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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, DC 20549

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**FORM S-8**  
**Registration Statement**  
*Under*  
*the Securities Act of 1933*

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**Acme United Corporation**  
(Exact name of Registrant as specified in its charter)

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**Connecticut**  
(State or other jurisdiction of  
incorporation or organization)

**06-0236700**  
(I.R.S. Employer  
Identification Number)

**55 Walls Drive**  
**Fairfield, Connecticut 06824**  
(Address of principal executive offices, including zip code)

**Acme United Corporation 2017 Non-Salaried Director Stock Option Plan**  
**Acme United Corporation 2012 Employee Stock Option Plan**  
(Full Title of the Plan)

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**Paul Driscoll**  
**Vice President, Chief Financial Officer,**  
**Secretary and Treasurer**  
**55 Walls Drive**  
**Fairfield, Connecticut 06824**  
(Name and address of agent for service)

**(203) 254-6060**  
(Telephone number, including area code, of agent for service)

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*copy to:*  
**Merritt A. Cole, Esq.**  
**Earp Cohn P.C.**  
**123 South Broad Street, Suite 1030**  
**Philadelphia, Pennsylvania 19109-1022**  
**Phone (215) 963-9520**  
**Fax (215) 963-9620**

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Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer   
Non-accelerated filer

Accelerated filer   
Smaller reporting company   
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act

#### CALCULATION OF REGISTRATION FEE

Title of securities to be registered	Amount to be registered (1)	Proposed maximum offering price per share	Proposed maximum aggregate offering price	Amount of registration fee
Common Stock, par value \$2.50 per share	25,000 (2)	\$21.75 (4)	\$543,750	\$70.58
	25,000 (3)	\$22.99 (5)	\$574,750	\$74.60
Common Stock, par value \$2.50 per share	200,000 (6)	\$23.05 (4)	\$4,610,000	\$598.38
Total:	250,000		\$5,728,500	\$743.56

- (1) Pursuant to Rule 416 under the Securities Act of 1933 (the "Securities Act"), this Registration Statement covers, in addition to the number of shares stated herein, an indeterminate amount of additional shares of the Company's common stock, par value \$2.50 per share (the "Common Stock"), that may become issuable pursuant to the anti-dilution or other adjustment provisions of (a) the Acme United 2017 Non-Salaried Director Stock Option Plan (the "Director Plan") and (b) the Acme United Corporation 2012 Employee Stock Option Plan, as amended effective February 26, 2016 (the "Employee Plan").
- (2) Consisting of shares of Common Stock issuable upon exercise of options which have been granted under the Director Plan.
- (3) Consisting of shares of Common Stock issuable upon exercise of options which may be granted under the Director Plan
- (4) Determined pursuant to 457(h)(1) under the Securities Act, based upon the exercise price of the options.
- (5) Estimated pursuant to Rules 457 (c) and 457 (h)(1) under the Securities Act, solely for the purpose of calculating the registration fee, based upon the average of the high and low prices for shares of the Common Stock reported on the NYSE American on September 8, 2020.
- (6) Consisting of shares of Common Stock issuable upon exercise of options which have been granted under the Employee Plan.

## Explanatory Note.

The Company is filing this Registration Statement on Form S-8 for the purpose of registering a total of 250,000 shares of Common Stock, par value \$2.50 per share, of the Company (the "Common Stock"), which consist of:

(i) an additional 200,000 shares of Common Stock, which may be issued pursuant to the Acme United Corporation 2012 Employee Stock Option Plan, as amended (the "Employee Plan"); and

(ii) 50,000 shares of Common Stock which may be issued pursuant to the Acme United Corporation 2017 Non-Salaried Director Stock Option Plan (the "Director Plan").

Pursuant to Rule 416 under the Securities Act of 1933, as amended (the "Securities Act"), this Registration Statement also covers an indeterminate amount of additional shares of Common Stock, which may become issuable pursuant to the respective anti-dilution or other adjustment provisions of the Director Plan and the Employee Plan.

In accordance with Instruction E of the General Instruction to Form S-8, the contents of : (a) the Registration Statement on Form S-8 (Reg. No. 333-206440) filed on August 31, 2018 by the Company with the U.S. Securities and Exchange Commission (the "Commission") relating to the Employee Plan; and (b) the contents of the Registration Statement on Form S-8 (Reg. No. 333-220282) filed on August 31, 2017, by the Company with the Commission relating to the Director Plan, are incorporated by reference herein to the extent not otherwise modified or superseded by this Registration Statement.

### Part I

#### INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

The documents containing the information specified in Part I of Form S-8 will be sent or given to participants as specified by Rule 428(b)(1) promulgated under the Securities Act. Such documents need not be filed with the Commission either as part of this Registration Statement or as prospectuses or prospectus supplements pursuant to Rule 424. These documents and the documents incorporated herein by reference pursuant to Item 3 of Part II of this Registration Statement, taken together, constitute a prospectus that meets the requirements of Section 10(a) of the Securities Act (the "Prospectus").

