance.

Based on the burn rates shown in the table above, the Company's average burn rate for the 2016-2018 fiscal years was 0.30%.

Dilution Calculation

The table below represents our potential dilution (or overhang) levels based on our Shares outstanding and our request of 3,000,000 additional Shares to be available for awards pursuant to the Plan. Our Board believes that the Shares requested for purposes of the Plan represent a reasonable amount of potential equity dilution, which is consistent with the current level of dilution under the 2009 Plan and will allow us to continue awarding equity incentives, an important component of our overall compensation program. Additionally, this Share limit would bring our historically low burn rate and dilution rate in line with the rates of our peers and would allow us to continue granting awards under the Plan for several years. Although the use of equity is an important part of our compensation program, we are mindful of our responsibility to our shareholders in granting equity awards.

Potential Dilution

Issued but Outstanding Equity Awards under the Prior Plans as of June 28, 2018	576,678	
Shares Requested under the Plan	3,000,000	
Total Potential Outstanding Equity Awards	3,576,678	
Common Stock Outstanding as of June 28, 2018	36,593,725	
Issued but Outstanding Equity Awards under the Prior Plans as of June 28, 2018	576,678	
Shares Requested under the Plan	3,000,000	
Total Shares and Share Equivalents	40,170,403	
Potential Dilution as a Percentage of Shares Outstanding	8.9	%

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Represents the sum of (x) the number of unexercised options, (y) the number of outstanding service-based (1) restricted stock units and (z) the number of Shares that may be issued under outstanding performance share units granted in the 2018 fiscal year based on target-level performance.

Material Features of the Plan

The terms of the Plan are generally consistent with the terms of the 2009 Plan, however, the Board determined to make certain changes to the Plan that it considered to be consistent with best practices, as noted below. Below is a summary of some of the material features of the Plan:

• No liberal Share recycling.

Shares withheld or tendered to satisfy applicable tax withholding obligations or in payment of the exercise price of an award would not be available again for purposes of determining the maximum number of Shares available for delivery under the Plan.

Each Share with respect to which a stock-settled stock appreciation right is exercised would be counted as one Share against the maximum number of Shares available for delivery under the Plan, regardless of the number of Shares actually delivered upon settlement of such stock-settled stock appreciation right.

• Minimum vesting requirement. Unlike the 2009 Plan, 95% of stock-based awards would be subject to a minimum vesting period of one year.

No discretionary authority to accelerate awards upon termination. Unlike the 2009 Plan, the Committee would not have discretionary authority to accelerate vesting of an award in the event of a participant's termination of employment, other than in connection with the participant's death or disability.

• “Double-trigger” vesting of awards upon a Change of Control. Unlike the 2009 Plan, awards would not accelerate upon a Change of Control (as defined in the Plan and described below), unless (i) the awards are not assumed by the acquirer or (ii) a participant is terminated without Cause or resigns for Good Reason (each, as defined in the Plan and described below) within 24 months following the Change of Control.

• No liberal Change of Control definition. The definition of Change of Control would require consummation, not only shareholder approval, of a merger or similar corporate transaction.

• Dividend and dividend equivalents vesting requirements. Unlike the 2009 Plan, no dividends or dividend equivalents would be paid on any award until the underlying award becomes payable.

• Awards subject to clawback. Awards under the Plan held by our executive officers would be subject to recoupment under certain circumstances in accordance with our executive officer clawback policy.

• Limit on annual grants to non-employee directors. Unlike the 2009 Plan, the Plan imposes a dollar limitation on the maximum value of awards granted and cash compensation paid to non-employee directors in a single calendar year.

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• No evergreen funding feature. The Plan does not contain a provision for automatic increases in Shares available under the Plan.

- No repricing of stock options or stock appreciation rights. The Committee would not have the power to reprice stock options or stock appreciation rights with an exercise price that is less than the original exercise price or cancel such awards in exchange for a cash payment or other grant of equity-based awards, unless such action is approved by our shareholders.

• Ten-year expiration. No stock option or stock appreciation right would be permitted to be exercisable after the ten-year anniversary of the date of grant.

Summary of the Plan

Purpose

The Plan is intended to develop and maintain a sense of ownership and personal involvement in the development and financial success of the Company and to encourage certain key employees and members of the Board to devote their best efforts to the business of the Company, thereby advancing the interests of the Company and its shareholders. The Company seeks to build and maintain a stable and experienced management team, strengthen the desire on their part to remain with the Company and attract able individuals to become employees or serve as directors. As with the Prior Plans, the ultimate goal of the Plan is to encourage those individuals who are and will be responsible for the Company's future growth and continued success to have a greater personal financial investment in the Company through ownership of its common stock.

Administration

The Plan would be administered by the Committee or such other committee the Board designates to administer the Plan. However, the full Board would retain the authority to take any action that is the responsibility of the Committee or such other committee designated by the Board. Subject to the terms of the Plan and applicable law, the Committee would have the sole authority to administer the Plan, including, but not limited to, the authority to (i) select eligible participants; (ii) determine the terms and conditions of the awards granted under the Plan; (iii) construe and interpret the Plan and awards; and (iv) establish, amend and revoke rules and regulations for its administration. The Committee would not, however, have discretionary authority to accelerate vesting of an award in the event of a participant's termination of employment, other than in connection with the participant's death or disability.

Any interpretation of the Plan by the Committee, and any decision made by the Committee under the Plan, would be binding and conclusive on all participants. In no event would the Committee have the power to reprice stock options or stock appreciation rights with an exercise price that is less than the original exercise price or cancel such awards in exchange for a cash payment or other grant of equity-based awards, unless such action is approved by the Company's shareholders.

Shares Available for Awards; Annual Per-Person Limitations

Subject to adjustment for changes in capitalization, the maximum aggregate number of Shares that would be available to be delivered pursuant to awards granted under the Plan would be 3,000,000, all of which could be granted as "incentive stock options" or "ISOs" meeting the requirements of Section 422 of the Internal Revenue Code. The Board has approved a resolution to cancel any Shares remaining available for future awards under the Prior Plans upon the Effective Date. For purposes of this limit, each Share issued pursuant to a stock option and each Share with respect to

which a stock-settled stock appreciation right is exercised (regardless of the number of

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Shares actually delivered), would be counted as one Share against the maximum limit, and each Share issued pursuant to an award of restricted stock or restricted stock units would be counted as two Shares against the maximum limit.

If, after the Effective Date, any award granted under the Plan were forfeited (including due to the failure to satisfy any applicable performance goals), or otherwise expired, terminated or were canceled without the delivery of all Shares subject thereto, or were settled other than by the delivery of Shares (including cash settlement), then the number of Shares subject to such award that were not issued would not be treated as issued for purposes of reducing the maximum aggregate number of Shares that may be delivered pursuant to the Plan. Notwithstanding the foregoing, Shares that were surrendered or tendered to us in payment of the exercise price of an award or any taxes required to be withheld in respect of an award would not become available again to be delivered pursuant to awards under the Plan.

No individual participant would be granted awards under the Plan that could result in such participant receiving in any single calendar year (i) stock options or stock appreciation rights relating to more than 200,000 Shares or (ii) awards of restricted stock, restricted stock units or other full value stock-based awards relating to more than 100,000 Shares. The maximum value of awards granted, together with any cash compensation (including any cash retainer fees or meeting fees) paid, to any non-employee director during a single calendar year would not exceed \$750,000 or, in the case of an independent chair of the Board, \$975,000 (in each case, calculating the value of any such award based on the grant date fair market value of such award).

Minimum Vesting Requirement

All awards granted under the Plan would generally be subject to a one-year minimum vesting period, however, (i) up to 5% of all Shares available under the Plan could be subject to a minimum vesting period that is less than one year (including no vesting period); (ii) Shares issued to eligible persons pursuant to their election to receive Shares in lieu of cash compensation would not count against this limit; and (iii) awards granted to non-employee directors under the Plan in connection with an annual shareholders' meeting would be deemed to satisfy such one-year minimum vesting requirement so long as such awards vest upon or immediately after the next annual shareholders' meeting.

Changes in Capitalization

In the event of any extraordinary dividend or other extraordinary distribution, recapitalization, rights offering, stock split, reverse stock split, split-up or spin-off affecting the Shares, the Committee would make equitable adjustments and other substitutions to the Plan (including maximum limits on Shares available and annual per-person limits) and awards under the Plan in the manner it determined to be appropriate or desirable. In the event of any reorganization, merger, consolidation, combination, repurchase or exchange of Shares or other similar corporate transaction, the Committee, in its discretion, would be permitted to make such adjustments and other substitutions to the Plan (including maximum limits on Shares available and annual per-person limits) and awards under the Plan as it deemed appropriate or desirable.

Eligibility

Any employees of the Company and its affiliates and subsidiaries and any non-employee directors of the Company would be eligible for selection by the Committee to receive awards and participate in the Plan. The Company currently expects that awards would be generally granted to approximately 230 employees and non-employee directors, of whom there are currently eight non-employee directors.

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Types of Awards

The Plan would provide for the grant of the following types of awards: (i) stock options, which may be either incentive stock options meeting the requirements of Section 422 of the Code or “non-qualified stock options” that do not meet the requirements of Section 422 of the Internal Revenue Code, (ii) stock appreciation rights, (iii) restricted stock, (iv) restricted stock units and (v) other equity-based and equity-related awards.

Stock Options. The exercise price for each stock option at the time the stock option is granted would be equal to at least 100% of the fair market value of the common stock on the date of the grant. Fair market value for purposes of the Plan generally means the closing price on the Nasdaq Global Select Market for the applicable date. As of June 28, 2018, the closing price of the Company’s common stock was \$106.17 per Share. The term of a stock option granted under the Plan could not be more than ten years. The purchase price of any stock option may be paid in cash or its equivalent or, in the Committee’s discretion, (i) by tendering previously acquired Shares valued at their fair market value; (ii) through a cashless exercise procedure; (iii) through a combination of the above; or (iv) by any other method accepted by the Committee in its discretion. Stock options shall be subject to all other terms and conditions as the Committee may determine consistent with the provisions of the Plan. The Plan specifically prohibits the repricing of any stock option without shareholder approval.

Stock Appreciation Rights. An award of a stock appreciation right would entitle the participant to receive, upon exercise, the product of (x) the excess of the fair market value of a Share at the time of exercise over the exercise price of the applicable stock appreciation right and (y) the specified number of Shares in respect of which the stock appreciation right was exercised. The Committee would be permitted to determine whether such amount would be paid to the participant in Shares, cash or a combination thereof. The term of a stock appreciation right granted under the Plan must not be more than ten years. The exercise price for a stock appreciation right would not be less than the fair market value of our Shares on the grant date. Stock appreciation rights shall be subject to all other terms and conditions as the Committee may determine consistent with the provisions of the Plan. The Plan specifically prohibits the repricing of any stock appreciation right without shareholder approval.

Restricted Stock. Shares of restricted stock would be subject to restrictions on transfer and such other restrictions on incidents of ownership as the Committee may determine, including, but not limited to, the lapse of restrictions upon the participant’s achievement of one or more performance goals over a specified performance period determined pursuant to a performance formula, all as determined by the Committee. Restricted stock would be subject to such terms and conditions as the Committee may determine consistent with the provisions of the Plan.

Restricted Stock Units. An award of restricted stock units would be the right to receive Shares or cash at such time and under such conditions as determined by the Committee, which may include a time-based vesting period or require attainment of performance goals within a stated performance period.

Other Stock-Based Awards. The Plan would give the Committee the authority to grant other equity-based or equity-related awards, whether payable in cash, equity or otherwise.

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Performance Measures

The grant, payment or vesting of restricted stock, restricted stock units or other awards under the Plan may be conditioned on the achievement of certain financial results of the Company for a specified performance period. Such financial results, as selected by the Committee, may include earnings per share, return measures, net earnings or net income, net sales or revenue growth, net operating profit, earnings before or after interest, taxes, depreciation and/or amortization, cash flow, share price, expense targets, cost reduction or savings, performance against operating budget goals, economic value added, margins, and/or such other goals as the Committee may establish in its discretion.

Transferability

Awards under the Plan generally would not be transferable other than by will or by laws of descent or distribution, except that a participant may, to the extent allowed by the Committee and in the manner specified by the Committee, transfer any award or designate a beneficiary to receive payment of an award. The Committee would have authority, in its discretion, to amend award agreements and to allow the transfer of any existing award in the manner specified by the Committee. However, no award may be transferred for value without shareholder approval.

