

EXECUTIVE EMPLOYMENT AGREEMENT – CHIEF TECHNOLOGY OFFICER

EXECUTIVE EMPLOYMENT AGREEMENT

This Executive Employment Agreement ("Agreement") is made and entered into as of January 1, 2023 ("Effective Date"), by and between NovaStar Financial Group, Inc., a Delaware corporation ("Company"), and Dr. Amara Osei ("Executive").

RECITALS

The Company desires to employ Executive as its Chief Technology Officer, and Executive desires to accept such employment, on the terms and conditions set forth herein.

1. POSITION AND DUTIES

Executive shall serve as Chief Technology Officer ("CTO") reporting directly to the Chief Executive Officer. Executive's duties shall include: overseeing all technology strategy and operations; managing the engineering, data science, and cybersecurity teams; leading the Company's AI and machine learning initiatives; and serving as a member of the Executive Leadership Team.

2. TERM

The initial term of employment shall be three (3) years commencing on the Effective Date, subject to earlier termination as provided herein. The Agreement shall automatically renew for successive one-year periods unless either party provides ninety (90) days prior written notice of non-renewal.

3. COMPENSATION

3.1 Base Salary

The Company shall pay Executive an annual base salary of USD \$420,000, payable bi-weekly. The salary shall be reviewed annually by the Compensation Committee.

3.2 Annual Bonus

Executive shall be eligible for an annual performance bonus with a target of 50% of base salary (\$210,000) and a maximum of 100% of base salary (\$420,000), based on achievement of objectives mutually agreed upon by Executive and the CEO no later than January 31 of each year.

3.3 Equity

Executive shall be granted 150,000 restricted stock units ("RSUs") vesting over four (4) years with a one-year cliff (25% after 12 months, then quarterly thereafter). Subject to acceleration

provisions in Section 7.

4. BENEFITS

Executive shall be entitled to participate in all benefit plans generally available to senior executives, including health insurance, dental, vision, 401(k) with 6% Company match, and an annual executive physical examination.

5. CONFIDENTIALITY AND NON-DISCLOSURE

Executive agrees to maintain in strict confidence all Confidential Information of the Company. This obligation shall survive the termination of this Agreement indefinitely with respect to trade secrets and for five (5) years with respect to other Confidential Information.

6. RESTRICTIVE COVENANTS

6.1 Non-Compete

For a period of twelve (12) months following termination of employment for any reason, Executive shall not, directly or indirectly, engage in any business that competes with the Company's financial technology products in the United States, Canada, or United Kingdom.

6.2 Non-Solicitation of Employees

For eighteen (18) months following termination, Executive shall not solicit or recruit any employee of the Company.

6.3 Non-Solicitation of Clients

For twelve (12) months following termination, Executive shall not solicit any client of the Company with whom Executive had material contact during the last two years of employment.

7. TERMINATION AND SEVERANCE

7.1 Termination Without Cause or Resignation for Good Reason

If the Company terminates Executive's employment without Cause, or if Executive resigns for Good Reason (as defined in Section 7.3), Executive shall receive:

- (a) continued base salary for eighteen (18) months ("Severance Period");
- (b) a pro-rated target bonus for the year of termination;
- (c) continued health benefits through COBRA for the Severance Period;
- (d) accelerated vesting of RSUs that would have vested in the 12 months following termination.

7.2 Termination for Cause

If the Company terminates Executive's employment for Cause, Executive shall receive only accrued and unpaid salary through the date of termination.

7.3 Definition of Good Reason

"Good Reason" means, without Executive's written consent: (a) material reduction in base salary; (b) material diminution in duties or reporting structure; (c) required relocation of more than fifty (50) miles; or (d) material breach of this Agreement by the Company.

7.4 Change in Control

In the event of a Change in Control (as defined herein), all unvested RSUs shall accelerate and vest in full upon a qualifying termination within 18 months following the Change in Control ("double-trigger acceleration").

8. DISPUTE RESOLUTION

Any dispute arising under this Agreement shall be submitted to binding arbitration before JAMS in New York, New York, under JAMS Employment Arbitration Rules.

9. GOVERNING LAW

This Agreement shall be governed by the laws of the State of Delaware.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

NOVASTAR FINANCIAL GROUP, INC. EXECUTIVE

By: _____ Signature: _____

Name: Margaret Chen Dr. Amara Osei

Title: Chief Executive Officer

Date: January 1, 2023 Date: January 1, 2023