Amendments and Termination

The Board, without further approval of the shareholders, would be authorized, at any time, to amend or terminate the Plan or an outstanding award agreement in such respects as the Board deems advisable. However, no amendment may become effective without prior approval of the shareholders if the Committee determines such approval is required by (i) the rules and/or regulations promulgated under Section 16 of the Securities Exchange Act of 1934; (ii) the Code or any rules promulgated thereunder; (iii) the Nasdaq listing requirements or any principal securities exchange or market on which the Company's shares are then traded; (iv) applicable U.S. state corporate laws or regulations; or (v) applicable U.S. federal laws or regulations. Under these provisions, shareholder approval would not be required for all possible amendments that might increase the cost of the Plan.

In addition, shareholders would be required to approve any Plan amendment to any stock option or stock appreciation that would (i) decrease the exercise price thereof; (ii) cancel or surrender such award at a time when its exercise price exceeds the fair market value of the underlying Shares in exchange for another equity-based award under any of the Company's plans or cash payment; or (iii) subject such award to any action that would be treated as a "repricing" of such award. However, an adjustment to the applicable exercise price of such awards pursuant to a change in capitalization (as described in the Plan) would not be considered a decrease in exercise price or "repricing" of such awards. No amendment would, without the participant's consent, materially impair any of the participant's rights under any award previously granted to him or her under the Plan.

Notwithstanding the foregoing, the Committee would be authorized to amend the Plan or any award agreement, whether to take effect retroactively or prospectively, as it deems necessary in order to comply with any present or future law or regulation, including with respect to applicable tax rules, stock exchange rules or accounting rules. By accepting an award under the Plan, participants would be deemed to agree to any such amendments, without further consideration or action.

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Change of Control

The Plan would provide that in the event of a “Change of Control” (as defined in the plan and described below), unless otherwise provided for in the applicable award agreement or employment or other similar agreement, all awards that are outstanding and unvested as of immediately prior to such Change of Control would remain outstanding and unvested.

If, however, within the 24 months following the Change of Control, the participant’s employment with the Company and its affiliates is terminated without “Cause” by the Company or for “Good Reason” by the participant (each, as defined in the Plan and described below), then as of the date of such termination, all awards then held by such participant would be treated as follows:

- all outstanding stock options and stock appreciation rights that are unexercisable or unvested would become fully exercisable and vested; and

- all restricted stock, restricted stock units and other stock-based awards that are unvested or still subject to restrictions or forfeiture would automatically be deemed vested, and all restrictions and forfeiture provisions would lapse.

Furthermore, if, in connection with the Change of Control, no provision is made for assumption or continuation of a participant’s awards, or the substitution of such awards for new awards covering shares of a successor corporation, in a manner that preserved the material terms and conditions of the awards, then as of the date of such Change of Control, all awards then held by such participant would be treated as follows:

- all outstanding stock options and stock appreciation rights that are subject to service-based (but not performance-based) vesting conditions and that are unexercisable or unvested would become fully exercisable and vested;

- all restricted stock, restricted stock units and other stock-based awards units that are subject to service-based (but not performance-based) vesting conditions and that are unvested or still subject to restrictions or forfeiture would automatically be deemed vested, and all restrictions and forfeiture provisions would lapse; and

- all awards subject to performance-based vesting conditions would vest either (i) based on actual performance achieved prior to the Change of Control or (ii) at the target level, pro-rated based on the portion of the performance period elapsed as of the Change of Control.

Change of Control would generally be defined in the Plan to mean any of the following events:

- an acquisition by any person of beneficial ownership of a percentage of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors that was equal to 20% or more, except in the event of (i) any acquisition by a person who, on the Effective Date, is a beneficial owner of 20% or more of the combined voting power of the Company, (ii) any acquisition directly from the Company, including a public offering of securities, (iii) any acquisition by the Company, (iv) any acquisition by an employee benefit plan (or related trust) sponsored or maintained by the Company or any affiliate or subsidiary; or (v) any Non-Qualifying Transaction (as defined below);

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individuals who constitute the Board as of the Effective Date cease, for any reason, to constitute at least a majority of the Board, except that any individual becoming a director subsequent to the Effective Date whose election or nomination was approved by at least a majority of the directors then comprising the incumbent Board would be considered as though such individual were a member of the incumbent Board; however, this exception would exclude any such individual whose initial assumption of office is pursuant to an actual or threatened election contest relating to the election or removal of the directors of the Company or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board;

consummation of a reorganization, merger, consolidation or similar transaction to which the Company is a party or a sale or other disposition of all or substantially all of the assets of the Company, unless, immediately following such transaction, (i) all or substantially all the persons who beneficially owned the securities eligible to vote for the election of the Board continue to own more than 50% of the combined voting power of the corporation or entity resulting from such transaction substantially in the same proportion, (ii) at least 50% of the members of the board of directors of the entity resulting from such transaction are incumbent directors and (iii) no person beneficially owns 20% or more of the outstanding voting securities of the entity resulting from such transaction (any transaction that satisfies all three of the criteria specified in the foregoing clauses (i), (ii) and (iii), a “Non-Qualifying Transaction”); or

the shareholders approve a plan of complete liquidation or dissolution of the Company.

Cause would generally be defined in the Plan to mean, unless otherwise provided for in the applicable award agreement or employment or other similar agreement, a participant’s (i) willful failure to perform duties as an employee or director of the Company after reasonable notice to such participant of the failure; (ii) misconduct that materially injures the Company or any subsidiary or affiliate; (iii) conviction of, or entering into a plea of guilty or nolo contendere to, a felony; or (iv) breach of a written covenant or agreement with the Company or any subsidiary or affiliate.

Good Reason would generally be defined in the Plan to mean, unless otherwise provided for in the applicable award agreement or employment or other similar agreement and subject to certain procedural protections for the Company (i.e., a cure period), (i) a material diminution in the participant’s position or duties as in effect immediately prior to the Change of Control; (ii) a material breach by the Company or any of its affiliates of any award agreement or employment or other similar agreement; (iii) a material reduction by the Company of the participant’s total compensation from the levels in effect immediately prior to the Change of Control; or (iv) the Company’s or an affiliate’s requiring the participant to be based at a location more than 50 miles from the location of such participant’s employment as in effect immediately prior to the Change of Control, except for reasonable travel requirements.

Clawback

To the extent a participant is subject to the Company’s Executive Compensation Clawback Policy applicable to executive officers (as described under the section named “Compensation Discussion and Analysis--Additional Compensation Policies”), amounts paid or payable pursuant to the Plan to such participant would be subject to such policy, as in effect from time to time.

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Withholding

The Company would have the right to withhold from any Shares deliverable to a participant, or require that a participant make arrangements satisfactory to the Company for payment of, up to the maximum amount that the Company is permitted by applicable law to withhold in respect of federal, state and local income taxes, including payroll taxes, incurred by reason of the grant, exercise, vesting or payment of any award. In the discretion of the Committee, a participant may be permitted to satisfy his or her applicable withholding obligations by requesting that the Company withhold Shares otherwise issuable to the participant, having a fair market value, on the date income is recognized, up to the maximum amount that the Company is permitted by applicable law to withhold in respect of federal, state and local income taxes. The election must be made in writing and must be made according to such rules and in such form as the Committee shall determine.

Term of the Plan

The Plan will expire on September 5, 2028, which is the tenth anniversary of its Effective Date, or such earlier termination of the Plan by the Board or such time as no Shares are available for issuance under the Plan.

Federal Income Tax Consequences

The following summary describes the U.S. federal income tax treatment associated with awards granted under the 2018 Plan. The summary is based on the law as in effect on the date of the filing of this proxy statement. The summary does not discuss state or local tax consequences or non-U.S. tax consequences.

Incentive Stock Options. Neither the grant nor the exercise of an incentive stock option results in taxable income to the participant for regular federal income tax purposes. However, an amount equal to (i) the per share fair market value on the exercise date minus the exercise price at the time of grant multiplied by (ii) the number of shares with respect to which the incentive stock option is being exercised will count as “alternative minimum taxable income” which, depending on the particular facts, could result in liability for the “alternative minimum tax” or AMT. If the participant does not dispose of the shares issued pursuant to the exercise of an incentive stock option until on or after the later of the two-year anniversary of the date of grant of the incentive stock option and the one-year anniversary of the date of the acquisition of those shares, then (a) upon a later sale or taxable exchange of the shares, any recognized gain or loss will be treated for tax purposes as a long-term capital gain or loss, and (b) the Company will not be permitted to take a deduction with respect to that incentive stock option for federal income tax purposes.

If shares acquired upon the exercise of an incentive stock option are disposed of prior to the expiration of the two-year and one-year holding periods described above (a “disqualifying disposition”), generally the participant will realize ordinary income in the year of disposition in an amount equal to the lesser of (i) any excess of the fair market value of the shares at the time of exercise of the incentive stock option over the amount paid for the shares and (ii) the excess of the amount realized on the disposition of the shares over the participant’s aggregate tax basis in the shares (generally, the exercise price). A deduction will be available to the Company equal to the amount of ordinary income recognized by the participant. A disqualifying disposition occurring in the same calendar year as the year of exercise will eliminate the alternative minimum tax effect of the incentive stock option exercise.

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Special rules may apply where all or a portion of the exercise price of an incentive stock option is paid by tendering shares, or if the shares acquired upon exercise of an incentive stock option are subject to substantial forfeiture restrictions. The foregoing summary of tax consequences associated with the exercise of an incentive stock option and the disposition of shares acquired upon exercise of an incentive stock option assumes that the incentive stock option is exercised during employment or within three months following termination of employment. The exercise of an incentive stock option more than three months following termination of employment will result in the tax consequences described below for non-qualified stock options, except that special rules apply in the case of disability or death. An individual's stock options otherwise qualifying as incentive stock options will be treated for tax purposes as non-qualified stock options (not as incentive stock options) to the extent that, in the aggregate, they first become exercisable in any calendar year for stock having a fair market value (determined as of the date of grant) in excess of \$100,000.

Non-Qualified Stock Options. A non-qualified stock option (that is, a stock option that does not qualify as an incentive stock option) results in no taxable income to the participant or deduction to the Company at the time it is granted. A participant exercising a non-qualified stock option will, at that time, realize taxable ordinary compensation income equal to the product of (x) the per share fair market value on the exercise date minus the exercise price at the time of grant and (y) number of shares with respect to which the stock option is being exercised. If the non-qualified stock option was granted in connection with employment, this taxable income will also constitute "wages" subject to withholding and employment taxes. A corresponding deduction will be available to the Company. The foregoing summary assumes that the shares acquired upon exercise of a non-qualified stock option are not subject to a substantial risk of forfeiture.

Stock Appreciation Rights. Generally, the recipient of a stand-alone stock appreciation right will not recognize taxable income at the time the stand-alone stock appreciation right is granted. The value received by an employee (in cash or shares) from the exercise or settlement of a stock appreciation right will be taxed as ordinary income to the employee in the year of exercise or settlement. In general, there will be no federal income tax deduction allowed to the Company upon the grant or termination of stock appreciation rights. However, upon the exercise or settlement of a stock appreciation right, the Company will be entitled to a deduction equal to the amount of ordinary income the participant is required to recognize as a result of the exercise or settlement.

Restricted Stock. Generally, a participant will not recognize income and the Company will not be entitled to a deduction at the time an award of restricted stock is made under the Plan, unless the participant makes the election described below. A participant who has not made such an election will recognize ordinary income at the time the restrictions on the stock lapse in an amount equal to the fair market value of the restricted stock at such time. The Company will generally be entitled to a corresponding deduction in the same amount and at the same time as the participant recognizes income. Any otherwise taxable disposition of the restricted stock after the time the restrictions lapse will result in a capital gain or loss to the extent the amount realized from the sale differs from the tax basis, which is the fair market value of the common stock on the date the restrictions lapse. Dividends paid in cash and accrued prior to the time the restrictions lapse will constitute ordinary income to the participant in the year paid, and the Company will generally be entitled to a corresponding deduction for such dividends. Any dividends paid in stock will be treated as an award of additional restricted stock subject to the tax treatment described herein.

A participant may, within 30 days after the date of the award of restricted stock, elect to recognize ordinary income as of the date of the award in an amount equal to the fair market value of such restricted stock on the date of the award (less the amount, if any, the participant paid for such restricted stock). If the participant makes such an election, the Company will generally be entitled to a corresponding deduction in the same amount and at the same time as the participant recognizes income. If the participant makes the election, any cash dividends the participant receives with respect

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to the restricted stock will be treated as dividend income to the participant in the year of payment and will not be deductible by the Company. Any otherwise taxable disposition of the restricted stock (other than by forfeiture) will result in a capital gain or loss. If the participant who has made an election subsequently forfeits the restricted stock, the participant will not be entitled to deduct any loss. In addition, the Company would then be required to include as ordinary income the amount of any deduction the Company originally claimed with respect to such shares.

Restricted Stock Units. The grant of an award of restricted stock units will create no tax consequences for the participant or the Company. Upon the vesting of the restricted stock units, the participant will receive ordinary income equal to the fair market value of the shares received, and the Company will be entitled to a corresponding deduction.

Section 162(m) Deduction Limitation. Pursuant to Section 162(m) of the Code, as in effect for the Company's 2018 fiscal year, compensation in excess of \$1,000,000 per year paid to the Company's CEO and three other highest paid executive officers (other than the chief financial officer) was not deductible unless it qualified as "performance-based compensation". The Tax Cuts and Jobs Act, which was signed into law on December 22, 2017, eliminated the exception for "performance-based compensation" with respect to the Company's 2019 fiscal year and thereafter. As a result, the Company expects that, except to the extent that compensation is eligible for limited transition relief applicable to binding contracts in effect on November 2, 2017, compensation over \$1,000,000 per year paid to any NEO (and any person who was a named executive for any year, beginning with the Company's 2018 fiscal year) will be nondeductible under Section 162(m).

Section 409A. Section 409A of the Code imposes restrictions on non-qualified deferred compensation. Failure to satisfy these rules results in accelerated taxation, an additional tax to the holder of an amount equal to 20% of the deferred amount and a possible interest charge. Stock options and stock appreciation rights granted on shares with an exercise price that is not less than the fair market value of the underlying shares on the date of grant will not give rise to "deferred compensation" for this purpose unless they involve additional deferral features. Stock options and stock appreciation rights that would be awarded under the Plan are intended to be eligible for this exception.

The foregoing discussion is not a complete discussion of all the federal income tax aspects of the Plan. Some of the provisions contained in the Code have only been summarized, and additional qualifications and refinements are contained in regulations issued by the Internal Revenue Service.

New Plan Benefits

A new plan benefits table for the Plan and the benefits or amounts that would have been received by or allocated to certain participants for the last completed fiscal year under the Plan if the Plan was then in effect, as described in the federal proxy rules, is not provided because all awards made under the Plan will be made at the Board's or Committee's discretion, as applicable. Therefore, the benefits and amounts that would be received or allocated under the Plan are not determinable at this time. However, please refer to the section named "Executive Compensation--Summary Compensation Table," which includes certain information regarding awards granted to our named executive officers during the fiscal year ended April 30, 2018. Equity grants to our non-employee directors during such fiscal year are described under "Director Compensation".

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Equity Compensation Plans Not Subject to Shareholder Action

Set forth below is the number of Shares available for issuance pursuant to outstanding equity awards under the Prior Plans as of April 30, 2018.

Equity Compensation Plan Information

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	520,654	\$39.48	2,984,804
Equity compensation plans not approved by security holders			
Total	520,654	\$39,48	2,984,804

Vote Required

Under the Nasdaq rules, approval of the Plan requires the affirmative vote of the majority of the votes cast on the proposal. Brokers do not have discretion to vote on this proposal without your instruction. If you do not instruct your broker how to vote on this proposal, your broker will deliver a non-vote on this proposal. Broker non-votes will have no effect on the outcome of the vote on this proposal.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" APPROVAL OF THE CASEY'S GENERAL STORES, INC. 2018 STOCK INCENTIVE PLAN PRESENTED IN THIS PROPOSAL NO. 4.

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PROPOSAL 5

APPROVAL OF AN AMENDMENT TO THE COMPANY'S ARTICLES OF INCORPORATION TO IMPLEMENT MAJORITY VOTING IN UNCONTESTED DIRECTOR ELECTIONS

The Board has unanimously determined that it is advisable and in the best interests of the Company and its shareholders to implement majority voting in uncontested director elections.

The Company's directors are currently elected pursuant to a plurality voting standard, the default voting standard for the election of directors under Section 490.728(1) of the Iowa Business Corporation Act. Currently, the director nominees who receive the greatest number of votes cast in favor of their election at the annual meeting of shareholders are elected to the Board, up to the maximum number of directorships to be filled at that meeting. This means that a nominee may be elected to the Board without obtaining the majority of the votes cast in his or her favor in such election. However, our Corporate Governance Guidelines currently require that, in an uncontested election of directors, any nominee for director who receives a greater number of votes "withheld" than votes "for" in such election must promptly tender his or her resignation to our Board, which will promptly consider whether to accept the resignation upon the advice of our Nominating and Corporate Governance Committee.

If the proposed amendment is approved, directors would be elected by a majority of the votes cast in uncontested elections. This means that, to be elected, the number of votes cast "for" a director nominee must exceed the number of votes cast "against" that director nominee. Abstentions and broker non-votes are not counted as votes cast "for" or "against" a director nominee. Further, if the proposed amendment is approved, the Board will implement conforming amendments to our Corporate Governance Guidelines to provide that if a director nominee fails to receive the required number of votes for election in an uncontested director election, such director shall offer to tender his or her resignation to the Board. The Nominating and Corporate Governance Committee will then submit a recommendation of whether to accept such resignation for consideration by the Board. Thereafter, the Board will disclose its decision-making process and decision regarding whether to accept the director's resignation offer (or the reasons for rejecting the resignation offer, if applicable) in a Form 8-K furnished to the SEC.

If, however, a shareholder nominates a person for election to the Board in accordance with the requirements for shareholder nominations set forth in our Bylaws, and such nomination has not been withdrawn by such shareholder prior to the day the Company first mails its notice of annual meeting for such meeting to the shareholders, the proposed amendment provides that the director nominees would be elected by a plurality of the votes cast and shareholders would not be permitted to vote "against" any nominee, only to cast votes "for" a director nominee, or to vote "withheld".

The general description of the proposed amendment to our Articles set forth in this Proposal 5 is qualified in its entirety by reference to the complete text of the amendment, which is attached as Appendix B to this proxy statement. If our shareholders approve this Proposal 5, the proposed amendment will become effective upon the filing of the Articles of Amendment to the Company's Articles with the Iowa Secretary of State. The Company would make such filing promptly after the Annual Meeting. If this Proposal 5 is not approved, our Articles would remain unchanged with respect to this proposed change, and plurality voting would continue to apply in all director elections.

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The Board believes that majority voting will enhance the accountability of directors to the Company's shareholders and shall give the Company's shareholders a greater voice in determining the composition of the Board. Approval of the proposed amendment would align the Company's policies on uncontested director elections with a substantial majority of companies in the S&P 500, which have adopted a majority voting standard. The Board further believes that a plurality voting standard should apply in any election for which the number of director nominees is in excess of the number of vacant directorships, since it is possible that no director nominee would receive a majority of the votes cast in such election. In light of the foregoing trends, and upon the recommendation of the Nominating and Corporate Governance Committee, the Board unanimously determined that adopting majority voting in uncontested director elections was advisable as a matter of good corporate governance and directed that the proposed amendment be submitted to our shareholders for approval at the Annual Meeting.

Vote Required and Board Recommendation

Approval of the proposed amendment to our Articles to implement majority voting in uncontested director elections requires the affirmative vote of the holders of at least two-thirds of the shares entitled to vote at the time such amendment is proposed. In tabulating the voting results for approval of the proposed amendment to our Articles, abstentions and broker non-votes will have the effect of a vote "AGAINST" the proposal.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE APPROVAL OF THE PROPOSED AMENDMENT TO OUR ARTICLES TO IMPLEMENT MAJORITY VOTING IN UNCONTESTED DIRECTOR ELECTIONS

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PROPOSAL 6

APPROVAL OF AN AMENDMENT TO THE COMPANY'S ARTICLES OF INCORPORATION TO PROVIDE THAT THE NUMBER OF DIRECTORS CONSTITUTING THE BOARD SHALL BE DETERMINED BY THE BOARD

The Board has unanimously determined that it is advisable and in the best interests of the Company and its shareholders to provide that the number of directors constituting the Board of Directors shall be determined by the Board from time to time, solely in the Board's discretion.

The Company's Articles currently provide that the number of directors comprising the Board shall be not fewer than four (4) and not greater than nine (9). If this proposal is adopted, our Board would be permitted to decrease the number of directors constituting the Board to fewer than four (4), or increase the number of directors constituting the Board to greater than nine (9), without obtaining the prior approval of the Company's shareholders.

The Board believes that it is important to have discretion to adjust its size to respond to changing circumstances and to meet the needs of the Company and its shareholders. Although the Board has no current intention of expanding its size to more than nine (9) directors, it currently has no flexibility to offer directorships to qualified candidates. In addition, this Proposal 6 allows the Company to avoid situations in which the Board would be required to fill unexpectedly vacant directorships without conducting a thorough analysis of qualified candidates, so as to comply with existing minimum size requirements to conduct regular business.

The Board believes that approving the proposed amendment will enhance the Board's flexibility, and bring it in line with the governance standards of its peer Iowa public corporations. In light of the foregoing benefits, and upon the unanimous recommendation of the Nominating and Corporate Governance Committee, the Board has determined that enabling the Board to determine its size is advisable, and directed that this Proposal 6 be submitted to the Company's shareholders for approval at the Annual Meeting.

The general description of the proposed amendment to our Articles set forth in this Proposal 6 is qualified in its entirety by reference to the complete text of the amendment, which is attached as Appendix C to this proxy statement. If our shareholders approve this Proposal 6, the proposed amendment will become effective upon the filing of the Articles of Amendment to the Company's Articles with the Iowa Secretary of State. The Company would make such filing promptly after the Annual Meeting. If this Proposal 6 is not approved, our Articles would remain unchanged with respect to this proposed change, and the permissible number of directors constituting the Board of the Company would continue to be between four (4) and nine (9).

Vote Required and Board Recommendation

Approval of the proposed amendment to our Articles to enable the Board to set the number of directors that constitutes the Board requires the affirmative vote of the holders of at least two-thirds of the shares entitled to vote at the time such amendment is proposed. In tabulating the voting results for approval of the amendment to our Articles, abstentions and broker non-votes will have the effect of a vote "AGAINST" the proposal.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE APPROVAL OF THE AMENDMENT TO OUR ARTICLES TO PROVIDE THAT THE NUMBER OF DIRECTORS CONSTITUTING THE BOARD SHALL BE DETERMINED BY THE BOARD

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ANNUAL REPORTS

The Notice of Annual Meeting of Shareholders, this Proxy Statement and the Annual Report to Shareholders for the year ended April 30, 2018, are available at www.envisionreports.com/CASY. The Annual Report, including consolidated financial statements, does not form a part of the material for the solicitation of proxies. The Company will provide without charge to each shareholder, on written request, a copy of the Company's Annual Report on Form 10-K for the year ended April 30, 2018, including the consolidated financial statements and schedules thereto, filed with the SEC. If a shareholder requests copies of any exhibits to such Form 10-K, the Company may require the payment of a fee covering its reasonable expenses. A written request should be addressed to Julia L. Jackowski, Senior Vice President—Corporate General Counsel and Secretary, Casey's General Stores, Inc., P.O. Box 3001, One SE Convenience Blvd., Ankeny, Iowa 50021-0845.

SUBMISSION OF SHAREHOLDER PROPOSALS

Any proposal which a shareholder intends to present at the annual meeting of shareholders in September 2019 must be received by the Company by [•], 2019 in order to be eligible for inclusion in the Company's proxy statement and proxy card relating to such meeting, unless the date of the 2019 annual meeting is changed by more than 30 days from September 5, 2019, in which case the proposal must be received a reasonable time before the Company begins to print and send its proxy materials for the 2019 annual meeting. Upon timely receipt of any such proposal, the Company will determine whether or not to include such proposal in the proxy statement and proxy in accordance with applicable SEC regulations governing the solicitation of proxies.

Separate and apart from, and in addition to, the above SEC requirements governing notice of shareholder proposals to be included in the Company's proxy statement are the Company's advance notice requirements, as set forth in the Bylaws. Under the Bylaws, a shareholder may bring other business before the 2019 annual meeting of shareholders only by delivering written notice to the Corporate Secretary not earlier than May 8, 2019, and not later than June 7, 2019. However, if the date of the 2019 annual meeting is more than 30 days before September 5, 2019, or more than 60 days after September 5, 2019, written notice must be provided not less than 90 days nor more than 120 days prior to the date of the 2019 annual meeting or, if the first public announcement of the date of such advanced or delayed annual meeting is less than 100 days prior to the date of such annual meeting, the 10th day following the day on which public announcement of the date of the annual meeting is first made. Among other requirements, the notice must set forth certain information concerning such shareholder and all persons or entities acting in concert with the shareholder, including their names, addresses and number of shares owned of record, rights to acquire shares and other derivative securities or short interests held, a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, a description of all arrangements or understandings between such shareholder and any other persons in connection with the proposal of such business, a representation that such shareholder is entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to bring such business before the meeting and such other information regarding the proposal as would be required to be included in a proxy statement filed with the SEC. The chair of the meeting may determine that particular items of business were not properly brought before the annual meeting in accordance with the Bylaws, in which case any such business shall not be transacted.

A shareholder proposing business to be conducted at an annual meeting or nominees for election to the Board of Directors at an annual meeting must be a shareholder of the Company both at the time of giving of notice and at the time of the meeting and who is entitled to vote at the meeting. Any shareholder desiring a copy of the Bylaws will be furnished a copy without charge upon written request addressed to Julia L. Jackowski, Senior Vice President—Corporate General Counsel and

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Secretary, Casey's General Stores, Inc., P.O. Box 3001, One SE Convenience Blvd., Ankeny, Iowa 50021-0845.

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PROXY SOLICITATION

The Company will pay all solicitation expenses in connection with this Proxy Statement and related Company proxy soliciting material, including the expense of preparing, printing, assembling, mailing and otherwise making available this Proxy Statement and any other material used in the Company's solicitation of proxies. We have retained Morrow Sodali to assist in the solicitation of proxies for the Annual Meeting for a fee of approximately \$15,000, plus associated costs and expenses. Certain directors, executive officers and other employees, on behalf of the Company and without additional compensation, may also solicit proxies personally, by telephone, fax, email or other electronic means. Shareholders may also be solicited by means of press releases issued by the Company and posted on its website.

The Company will request banks, brokers and other custodians, Nominees and fiduciaries to forward proxy soliciting material to the beneficial owners of shares held of record by such persons and obtain their voting instructions. The Company will reimburse such persons at approved rates for their expenses in connection with the foregoing activities.

OTHER MATTERS

So far as the Board and the management of the Company are aware, no matters other than those described in this Proxy Statement will be acted upon at the meeting. If, however, any other matters properly come before the meeting, it is the intention of the persons named in the enclosed proxy to vote the same in accordance with their judgment on such other matters.

By Order of the Board of Directors,

Julia L. Jackowski

Senior Vice President—Corporate General Counsel and Secretary

[DATE], 2018

YOUR VOTE IS IMPORTANT. PLEASE COMPLETE AND SIGN YOUR PROXY CARD AND RETURN IT PROMPTLY OR OTHERWISE VOTE YOUR PROXY CARD BY TELEPHONE OR THE INTERNET, AS DESCRIBED ABOVE.

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APPENDIX A

Casey's General Stores, Inc.
2018 Stock Incentive Plan

Article 1. Establishment, Purpose, and Duration.

1.1 Establishment. Casey's General Stores, Inc., an Iowa corporation (hereinafter referred to as the "Company"), hereby establishes an incentive compensation plan to be known as the Casey's General Stores, Inc. 2018 Stock Incentive Plan (hereinafter referred to as the "Plan"), as set forth in this document. This Plan permits the grant of Nonqualified Stock Options, Incentive Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units and Other Stock-Based Awards. This Plan shall become effective upon shareholder approval at the 2018 Annual General Meeting on September 5, 2018 (the "Effective Date") and shall remain in effect as provided in Section 1.3 hereof. This Plan is intended to replace the Casey's General Stores, Inc. 2009 Stock Incentive Plan (the "2009 Plan"). As of the Effective Date of this Plan, the 2009 Plan shall be automatically terminated and replaced and superseded by this Plan, except that any Awards granted under the Prior Plans shall continue to be subject to the terms of the Prior Plans and applicable Award Agreements, including any such terms that are intended to survive the termination of the Prior Plans or the settlement of such Awards, and shall remain in effect pursuant to their terms.

1.2 Purpose of This Plan. The purpose of this Plan is to provide a means whereby Employees and Directors of the Company develop a sense of proprietorship and personal involvement in the development and financial success of the Company, and to encourage them to devote their best efforts to the business of the Company, thereby advancing the interests of the Company and its shareholders. A further purpose of this Plan is to provide a means through which the Company may attract able individuals to become Employees or serve as Directors of the Company and to provide a means whereby those individuals upon whom the responsibilities of the successful administration and management of the Company are of importance can acquire and maintain stock ownership, thereby strengthening their concern for the welfare of the Company.

1.3 Duration of This Plan. Unless sooner terminated as provided herein, this Plan shall terminate ten (10) years from the Effective Date. After this Plan is terminated, no Awards may be granted but Awards previously granted shall remain outstanding in accordance with their applicable terms and conditions and this Plan's terms and conditions.

Article 2. Definitions.

Whenever used in this Plan, the following terms shall have the meanings set forth below, and when the meaning is intended, the initial letter of the word shall be capitalized.

2.1 "2009 Plan" has the meaning set forth in Section 1.1.

2.2 "Affiliate" shall mean any corporation or other entity (including, but not limited to, a partnership or a limited liability company) that is affiliated with the Company through stock or equity ownership or otherwise, and is designated as an Affiliate for purposes of this Plan by the Committee.

2.3 "Annual Award Limit" or "Annual Award Limits" have the meaning set forth in Section 4.3.

2.4 "Award" means, individually or collectively, a grant under this Plan of Nonqualified Stock Options, Incentive Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units or Other Stock-Based Awards, in each case, subject to the terms of this Plan.

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2.5 “Award Agreement” means either: (a) a written or electronic agreement entered into by the Company and a Participant setting forth the terms and provisions applicable to an Award granted under this Plan, including any amendment or modification thereof, or (b) a written or electronic statement issued by the Company to a Participant describing the terms and provisions of such Award, including any amendment or modification thereof. The Committee may provide for the use of electronic, internet, or other non-paper Award Agreements, and the use of electronic, internet, or other non-paper means for the acceptance thereof and actions thereunder by a Participant.

2.6 “Beneficial Owner” or “Beneficial Ownership” shall have the meaning ascribed to such terms in Rule 13d-3 of the General Rules and Regulations under the Exchange Act.

2.7 “Board” or “Board of Directors” means the Board of Directors of the Company.

2.8 “Cause” means, unless otherwise specified in the applicable Award Agreement or Individual Agreement, with respect to any Participant:

- (a) Willful failure to substantially perform his or her duties as an Employee or Director (for reasons other than physical or mental illness) after reasonable notice to the Participant of that failure;
- (b) Misconduct that materially injures the Company or any Subsidiary or Affiliate;
- (c) Conviction of, or entering into a plea of guilty or nolo contendere to, a felony; or
- (d) Breach of any written covenant or agreement with the Company or any Subsidiary or Affiliate.

2.9 “Change of Control” means any of the following events:

- (a) The acquisition by any Person of Beneficial Ownership of twenty percent (20%) or more of the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of Directors (the “Outstanding Company Voting Securities”). Notwithstanding the immediately preceding sentence, the following acquisitions shall not constitute a Change of Control: (i) any acquisition by a Person who on the Effective Date is the Beneficial Owner of twenty percent (20%) or more of the Outstanding Company Voting Securities; (ii) any acquisition directly from the Company, including without limitation, a public offering of securities; (iii) any acquisition by the Company; (iv) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Affiliate or Subsidiary; and (v) any Non-Qualifying Transaction;
- (b) Individuals who constitute the Board as of the Effective Date hereof (the “Incumbent Board”) cease for any reason to constitute at least a majority of the Board; provided that any individual becoming a Director subsequent to the Effective Date whose election, or nomination for election by the Company’s shareholders, was approved by a vote of at least a majority of the Directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of

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office is pursuant to an actual or threatened election contest relating to the election or removal of the Directors of the Company or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board;

(c) Consummation of a reorganization, merger, or consolidation or similar transaction to which the Company is a party or a sale or other disposition of all or substantially all of the assets of the Company (a "Business Combination"), in each case, unless, following such Business Combination, (i) all or substantially all of the individuals and entities who were the Beneficial Owners of Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than fifty percent (50%) of the combined voting power of the outstanding voting securities entitled to vote generally in the election of directors of the corporation resulting from the Business Combination (including, without limitation, a corporation, which, as a result of such transaction, owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) (the "Successor Entity") in substantially the same proportions as their ownership immediately prior to such Business Combination of the Outstanding Company Voting Securities, (ii) individuals who were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination constitute at least a majority of the members of the board of directors of the corporation resulting from such Business Combination, and (iii) no Person (other than the Company, any employee benefit plan (or related trust) of the Company or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, twenty percent (20%) or more of, respectively, the outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the outstanding voting securities of such corporation entitled to vote generally in the election of directors except to the extent that such ownership existed prior to the Business Combination (any transaction that satisfies all of the criteria specified in the foregoing clauses (i), (ii) and (iii), a "Non-Qualifying Transaction"); or

(d) Approval by the shareholders of the Company of a complete liquidation or dissolution of the Company.

2.10 "Code" means the U.S. Internal Revenue Code of 1986, as amended from time to time. For purposes of this Plan, references to sections of the Code shall be deemed to include references to any applicable regulations thereunder and any successor or similar provision.

2.11 "Committee" means the Compensation Committee of the Board or a subcommittee thereof, or any other committee designated by the Board to administer this Plan. The members of the Committee shall be appointed from time to time by and shall serve at the discretion of the Board. If the Committee does not exist or cannot function for any reason, the Board may take any action under the Plan that would otherwise be the responsibility of the Committee.

2.12 "Company" means Casey's General Stores, Inc., an Iowa corporation, and any successor thereto as provided in Article 18 herein.

2.13 "Covered Employee" means any Employee who is or may become a "Covered

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Employee,” as defined in Code Section 162(m), and who is designated, either as an individual Employee or class of Employees, by the Committee within the shorter of: (a) ninety (90) days after the beginning of the Performance Period, or (b) before twenty-five percent (25%) of the Performance Period has elapsed, as a “Covered Employee” under this Plan for such applicable Performance Period.

2.14 “Director” means any individual who is a member of the Board of Directors of the Company.

2.15 “Effective Date” has the meaning set forth in Section 1.1.

2.16 “Employee” means any individual performing services for the Company, an Affiliate, or a Subsidiary and designated as an employee of the Company, an Affiliate, or a Subsidiary on the payroll records thereof. An Employee shall not include any individual during any period he or she is classified or treated by the Company, Affiliate, or Subsidiary as an independent contractor, a consultant, or any employee of an employment, consulting, or temporary agency or any other entity other than the Company, Affiliate, or Subsidiary, without regard to whether such individual is subsequently determined to have been, or is subsequently retroactively reclassified as a common-law employee of the Company, Affiliate, or Subsidiary during such period. An individual shall not cease to be an Employee in the case of: (a) any leave of absence approved by the Company; or (b) transfers between locations of the Company or between the Company, any Affiliates, or any Subsidiaries. For purposes of Incentive Stock Options, no such leave may exceed ninety (90) days, unless reemployment upon expiration of such leave is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, then three (3) months following the ninety-first (91st) day of such leave, any Incentive Stock Option held by a Participant shall cease to be treated as an Incentive Stock Option and shall be treated for tax purposes as a Nonqualified Stock Option. Neither service as a Director nor payment of a Director’s fee by the Company shall be sufficient to constitute “employment” by the Company.

2.17 “Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time, or any successor act thereto.

2.18 “Exercise Price” means (i) in the case of an Option, the price specified in the applicable Award Agreement as the price-per-Share at which Shares may be purchased pursuant to such Option or (ii) in the case of a Stock Appreciation Right, the price specified in the applicable Award Agreement as the reference price-per-Share used to calculate the amount payable to the Participant.

2.19 “Extraordinary Items” means (a) extraordinary, unusual, and/or nonrecurring items of gain or loss; (b) gains or losses on the disposition of a business; (c) changes in tax or accounting regulations or laws; or (d) the effect of a merger or acquisition, all of which must be identified in the audited financial statements, including footnotes, or Management Discussion and Analysis section of the Company’s annual report.

2.20 “Fair Market Value” or “FMV” means:

(a) A price of a Share that is based on the opening, closing, actual, high, low, or average selling prices of a Share reported on any established stock exchange or national market system including without limitation the New York Stock Exchange and the Nasdaq Global Select Market on the applicable date, the preceding trading day, the next succeeding trading day, or an average of trading days, as determined by the Committee in its discretion. Unless the Committee determines otherwise, Fair Market Value shall be deemed to be equal to the closing price of a Share on the Grant Date or on

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the most recent date preceding the Grant Date on which Shares were publicly traded.

(b) If Shares are regularly quoted by a recognized securities dealer but selling prices are not reported, the mean between the high bid and low asked prices for a Share on the last market trading day prior to the day of determination, as reported in The Wall Street Journal or such other source as the Committee deems reliable.

(c) In the event Shares are not publicly traded at the time a determination of their value is required to be made hereunder, the price of a Share as determined by the Committee in such manner as it deems appropriate.

2.21 “Full Value Award” means an Award other than in the form of an Option or Stock Appreciation Right, and which is settled by the issuance of Shares.

2.22 “Good Reason” means, unless otherwise specified in the applicable Award Agreement or Individual Agreement, with respect to any Participant following a Change of Control:

(a) A material diminution in the Participant’s position, authority, duties or responsibilities as in effect immediately prior to the Change of Control;

(b) Any material breach by the Company or any of its Affiliates of any Award Agreement or Individual Agreement with the Participant;

(c) A material reduction by the Company of the Participant’s total compensation (including salary and annual long-term incentive compensation) from the levels in effect as of immediately prior to the Change of Control; or

(d) The Company’s or any Affiliate’s requiring the Participant to be based at any office or location outside of fifty (50) miles from the location of employment or service as of the date of the Change of Control, except for travel reasonably required in the performance of the Participant’s responsibilities.

Notwithstanding the foregoing, the events described in clauses (a), (b), (c) and (d) of this Section 2.22 shall constitute “Good Reason” only if (1) such event occurs without the Participant’s consent, (2) the Participant provides written notice to the Company or an Affiliate within ninety (90) days of the purported Good Reason event, which notice shall describe in detail the basis and underlying facts supporting the Participant’s belief that a Good Reason event has occurred, and (3) the Company or such Affiliate fails to cure the Good Reason event (if capable of being cured) within thirty (30) days after its receipt of the Participant’s written notice. If the Company does not cure the Good Reason event within the thirty (30)-day cure period, the Participant will have ninety (90) days from the end of such cure period to resign. If the Participant does not resign within such ninety (90)-day period, the Participant forfeits the right to resign for Good Reason as a result of such event.

2.23 “Grant Date” means the date an Award is granted to a Participant pursuant to the Plan.

2.24 “Incentive Stock Option” or “ISO” means an Option to purchase Shares granted

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under Article 6 to an Employee and that is designated as an Incentive Stock Option that is intended to meet the requirements of Code Section 422 or any successor provision.

2.25 “Individual Agreement” means a written employment, retention, consulting or similar agreement between a Participant and the Company or one of its Subsidiaries or Affiliates.

2.26 “Nonemployee Director” means a Director who is not an Employee.

2.27 “Nonqualified Stock Option” or “NQSO” means an Option that is not intended to meet the requirements of Code Section 422, or that otherwise does not meet such requirements.

2.28 “Option” means an Incentive Stock Option or a Nonqualified Stock Option, as described in Article 6.

2.29 “Other Stock-Based Award” means, individually or collectively, any Award other than an Option, Stock Appreciation Right, Restricted Stock Award or Restricted Stock Unit Award, that is denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, Shares (including without limitation any Award of Shares that is not subject to any vesting or other restrictions and any Award of Shares in lieu of obligations to pay cash or deliver other property under the Plan or under any other plan or compensatory arrangements).

2.30 “Participant” means any eligible individual as set forth in Article 5 to whom an Award is granted.

2.31 “Performance Measures” mean measures as described in Article 9 on which the performance goals are based and which are approved by the Company’s shareholders pursuant to this Plan in order to qualify Awards as Performance-Based Compensation.

2.32 “Performance Period” means the period of time during which the performance goals must be met in order to determine the degree of payout and/or vesting with respect to an Award.

2.33 “Performance-Based Compensation” means compensation under an Award that is intended to satisfy the requirements of Code Section 162(m) for certain performance-based compensation paid to Covered Employees. Notwithstanding the foregoing, nothing in this Plan shall be construed to mean that an Award which does not satisfy the requirements for performance-based compensation under Code Section 162(m) does not constitute performance-based compensation for other purposes, including Code Section 409A.

2.34 “Period of Restriction” means the period when Restricted Stock or Restricted Stock Units are subject to a substantial risk of forfeiture (based on the passage of time, the achievement of performance goals, or upon the occurrence of other events as determined by the Committee, in its discretion), as provided in Article 7.

2.35 “Person” shall have the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a “group” as defined in Section 13(d) thereof.

2.36 “Plan” means the Casey’s General Stores, Inc. 2018 Stock Incentive Plan.

2.37 “Plan Share Limit” has the meaning set forth in Section 4.1(a).

2.38 “Plan Year” means the Company’s fiscal year which begins May 1 and ends April 30.

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- 2.39 “Prior Plans” mean the 2009 Plan, the Casey’s General Stores, Inc. 2000 Stock Option Plan and the Casey’s General Stores, Inc. Non-Employee Directors’ Stock Option Plan.
- 2.40 “Restricted Stock” means an Award granted to a Participant pursuant to Article 7.
- 2.41 “Restricted Stock Unit” means an Award granted to a Participant pursuant to Article 7, except no Shares are actually awarded to the Participant on the Grant Date.
- 2.42 “Share” means a share of common stock of the Company, no par value per share.
- 2.43 “Share Payment” has the meaning set forth in Section 17.2.
- 2.44 “Stock Appreciation Right” or “SAR” means a stock appreciation right Award that is granted under Section 6.1 and that, subject to Section 19.10, represents an unfunded and unsecured promise to deliver Shares, cash, other securities, other Awards or other property equal in value to the excess, if any, of the Fair Market Value per Share over the Exercise Price per Share of the Stock Appreciation Right, subject to the terms of the applicable Award Agreement.
- 2.45 “Subsidiary” means any corporation or other entity, whether domestic or foreign, in which the Company has or obtains, directly or indirectly, an interest of more than fifty percent (50%) by reason of stock ownership or otherwise.
- 2.46 “Tax Laws” has the meaning set forth in Section 19.18.

Article 3. Administration.

3.1 General. The Committee shall be responsible for administering this Plan, subject to this Article 3 and the other provisions of this Plan. The Committee may employ attorneys, consultants, accountants, agents, and other individuals, any of whom may be an Employee, and the Committee, the Company, and its officers and Directors shall be entitled to rely upon the advice, opinions, or valuations of any such individuals. All actions taken and all interpretations and determinations made by the Committee shall be final and binding upon the Participants, the Company, and all other interested individuals.

3.2 Authority of the Committee. Subject to any express limitations set forth in the Plan, the Committee shall have full and exclusive discretionary power and authority to take such actions as it deems necessary and advisable with respect to the administration of the Plan including, but not limited to, the following:

- (a) To determine from time to time which of the persons eligible under the Plan shall be granted Awards, when and how each Award shall be granted, what type or combination of types of Awards shall be granted, the provisions of each Award granted (which need not be identical), including (subject to Section 3.3) the time or times when a person shall be permitted to receive Shares pursuant to an Award, and the number of Shares subject to an Award;
- (b) To construe and interpret the Plan and Awards granted under it, and to establish, amend, and revoke rules and regulations for its administration. The Committee, in the exercise of this power, may correct any defect, omission, or inconsistency in the Plan or in an Award Agreement, in a manner and to the extent it shall deem necessary or expedient to make the

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Plan fully effective;

- (c) To approve forms of Award Agreements for use under the Plan;
- (d) To determine the vesting schedule of Awards subject to Section 4.5;
- (e) To establish the terms, conditions, performance and vesting criteria, restrictions, terms of exercise and settlement and other provisions of the Awards;
- (f) To determine Fair Market Value in accordance with Section 2.20 of the Plan;
- (g) Subject to Article 16, to amend the Plan or any Award Agreement as provided in the Plan;
- (h) To authorize any person to execute on behalf of the Company any instrument required to effect the grant of a stock award previously granted by the Board;
- (i) To determine whether Awards will be settled in Shares of common stock, cash, or in any combination thereof;
- (j) Subject to Article 12, to determine whether Awards will be adjusted for dividend equivalents, with “Dividend Equivalents” meaning a credit, made at the discretion of the Committee, to the account of a Participant in an amount equal to the cash dividends paid on one Share for each Share represented by an Award held by such Participant;
- (k) To establish a program whereby Participants designated by the Committee may reduce compensation otherwise payable in cash in exchange for Awards under the Plan;
- (l) Subject to Section 16.1(b), to authorize a program permitting eligible Participants to surrender outstanding Awards in exchange for newly granted Awards;
- (m) To impose such restrictions, conditions, or limitations as it determines appropriate as to the timing and manner of any resales by a Participant or other subsequent transfers by the Participant of any Shares, including, without limitation: (i) restrictions under an insider trading policy; and (ii) restrictions as to the use of a specified brokerage firm for such resales or other transfers; and
- (n) To provide, either at the time an Award is granted or by subsequent action, that an Award shall contain as a term thereof, a right, either in tandem with the other rights under the Award or as an alternative thereto, of the Participant to receive, without payment to the Company, a number of Shares, cash, or a combination thereof, the amount of which is determined by reference to the value of Shares.

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3.3 Limited Authority to Accelerate Vesting. Notwithstanding Section 3.2, the Committee shall not have the authority to accelerate vesting of an Award in the event of a Participant's termination of employment, other than in connection with the Participant's death or disability.

Article 4. Shares Subject to This Plan; Maximum Awards; Minimum Vesting Schedule.

4.1 Number of Shares Authorized and Available for Awards. The number of Shares authorized and available for Awards under the Plan shall be determined in accordance with the following provisions:

(a) Subject to adjustment as provided in Section 4.4 of the Plan, the maximum aggregate number of Shares available for issuance under the Plan, including with respect to ISOs, shall be 3,000,000 (such amount, the "Plan Share Limit"). In connection with approving this Plan, and contingent upon receipt of shareholder approval of this Plan, the Board of Directors has approved a resolution to cancel any Shares remaining available for issuance under the Prior Plans that are not subject to outstanding Awards as of the Effective Date.

(b) Solely for the purpose of applying the limitation set forth in Section 4.1(a):

(i) each Option and Stock Appreciation Right granted under this Plan shall reduce the number of Shares available for grant by one Share for every one Share in respect of which such Option or Stock Appreciation Right is granted; and

(ii) each Full Value Award granted under this Plan shall reduce the number of Shares available for grant by two Shares for every one Share in respect of which such Full Value Award is granted.

4.2 Share Usage. Except as set forth in this Section 4.2, Shares covered by an Award shall be counted as used only to the extent they are actually issued. Any Shares related to Awards under this Plan that terminate by expiration, forfeiture, cancellation, or otherwise without the issuance of the Shares, or are settled in cash in lieu of Shares shall be available again for grant under this Plan; provided that such Shares shall be added back to the Plan pursuant to the same counting methodology as described in Section 4.1(b). Shares subject to an Award under the Plan may not again be made available for issuance under the Plan if such Shares were: (i) Shares that were subject to an Option and were not issued upon the net settlement or net exercise of such Option; (ii) Shares delivered to or withheld by the Company to pay the applicable Exercise Price or the withholding taxes related to any Award; or (iii) Shares repurchased on the open market with the proceeds of an Option exercise. Upon exercise of a stock-settled Stock Appreciation Right, each such stock-settled Stock Appreciation Right exercised shall be counted as one Share against the maximum aggregate number of Shares that may be delivered pursuant to Awards granted under the Plan as provided in Section 4.1(a), regardless of the number of Shares actually delivered upon settlement of such stock-settled Stock Appreciation Right. The Shares available for issuance under this Plan may be authorized and unissued Shares or treasury Shares.

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4.3 Annual Award Limits. Unless and until the Committee determines that an Award to a Covered Employee shall not be designed to qualify as Performance-Based Compensation, the following limits (each an “Annual Award Limit” and, collectively, “Annual Award Limits”), as adjusted pursuant to Section 4.4 and Article 16, shall apply to grants of such Awards under this Plan:

(a) Options and Stock Appreciation Rights: The maximum aggregate number of Shares subject to Options or Stock Appreciation Rights granted to any one Participant (other than to a Nonemployee Director) in any one Plan Year shall be 200,000.

(b) Full Value Awards: The maximum aggregate number of Shares subject to Full Value Awards granted to any one Participant (other than to a Nonemployee Director) in any one Plan Year shall be 100,000.

4.4 Adjustments in Authorized Shares. Adjustment in authorized Shares available for issuance under the Plan or under an outstanding Award and adjustments in Annual Award Limits shall be subject to the following provisions:

In the event of any extraordinary dividend or other extraordinary distribution (whether in the form of cash, Shares, other securities or other property), recapitalization, rights offering, stock split, reverse stock split, split-up or spin-off, the Committee shall equitably adjust any or all of (i) the number of Shares or other securities of the Company (or number and kind of other securities or property) with respect to which Awards may be granted, (a) including (A) the Plan Share Limit and (B) the Annual Award Limits, and (ii) the terms of any outstanding Award, including (1) the number of Shares or other securities of the Company (or number and kind of other securities or property) subject to outstanding Awards or to which outstanding Awards relate and (2) the Exercise Price, if applicable, with respect to any Award; provided, however, that the Committee shall determine the method and manner in which to effect such equitable adjustment.

In the event that the Committee determines that any reorganization, merger, consolidation, combination, repurchase or exchange of Shares or other securities of the Company, issuance of warrants or other rights to purchase Shares or other securities of the Company, or other similar corporate transaction or event affects the Shares (including any Change of Control) such that an adjustment is determined by the Committee in its discretion to be appropriate or desirable, then the Committee may, in such manner as it may deem appropriate or desirable in its sole and plenary discretion, (i) equitably adjust any or all of (A) the number of Shares or other securities of the Company (or number and kind of other securities or property) with respect to which Awards may be granted, (b) including (1) the Plan Share Limit and (2) the Annual Award Limits, and (B) the terms of any outstanding Award, including (1) the number of Shares or other securities of the Company (or number and kind of other securities or property) subject to outstanding Awards or to which outstanding Awards relate, (2) the Exercise Price, if applicable, with respect to any Award and (3) any applicable Performance Measure or Performance Period; (ii) make provision for a cash payment to the holder of an outstanding Award (but, solely with respect to unvested Awards in the case of a Change of Control, only if provision is not made in connection with such Change of Control for (A) assumption of such

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Awards or (B) substitution for such Awards of new awards covering stock of a successor corporation or its “parent corporation” (as defined in Section 424(e) of the Code), with appropriate adjustments as to the number and kinds of shares and the Exercise Prices, if applicable) in consideration for the cancelation of such Award, including, in the case of an outstanding Option or Stock Appreciation Right, a cash payment to the holder of such Option or Stock Appreciation Right in consideration for the cancelation of such Option or Stock Appreciation Right in an amount equal to the excess, if any, of the Fair Market Value (as of a date specified by the Committee) of the Shares subject to such Option or Stock Appreciation Right over the aggregate Exercise Price of such Option or Stock Appreciation Right; and (iii) cancel and terminate any Option or Stock Appreciation Right having a per-Share Exercise Price equal to, or in excess of, the Fair Market Value of a Share subject to such Option or Stock Appreciation Right without any payment or consideration therefor.

(c) The Committee, in its sole discretion, may also make appropriate adjustments in the terms of any Awards under this Plan to reflect such changes or distributions and to modify any other terms of outstanding Awards, including modifications of performance goals and changes in the length of Performance Periods.

(d) The determination of the Committee as to the foregoing adjustments, if any, shall be conclusive and binding on Participants under this Plan.

(e) Subject to the provisions of Article 16 and notwithstanding anything else herein to the contrary, without affecting the number of Shares reserved or available hereunder, the Committee may authorize the issuance or assumption of benefits under this Plan in connection with any merger, consolidation, acquisition of property or stock, or reorganization upon such terms and conditions as it may deem appropriate, subject to compliance with the rules under Code Sections 422 and 424, as and where applicable.

4.5 Minimum Vesting Requirement. All Awards shall be subject to a minimum vesting period of one (1) year, which minimum vesting period shall be deemed satisfied with respect to an Award granted to a Nonemployee Director in connection with an annual shareholders' meeting if such Award vests upon or after the immediately following annual shareholders' meeting. Notwithstanding the immediately preceding sentence, up to five percent (5%) of the Shares available under the Plan may be granted pursuant to Awards with a vesting period of less than one (1) year, including the grant of Awards or Shares free of any vesting requirements. Shares issued to Participants pursuant to their election to receive Shares in lieu of cash compensation shall not count against this limit.

Article 5. Eligibility and Participation.

5.1 Eligibility. Individuals eligible to participate in this Plan include all Employees and Directors.

5.2 Actual Participation. Subject to the provisions of this Plan, the Committee may, from time to time, select from all eligible individuals, those individuals to whom Awards shall be granted and shall determine, in its sole discretion, the nature of any and all terms permissible by law and the amount of each Award.

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Article 6. Stock Options and Stock Appreciation Rights.

6.1 Grant of Options and Stock Appreciation Rights. Subject to the terms and provisions of this Plan, Options and Stock Appreciation Rights may be granted to Participants in such number, and upon such terms, and at any time and from time to time as shall be determined by the Committee, in its sole discretion.

6.2 Award Agreement. Each Option and Stock Appreciation Right grant shall be evidenced by an Award Agreement that shall specify (a) the Exercise Price, (b) subject to Section 6.4, the maximum term of the Option or Stock Appreciation Right, (c) the number of Shares to which the Option or Stock Appreciation Right pertains, (d) subject to Section 4.5, the conditions upon which an Option or Stock Appreciation Right shall become vested and exercisable, and (e) such other provisions as the Committee shall determine which are not inconsistent with the terms of this Plan. All Options granted under the Plan shall be NQSOs unless the applicable Award Agreement expressly states that the Option is intended to be an ISO.

6.3 Exercise Price of Options and Stock Appreciation Rights. The Exercise Price for each grant of an Option or a Stock Appreciation Right under this Plan shall be determined by the Committee in its sole discretion at the time of grant and shall be specified in the Award Agreement; provided, however, the Exercise Price must be at least equal to one hundred percent (100%) of the FMV of a Share as of Grant Date of such Option or Stock Appreciation Right.

6.4 Term of Options and Stock Appreciation Rights. Each Option and Stock Appreciation Right granted to a Participant shall expire at such time as the Committee shall determine at the time of grant; provided, however, no Option or Stock Appreciation shall be exercisable, in each case, later than the tenth (10th) anniversary of its Grant Date.

6.5 Exercise of Options and Stock Appreciation Rights. Options and Stock Appreciation Rights granted under this Article 6 shall be exercisable at such times and be subject to such restrictions and conditions as the Committee shall in each instance approve, subject to Sections 3.3 and 15.1(b), which terms and restrictions need not be the same for each grant or for each Participant.

6.6 Payment of Options. Options granted under this Article 6 shall be exercised by the delivery of a notice of exercise to the Company or an agent designated by the Company in a form specified or accepted by the Committee, or by complying with any alternative procedures which may be authorized by the Committee, setting forth the number of Shares with respect to which the Option is to be exercised, accompanied by full payment for the Shares. A condition of the issuance of the Shares as to which an Option shall be exercised shall be the payment of the Exercise Price. The Exercise Price of any exercised Option shall be payable to the Company in cash or its equivalent or, to the extent permitted by the Committee, in accordance with one of the following methods:

- (a) By tendering (either by actual delivery or attestation) previously acquired Shares having an aggregate Fair Market Value at the time of exercise equal to the Exercise Price;
- (b) By a cashless (broker-assisted) exercise;
- (c) By any combination of the foregoing methods; or
- (d) Any other method approved or accepted by the Committee in its sole discretion.

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Subject to any governing rules or regulations, as soon as practicable after receipt of written notification of exercise and full payment (including satisfaction of any applicable tax withholding), the Company shall deliver to the Participant evidence of book entry Shares, or upon the Participant's request, Share certificates in an appropriate amount based upon the number of Shares purchased under the Option(s). Unless otherwise determined by the Committee, all payments under all of the methods indicated above shall be paid in U.S. dollars or Shares, as applicable.

6.7 Termination of Employment. Each Participant's Award Agreement shall set forth the extent to which the Participant shall have the right to exercise the Options or Stock Appreciation Rights granted thereunder following termination of the Participant's employment or provision of services to the Company or any Affiliate or Subsidiary, as the case may be. Such provisions shall be determined in the sole discretion of the Committee, shall be included in the Award Agreement entered into with each Participant, need not be uniform among all Options and Stock Appreciation Rights issued pursuant to this Article 6, and may reflect distinctions based on the reasons for termination; provided, however, no Option or Stock Appreciation Right shall be exercisable, in each case, later than the tenth (10th) anniversary of its Grant Date.

6.8 Special Rules Regarding ISOs. Notwithstanding any provision of the Plan to the contrary, an ISO granted to a Participant shall comply with such rules as may be prescribed by Section 422 of the Code and any regulations related thereto, as amended from time to time, and any successor provision.

Article 7. Restricted Stock and Restricted Stock Units.

7.1 Grant of Restricted Stock or Restricted Stock Units. Subject to the terms and provisions of this Plan, the Committee, at any time and from time to time, may grant Shares of Restricted Stock and/or Restricted Stock Units to Participants in such amounts as the Committee shall determine. Restricted Stock Units shall be similar to Restricted Stock except that no Shares are actually awarded to the Participant on the Grant Date.

7.2 Restricted Stock or Restricted Stock Unit Agreement. Each Restricted Stock and/or Restricted Stock Unit grant shall be evidenced by an Award Agreement that shall specify (a) subject to Section 4.5, the Period(s) of Restriction, (b) the number of Shares of Restricted Stock, or the number of Restricted Stock Units granted, and (c) such other provisions as the Committee shall determine.

7.3 Other Restrictions. The Committee shall impose such other conditions and/or restrictions on any Shares of Restricted Stock or Restricted Stock Units granted pursuant to this Plan as it may deem advisable including, without limitation, a requirement that Participants pay a stipulated purchase price for each Share of Restricted Stock or each Restricted Stock Unit, restrictions based upon the achievement of specific performance goals, time-based restrictions on vesting following the attainment of the performance goals, time-based restrictions, restrictions under applicable laws or under the requirements of any stock exchange or market upon which such Shares are listed or traded, or holding requirements or sale restrictions placed on the Shares by the Company upon vesting of such Restricted Stock or Restricted Stock Units. To the extent deemed appropriate by the Committee, the Company may retain the certificates representing Shares of Restricted Stock in the Company's possession until such time as all conditions and/or restrictions applicable to such Shares have been satisfied or lapse. Except as otherwise provided in this Article 7, Shares of Restricted Stock covered by each Restricted Stock Award shall become freely transferable by the Participant after all conditions and restrictions applicable to such Shares have been satisfied or lapse (including satisfaction of any applicable tax withholding obligations), and Restricted Stock Units shall be paid in cash, Shares, or a combination of cash and Shares as the Committee, in its sole discretion, shall determine. Subject to Section 4.4, in the event that Restricted Stock Units are settled in cash or a

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combination of cash and Shares, the cash value paid to a Participant in respect of such Restricted Stock Units shall be based on the Fair Market Value of the applicable Shares as of the date of such settlement.

7.4 Certificate Legend. In addition to any legends placed on certificates pursuant to Section 7.3, each certificate representing Shares of Restricted Stock granted pursuant to this Plan may bear a legend such as the following or as otherwise determined by the Committee in its sole discretion: The sale or transfer of Shares of stock represented by this certificate, whether voluntary, involuntary, or by operation of law, is subject to certain restrictions on transfer as set forth in the Casey's General Stores, Inc. 2018 Stock Incentive Plan, and in the associated Award Agreement. A copy of this Plan and such Award Agreement may be obtained from Casey's General Stores, Inc.

7.5 Voting Rights. Unless otherwise determined by the Committee and set forth in a Participant's Award Agreement, to the extent permitted or required by law, as determined by the Committee, Participants holding Shares of Restricted Stock granted hereunder may be granted the right to exercise full voting rights with respect to those Shares during the Period of Restriction. A Participant shall have no voting rights with respect to any Restricted Stock Units granted hereunder.

7.6 Termination of Employment. Each Award Agreement shall set forth the extent to which the Participant shall have the right to retain Restricted Stock and/or Restricted Stock Units following termination of the Participant's employment with or provision of services to the Company or any Affiliate or Subsidiary, as the case may be. Subject to Section 3.3, such provisions shall be determined in the sole discretion of the Committee, shall be included in the Award Agreement entered into with each Participant, need not be uniform among all Shares of Restricted Stock or Restricted Stock Units issued pursuant to this Plan, and may reflect distinctions based on the reasons for termination.

Article 8. Transferability of Awards and Shares.

8.1 Transferability of Awards. Except as provided in Section 8.2, during a Participant's lifetime, his or her Awards shall be exercisable only by the Participant. Awards shall not be transferable other than by will or the laws of descent and distribution or, subject to the consent of the Committee, pursuant to a domestic relation order entered into by a court of competent jurisdiction; no Awards shall be subject, in whole or in part, to attachment, execution, or levy of any kind; and any purported transfer in violation of this Section 8.1 shall be null and void. The Committee may establish such procedures as it deems appropriate for a Participant to designate a beneficiary to whom any amounts payable or Shares deliverable in the event of, or following, the Participant's death may be provided.

8.2 Committee Action. The Committee may, in its discretion, determine that notwithstanding Section 8.1, any or all Awards shall be transferable to and exercisable by such transferees, and be subject to such terms and conditions as the Committee may deem appropriate; provided, however, no Award may be transferred for value without shareholder approval.

8.3 Restrictions on Share Transferability. The Committee may impose such restrictions on any Shares acquired by a Participant under the Plan as it may deem advisable, including, without limitation, minimum holding period requirements, restrictions under applicable federal securities laws, under the requirements of any stock exchange or market upon which such Shares are then listed or traded, or under any blue sky or state securities laws applicable to such Shares.

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Article 9. Performance Measures.

9.1 Performance Measures. The performance goals upon which the payment or vesting of an Award to a Covered Employee that is intended to qualify as Performance-Based Compensation shall be limited to the following Performance Measures:

- (a) Earnings per share;
- (b) Return measures (including, but not limited to, return on assets, capital, invested capital, equity, sales, or revenue);
- (c) Net earnings or net income (before or after taxes);
- (d) Net sales or revenue growth;
- (e) Net operating profit;
- (f) Earnings before or after taxes, interest, depreciation, and/or amortization;
- (g) Cash flow (including, but not limited to, operating cash flow, free cash flow, cash flow return on equity, and cash flow return on investment);
- (h) Share price (including, but not limited to, growth measures and total shareholder return);
- (i) Expense targets;
- (j) Cost reduction or savings;
- (k) Performance against operating budget goals;
- (l) Economic value added or EVA (net operating profit after tax minus the sum of capital multiplied by the cost of capital); and
- (m) Margins.

Any Performance Measure(s) may be used to measure the performance of the Company, Subsidiary, and/or Affiliate as a whole or any business unit of the Company, Subsidiary, and/or Affiliate, or any combination thereof, as the Committee may deem appropriate, or any of the above Performance Measures as compared to the performance of a group of similar companies, or published or special index that the Committee, in its sole discretion, deems appropriate, or the Company may select Performance Measure (h) above as compared to various stock market indices.

9.2 Evaluation of Performance. The Committee may provide in any such Award that any evaluation of performance may include or exclude any of the following events that occurs during a Performance Period: (a) asset write-downs; (b) litigation or claim judgments or settlements; (c) the effect of changes in tax laws, accounting principles, or other laws or provisions affecting reported results; (d) any reorganization and restructuring programs; (e) Extraordinary Items; (f) acquisitions or divestitures; and (g) foreign exchange gains and losses. To the extent such inclusions or exclusions affect Awards to Covered Employees, they shall be prescribed in a form that meets the requirements of Code Section 162(m) for deductibility.

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9.3 Adjustment of Performance-Based Compensation. Awards that are intended to qualify as Performance-Based Compensation may not be adjusted upward. The Committee shall retain the discretion to adjust such Awards downward, either on a formula or discretionary basis or any combination, as the Committee determines.

9.4 Committee Discretion. In the event that applicable tax or securities laws change to permit Committee discretion to alter the governing Performance Measures without obtaining shareholder approval of such changes, the Committee shall have sole discretion to make such changes without obtaining shareholder approval. In addition, in the event that the Committee determines that it is advisable to grant Awards that shall not qualify as Performance-Based Compensation, the Committee may make such grants without satisfying the requirements of Code Section 162(m) and base vesting on Performance Measures other than those set forth in Section 9.1.

Article 10. Nonemployee Director Awards.

10.1 Awards to Nonemployee Directors. The Board or Committee shall determine and approve all Awards to Nonemployee Directors. The terms and conditions of any grant of any Award to a Nonemployee Director shall be set forth in an Award Agreement.

10.2 Awards in Lieu of Fees; Deferral of Award Payment. The Board or Committee may permit a Nonemployee Director the opportunity to: (a) receive an Award in lieu of payment of all or a portion of future director fees (including but not limited to cash retainer fees and meeting fees) or other types Awards pursuant to such terms and conditions as the Board or Committee may prescribe and set forth in an applicable subplan or Award Agreement or (b) defer the grant or payment of an Award pursuant to such terms and conditions as the Board or Committee may prescribe and set forth in any applicable subplan or Award Agreement.

10.3 Annual Award Limitation. Notwithstanding any other provision of the Plan to the contrary, the maximum value of Awards granted and any cash compensation (including but not limited to cash retainer fees and meeting fees) paid during a single calendar year to any Nonemployee Director in respect of the Nonemployee Director's service as a member of the Board (including service as a member or chair of any committee thereof) may not exceed \$750,000 in total or, in the case of the independent chair of the Board, \$975,000 in total (in each case, calculating the value of any such Award based on the Grant Date fair value of such Award, as determined in accordance with Topic 718 of the FASB Accounting Standards Codification or any successor provision).

Article 11. Other Stock-Based Awards.

Subject to the provisions of the Plan, the Committee shall have the sole and plenary authority to grant to Participants other equity-based or equity-related Awards (whether payable in cash, equity or otherwise) in such amounts and subject to such terms and conditions as the Committee shall determine.

Article 12. Dividend Equivalents.

Any Participant selected by the Committee may be granted dividend equivalents based on the dividends declared on Shares that are subject to any Award, to be credited as of dividend payment dates, during the period between the Grant Date and the date the Award is exercised, vests, or expires, as determined by the Committee. Such dividend equivalents shall be converted to cash or additional Shares by such formula and at such time and subject to such limitations as may be determined by the Committee. Notwithstanding the foregoing, the Committee may not grant dividend equivalents based on the dividends declared on Shares that are subject to an Option or Stock Appreciation Right Award. Any dividend equivalents with respect to Full Value Awards which vest based on the achievement of

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performance goals or the passage of time shall be accumulated until such Award is earned, and such dividends shall be paid only if and to the extent that the applicable performance goals or time-based requirements are satisfied.

Article 13. Beneficiary Designation.

Each Participant under this Plan may, from time to time, name any beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under this Plan is to be paid in case of his death before he receives any or all of such benefit. Each such designation shall revoke all prior designations by the same Participant, shall be in a form prescribed by the Committee, and will be effective only when filed by the Participant in writing with the Company during the Participant's lifetime. In the absence of any such beneficiary designation, benefits remaining unpaid or rights remaining unexercised at the Participant's death shall be paid to or exercised by the Participant's executor, administrator, or legal representative.

Article 14. Rights of Participants.

14.1 Employment. Nothing in this Plan or an Award Agreement shall: (a) interfere with or limit in any way the right of the Company, its Affiliates, and/or its Subsidiaries to terminate any Participant's employment or service on the Board or to the Company at any time or for any reason not prohibited by law; or (b) confer upon any Participant any right to continue his employment or service as a Director for any specified period of time. Neither an Award nor any benefits arising under this Plan shall constitute an employment contract with the Company or any Affiliate or Subsidiary and, accordingly, subject to Articles 3 and 16, this Plan and the benefits hereunder may be terminated at any time in the sole and exclusive discretion of the Committee without giving rise to any liability on the part of the Company, its Affiliates, and/or its Subsidiaries.

14.2 Participation. No individual shall have the right to be selected to receive an Award under this Plan, or, having been so selected, to be selected to receive a future Award.

14.3 Rights as a Shareholder. Except as otherwise provided herein, a Participant shall have none of the rights of a shareholder with respect to Shares covered by any Award until the Participant becomes the record holder of such Shares.

Article 15. Change of Control.

15.1 Change of Control. Subject to the provisions of Section 4.4, unless otherwise provided in the applicable Award Agreement or Individual Agreement, in the event of a Change in Control, all Awards that are outstanding and unvested as of immediately prior to a Change of Control (after giving effect to any action by the Committee pursuant to Section 4.4) shall remain outstanding and unvested immediately thereafter; provided, however, that, if within 24 months following a Change of Control, a Participant's employment or services, as applicable, with the Company and its Affiliates is terminated without Cause or the Participant resigns for Good Reason, all Awards then held by such Participant shall be treated as follows:

- All outstanding Options and Stock Appreciation Rights that are unexercisable or otherwise unvested shall
- (a) automatically be deemed exercisable or otherwise vested, as the case may be, as of the date of such termination; and
- (b) All Full Value Awards that are unvested or still subject to restrictions on forfeiture shall automatically be deemed vested and all restrictions and forfeiture provisions related thereto shall lapse as of the date of such termination.

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15.2 Substitution or Assumption. Notwithstanding Section 15.1 and unless otherwise provided in the applicable Award Agreement or Individual Agreement, in the event of a Change of Control, unless provision is made in connection with the Change of Control for assumption or continuation of Awards previously granted or substitution of such Awards for new awards covering shares of a successor corporation or its “parent corporation” (as defined in Section 424(e) of the Code) or “subsidiary corporation” (as defined in Section 424(f) of the Code) with appropriate adjustments as to the number and kinds of shares and, if applicable, Exercise Prices and Performance Measures, in each case, that the Committee determines will preserve the material terms and conditions of such Awards as in effect immediately prior to the Change of Control (including, without limitation, with respect to the vesting schedules, the intrinsic value of the awards (if any) as of the Change of Control, difficulty of achieving Performance Measures (if applicable) and transferability of the shares underlying such Awards), all Awards then-held by Participants shall be treated as follows:

All outstanding Options and Stock Appreciation Rights that are subject to service-based (but not (a) performance-based) vesting conditions that are unexercisable or otherwise unvested shall automatically be deemed exercisable or otherwise vested, as the case may be, as of immediately prior to such Change of Control;

All Full Value Awards that are subject to service-based (but not performance-based) vesting conditions that are (b) unvested or still subject to restrictions or forfeiture shall automatically be deemed vested, and all restrictions and forfeiture provisions related thereto shall lapse as of immediately prior to such Change of Control; and

All Awards subject to performance-based vesting conditions shall vest either (i) based on actual performance (c) achieved as of immediately prior to the Change of Control or (ii) at the target level, solely in the case of clause (ii), pro-rated based on the portion of the performance period elapsed as of the Change of Control.

15.3 Section 409A and Change of Control. Notwithstanding Section 15.2 and unless otherwise provided in the applicable Award Agreement or Individual Agreement, if any amount payable pursuant to an Award constitutes deferred compensation that is subject to Section 409A of the Code, in the event of a Change of Control, to the extent provided in Section 15.2, any unvested but outstanding Awards shall automatically vest as of the date of such Change of Control and shall not be subject to the forfeiture restrictions following such Change of Control; provided that in the event that such Change of Control does not qualify as an event described in Section 409A(a)(2)(A)(v) of the Code or to the extent that payment upon such Change of Control would otherwise violate Section 409A of the Code, such Awards (and any other Awards that constitute deferred compensation that vested prior to the date of such Change of Control but are outstanding as of such date) shall not be settled until the earliest permissible payment event under Section 409A of the Code following such Change of Control.

Article 16. Amendment and Termination.

16.1 Amendment and Termination of the Plan and Award Agreements.

(a) Subject to subparagraphs (b) and (c) of this Section 16.1 and Section 16.3 of the Plan, the Board may at any time terminate the Plan or an outstanding Award Agreement and the Committee may, at any time and from time to time, amend the Plan or an outstanding Award Agreement.

(b) In no event may any Option or Stock Appreciation Right granted under the Plan (i) be amended to decrease the Exercise Price thereof, (ii) be cancelled or surrendered at a time when its Exercise Price exceeds the Fair

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Market Value of the underlying Shares in exchange for another equity-based Award, award under any other equity-compensation plan or any cash payment, or (iii) be subject to any action that would be treated, for accounting purposes, as a “repricing” of such Option or Stock Appreciation Right, unless, in the case of each of the foregoing clauses (i), (ii) and (iii), such amendment, cancellation, surrender, or action is specifically approved by the Company’s shareholders. For the avoidance of doubt, an adjustment to the applicable Exercise Price that is made in accordance with Section 4.4 shall not be considered a reduction in Exercise Price or “repricing” of such Option or Stock Appreciation Right.

(c) Notwithstanding the foregoing, no amendment of this Plan shall be made without shareholder approval if shareholder approval is required pursuant to rules promulgated by any stock exchange or quotation system on which Shares are listed or quoted or by applicable U.S. state corporate laws or regulations, applicable U.S. federal laws or regulations, the Code and the regulations thereunder and the applicable laws of any foreign country or jurisdiction where Awards are, or will be, granted under the Plan.

16.2 Adjustment of Awards Upon the Occurrence of Certain Unusual or Nonrecurring Events. Subject to Section 9.3, the Committee may make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of unusual or nonrecurring events (including, without limitation, the events described in Section 4.4 hereof) affecting the Company or the financial statements of the Company or of changes in applicable laws, regulations, or accounting principles, whenever the Committee determines that such adjustments are appropriate in order to prevent unintended dilution or enlargement of the benefits or potential benefits intended to be made available under this Plan. The determination of the Committee as to the foregoing adjustments, if any, shall be conclusive and binding on Participants under this Plan. By accepting an Award under this Plan, a Participant agrees to any adjustment to the Award made pursuant to this Section 16.2 without further consideration or action.

16.3 Awards Previously Granted. Notwithstanding any other provision of this Plan to the contrary, other than Section 16.2, 16.4, or 19.13, no termination or amendment of this Plan or an Award Agreement shall be made that would materially impair the rights of a Participant with respect to a previously granted Award without such Participant’s consent; provided that such an amendment may be made to comply with applicable law, tax rules, stock exchange rules or accounting rules, as described in Section 16.4.

16.4 Amendment to Conform to Law or Other Regulation. Notwithstanding any other provision of this Plan to the contrary, the Committee may amend the Plan or an Award Agreement, to take effect retroactively or otherwise, as deemed necessary or advisable for the purpose of conforming the Plan or an Award Agreement to any present or future law relating to plans of this or similar nature, and to the administrative regulations and rulings promulgated thereunder, including with respect to applicable tax rules, stock exchange rules or accounting rules. By accepting an Award under this Plan, a Participant agrees to any amendment made pursuant to this Section 16.4 to any Award granted under the Plan without further consideration or action.

Article 17. Withholding.

17.1 Tax Withholding. The Company shall have the power and the right to deduct or withhold, or require a Participant to remit to the Company, up to the maximum amount that the Company is permitted by applicable law to withhold in respect of federal, state, and local taxes, domestic or foreign, arising as a result of this Plan, or to take such other action as the Committee may

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deem advisable to enable the Company and Participants to satisfy obligations for the payment of withholding taxes and other tax obligations relating to any Award.

17.2 Share Withholding. With respect to withholding required upon the exercise of Options or Stock Appreciation Rights, upon the lapse of restrictions on Full Value Awards, or any other taxable event arising as a result of an Award granted hereunder (collectively and individually referred to as a “Share Payment”), Participants may elect, subject to the approval of the Committee, to satisfy the withholding requirement, in whole or in part, by having the Company withhold from a Share Payment the number of Shares having a Fair Market Value on the date the withholding that the Company determines is up to the maximum amount that the Company or any of its Affiliates is permitted by applicable law to withhold in respect of federal, state, and local taxes, domestic or foreign, arising as a result of this Plan. All such elections shall be irrevocable, made in writing, and signed by the Participant, and shall be subject to any restrictions or limitations that the Committee, in its sole discretion, deems appropriate.

Article 18. Successors.

All obligations of the Company under this Plan with respect to Awards granted hereunder shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

Article 19. General Provisions.

19.1 Forfeiture Events; Clawbacks.

(a) The Committee may specify in an Award Agreement that the Participant’s rights, payments, and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture, or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events may include, but shall not be limited to, termination of employment for Cause, termination of the Participant’s provision of services to the Company, Affiliate, or Subsidiary, violation of material Company, Affiliate, or Subsidiary policies, breach of noncompetition, confidentiality, or other restrictive covenants that may apply to the Participant, or other conduct by the Participant that is detrimental to the business or reputation of the Company, any Affiliate, or Subsidiary.

(b) To the extent a Participant is subject to the Company’s clawback policy applicable to executive officers, Awards granted pursuant to the Plan shall be subject to such policy, as in effect from time to time. In addition, if any of the Company’s financial statements are required to be restated resulting from errors, omissions, or fraud, the Committee may (in its sole discretion, but acting in good faith) direct that the Company recover all or a portion of any Award granted or paid to a Participant with respect to any fiscal year of the Company the financial results of which are negatively affected by such restatement. The amount to be recovered from the Participant shall be the amount by which the Award exceeded the amount that would have been payable to the Participant had the financial statements been initially filed as restated, or any greater or lesser amount (including, but not limited to, the entire Award) that the Committee shall determine. In no event shall the amount to be recovered by the Company be less than the amount

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required to be repaid or recovered as a matter of law (including but not limited to amounts that are required to be recovered or forfeited under Section 304 of the Sarbanes-Oxley Act of 2002). The Committee shall determine whether the Company shall effect any such recovery: (i) by seeking repayment from the Participant; (ii) by reducing (subject to applicable law and the terms and conditions of the applicable plan, program or arrangement) the amount that would otherwise be payable to the Participant under any compensatory plan, program, or arrangement maintained by the Company, an Affiliate, or any Subsidiary; (iii) by withholding payment of future increases in compensation (including the payment of any discretionary bonus amount) or grants of compensatory awards that would otherwise have been made in accordance with the Company's otherwise applicable compensation practices; or (iv) by any combination of the foregoing.

19.2 Legend. The certificates for Shares may include any legend which the Committee deems appropriate to reflect any restrictions on transfer of such Shares.

19.3 Gender and Number. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine, the plural shall include the singular, and the singular shall include the plural.

19.4 Severability. In the event any provision of this Plan shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of this Plan, and this Plan shall be construed and enforced as if the illegal or invalid provision had not been included.

19.5 Requirements of Law. The granting of Awards and the issuance of Shares under this Plan shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

19.6 Delivery of Title. The Company shall have no obligation to issue or deliver evidence of title for Shares issued under this Plan prior to:

- (a) Obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and
- (b) Completion of any registration or other qualification of the Shares under any applicable national or foreign law or ruling of any governmental body that the Company determines to be necessary or advisable.

19.7 Inability to Obtain Authority. The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

19.8 Investment Representations. The Committee may require any individual receiving Shares pursuant to an Award under this Plan to represent and warrant in writing that the individual is acquiring the Shares for investment and without any present intention to sell or distribute such Shares.

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19.9 Uncertificated Shares. To the extent that this Plan provides for issuance of certificates to reflect the transfer of Shares, the transfer of such Shares may be effected on a noncertificated basis, to the extent not prohibited by applicable law or the rules of any stock exchange.

19.10 Unfunded Plan. Participants shall have no right, title, or interest whatsoever in or to any investments that the Company, its Subsidiaries, or its Affiliates may make to aid it in meeting its obligations under this Plan. Nothing contained in this Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind, or a fiduciary relationship between the Company and any Participant, beneficiary, legal representative, or any other individual. To the extent that any individual acquires a right to receive payments from the Company or any Affiliate or Subsidiary under this Plan, such right shall be no greater than the right of an unsecured general creditor of the Company or the Subsidiary or Affiliate, as the case may be. All payments to be made hereunder shall be paid from the general funds of the Company, or the Subsidiary or Affiliate, as the case may be and no special or separate fund shall be established and no segregation of assets shall be made to assure payment of such amounts except as expressly set forth in this Plan.

19.11 No Fractional Shares. No fractional Shares shall be issued or delivered pursuant to this Plan or any Award. The Committee shall determine whether cash, Awards, or other property shall be issued or paid in lieu of fractional Shares or whether such fractional Shares or any rights thereto shall be forfeited or otherwise eliminated.

19.12 Retirement and Welfare Plans. Neither Awards made under this Plan nor Shares or cash paid pursuant to such Awards may be included as “compensation” for purposes of computing the benefits payable to any Participant under the Company’s or any Subsidiary’s or Affiliate’s retirement plans (both qualified and nonqualified) or welfare benefit plans unless such other plan expressly provides that such compensation shall be taken into account in computing a Participant’s benefit.

19.13 Deferred Compensation.

(a) It is intended that the provisions of the Plan comply with Section 409A of the Code, and all provisions of the Plan shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A of the Code.

(b) No Participant or the creditors or beneficiaries of a Participant shall have the right to subject any deferred compensation (within the meaning of Section 409A of the Code) payable under the Plan to any anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment. Except as permitted under Section 409A of the Code, any deferred compensation (within the meaning of Section 409A of the Code) payable to any Participant or for the benefit of any Participant under the Plan may not be reduced by, or offset against, any amount owing by any such Participant to the Company or any of its Affiliates.

(c) If, at the time of a Participant’s separation from service (within the meaning of Section 409A of the Code), (i) such Participant shall be a specified employee (within the meaning of Section 409A of the Code and using the identification methodology selected by the Company from time to time) and (ii) the Company shall make a good faith determination that an amount payable pursuant to an Award constitutes deferred compensation (within the meaning of Section 409A of the Code) the payment of which is required to be delayed pursuant to the six-month delay rule set forth in

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Section 409A of the Code in order to avoid taxes or penalties under Section 409A of the Code, then the Company shall not pay such amount on the otherwise scheduled payment date but shall instead pay it on the first business day after such six-month period. Except as otherwise determined by the Committee in its sole discretion or as set forth in any applicable Award Agreement or Individual Agreement, such amount shall be paid without interest.

(d) Notwithstanding any provision of the Plan to the contrary, in light of the uncertainty with respect to the proper application of Section 409A of the Code, the Company reserves the right to make amendments to any Award as the Company deems necessary or desirable to avoid the imposition of taxes or penalties under Section 409A of the Code, and by accepting an Award under this Plan, a Participant agrees to any amendments to the Award made pursuant to this Section 19.13 without further consideration or action. In any case, unless otherwise determined by the Committee in its sole discretion, a Participant shall be solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on such Participant or for such Participant's account in connection with an Award (including any taxes and penalties under Section 409A of the Code), and neither the Company nor any of its Affiliates shall have any obligation to indemnify or otherwise hold such Participant harmless from any or all of such taxes or penalties.

19.14 Nonexclusivity of this Plan. The adoption of this Plan shall not be construed as creating any limitations on the power of the Board or Committee to adopt such other compensation arrangements as it may deem desirable for any Participant.

19.15 No Constraint on Corporate Action. Nothing in this Plan shall be construed to: (a) limit, impair, or otherwise affect the Company's or a Subsidiary's or an Affiliate's right or power to make adjustments, reclassifications, reorganizations, or changes of its capital or business structure, or to merge or consolidate, or dissolve, liquidate, sell, or transfer all or any part of its business or assets; or (b) limit the right or power of the Company or a Subsidiary or an Affiliate to take any action which such entity deems to be necessary or appropriate.

19.16 Governing Law. The Plan and each Award Agreement shall be governed by the laws of the State of Iowa, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Plan to the substantive law of another jurisdiction. Unless otherwise provided in the Award Agreement, recipients of an Award under this Plan are deemed to submit to the exclusive jurisdiction and venue of the federal or state courts of Iowa to resolve any and all issues that may arise out of or relate to this Plan or any related Award Agreement.

19.17 Delivery and Execution of Electronic Documents. To the extent permitted by applicable law, the Company may: (a) deliver by email or other electronic means (including posting on a web site maintained by the Company or by a third party under contract with the Company) all documents relating to the Plan or any Award thereunder (including without limitation, prospectuses required by the U.S. Securities and Exchange Commission) and all other documents that the Company is required to deliver to its security holders (including without limitation, annual reports and proxy statements); and (b) permit Participants to electronically execute applicable Plan documents (including, but not limited to, Award Agreements) in a manner prescribed to the Committee.

19.18 No Representations or Warranties Regarding Tax Effect. Notwithstanding any provision of the Plan to the contrary, the Company, its Affiliates and Subsidiaries, the Board, and the

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Committee neither represent nor warrant the tax treatment under any federal, state, local, or foreign laws and regulations thereunder (individually and collectively referred to as the “Tax Laws”) of any Award granted or any amounts paid to any Participant under the Plan including, but not limited to, when and to what extent such Awards or amounts may be subject to tax, penalties and interest under the Tax Laws.

19.19 Indemnification. Subject to requirements of Iowa law, each individual who is or shall have been a member of the Board, or a Committee appointed by the Board, or an officer of the Company to whom authority was delegated in accordance with Article 3, shall be indemnified and held harmless by the Company against and from any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action taken or failure to act under this Plan and against and from any and all amounts paid by him or her in settlement thereof, with the Company’s approval, or paid by him or her in satisfaction of any judgment in any such action, suit, or proceeding against him or her, provided he or she shall give the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his/her own behalf, unless such loss, cost, liability, or expense is a result of his/her own willful misconduct or except as expressly provided by statute. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such individuals may be entitled under the Company’s Articles of Incorporation or Bylaws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

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APPENDIX B

If Proposal 5 is approved by our shareholders, Article V, subsections B and C of our current Articles would be re-lettered as subsections C and D, respectively, and our current Articles would be amended to add the following statement lettered as subsection B:

“A nominee for director shall be elected to the Board of Directors if the votes cast for such nominee’s election exceed the votes cast against such nominee’s election; provided, however, that directors shall be elected by a plurality of the votes cast at any meeting of shareholders for which (i) the Secretary of the Corporation receives a notice that a shareholder has nominated a person for election to the Board of Directors in compliance with the requirements for shareholder nominees for director set forth in the Bylaws of the Corporation, and (ii) such nomination has not been withdrawn by such shareholder on or prior to the day next preceding the date the Corporation first mails its notice of meeting for such meeting to the shareholders. If directors are to be elected by a plurality of the votes cast, shareholders shall not be permitted to vote against a nominee.”

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APPENDIX C

If Proposal 6 is approved by our shareholders, Article V, subsection A of our current Articles would be amended to read as follows:

“The number of directors constituting the Board of Directors of the Corporation shall be fixed by the Board from time to time, solely in the Board’s discretion. Vacancies in the Board or new directorships created by an increase in the number of directors shall be filled by election by a majority of the remaining members of the Board, though less than a quorum, and the person filling such vacancy or newly-created directorship shall serve out the remainder of the term of the vacated directorship, or in the case of a new directorship, the term designated for the class of directors of which that directorship is a part.”

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