Part II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents previously filed with the Commission are incorporated by reference and made a part of this prospectus:

- (a) our Annual Report on [Form 10-K](#) for the fiscal year ended December 31, 2019, filed on March 13, 2020 (Annual Report);
- (b) (i) our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2020 and June 30, 2020, filed on [May 8, 2020](#), and [August 10, 2020](#), respectively.  
(ii) our Current Reports on Form 8-K filed on [January 8](#), [February 27](#), [March 24](#), [April 17](#), [April 21](#), and [July 17](#), 2020 (other than the portions of those documents not deemed to be filed); and
- (c) the description of our Common Stock contained in [Exhibit 4\(vi\)](#) to the Annual Report, including any amendment to that Report that we may file in the future, for the purpose of updating the description of our Common Stock.

All documents that we file pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act of 1934 (the “Exchange Act”) subsequent to the effective date of this Registration Statement, prior to the filing of a post-effective amendment which indicates that all securities offered by this Prospectus have been sold or which deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference in this Prospectus and to be a part of this prospectus from the date of filing of such documents. Any statement contained herein or in any document incorporated or deemed to be incorporated by reference shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained in any other subsequently filed document which also is or is deemed to be incorporated by reference modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed to constitute a part of this Registration Statement, except as so modified or superseded.

Item 4. Description of Securities.

Not applicable, because the Common Stock is registered under Section 12 of the Exchange Act.

Item 5. Interest of Named Experts and Counsel.

None.

Item 6. Indemnification of Directors and Officers.

Connecticut General Statutes (“CGS”) Sections 33-770 through 33-779 provide for mandatory, permissive and court-ordered indemnification of directors who are parties to a proceeding. For purposes of these indemnification statutes a “proceeding” is defined as any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative and whether formal or informal.

The Company's Restated Certificate of Incorporation provides that the Company shall indemnify an individual who is a party to a proceeding because he is a director or officer of the corporation against liability in the proceeding if:

(1)(A) he conducted himself in good faith; (B) he reasonably believed (i) in the case of conduct in his official capacity, that his conduct was in the best interests of the corporation; and (ii) in all other cases, that his conduct was at least not opposed to the best interests of the corporation; and (C) in the case of any criminal proceeding, he had no reasonable cause to believe his conduct was unlawful; or

(2) such liability arises from any action taken, or any failure to take any action, as a director or officer, except liability that (A) involved a knowing and culpable violation of law by the director or officer; (B) enabled the director, officer or an associate (as defined in the CGS) to receive an improper personal gain; (C) showed a lack of good faith and a conscious disregard for the duty of the director or officer to the corporation under circumstances in which the director or officer was aware that his conduct or omission created an unjustifiable risk of serious injury to the corporation; (D) constituted a sustained and unexcused pattern of inattention that amounted to an abdication of the director's or officer's duty to the corporation; or (E) created liability under the CGS for the illegal payment of dividends.

The Registrant has obtained directors' and officers' reimbursement and liability insurance against certain liabilities.

Item 7. Exemption from Registration Claimed.

Not applicable.

Item 8. Exhibits.

The following exhibits are filed as part of this Registration Statement:

<u>Exhibit No.</u>	<u>Identification of Exhibit</u>
5.1	<a href="#">Opinion of Brody Wilkinson PC</a>
10.1	<a href="#">2017 Non-Salaried Director Stock Option Plan(1)</a>
10.2	<a href="#">Form of Stock Option Agreement for 2017 Non-Salaried Director Stock Option Plan(2)</a>
10.3	<a href="#">2012 Employee Stock Option Plan, as amended</a>
10.4	<a href="#">Form of Non-Qualified Stock Option Agreement for 2012 Employee Stock Option Plan, as amended(3).</a>
23.1	<a href="#">Consent of Marcum LLP, independent registered public accounting firm</a>
23.3	<a href="#">Consent of Brody Wilkinson PC (included in Exhibit 5.1)</a>
24.1	<a href="#">Power of attorney (included on signature page of this Registration Statement)</a>

- (1) Incorporated by reference to Exhibit A to the Company's Proxy Statement filed with the Commission on March 22, 2017, except that the number of shares of Common Stock authorized to be issued under the Director Plan pursuant to Section 1.5 thereof shall be 110,000 shares.
- (2) Incorporated by reference to Exhibit 10.2 to the Registration Statement on Form S-8 (Reg. No. 333-220282) filed on August 31, 2017, by the Company with the Commission
- (3) Incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2016, filed with the Commission on May 13, 2016.

The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(a) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(b) To reflect in the prospectus any facts or events arising after the effective date of this Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of a prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

(c) To include any material information with respect to the plan of distribution not previously disclosed in this Registration Statement or any material change to such information in this Registration Statement;

provided, however, that paragraphs (1)(a) and (1)(b) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in this Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in this Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(5) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the Town of Fairfield, State of Connecticut, on the 11th day of September, 2020.

ACME UNITED CORPORATION

By: /s/ Walter C. Johnsen  
Walter C. Johnsen, Chairman of the Board and Chief Executive Officer

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Walter C. Johnsen and Paul Driscoll, or either of them, as true and lawful attorneys-in-fact and agents with full power of substitution and re-substitution, for him and in his name, place and stead, in any and all capacities to sign the Registration Statement filed herewith and any or all amendments to said Registration Statement, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agents the full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the foregoing, as to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agents or any of them, or his substitute, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities indicated below on the 11th day of September, 2020:

Signature	Title
<u>/s/ Walter C. Johnsen</u> Walter C. Johnsen	Chairman of the Board, Chief Executive Officer and Director
<u>/s/ Brian S. Olschan</u> Brian S. Olschan	President, Chief Operating Officer and Director
<u>/s/ Paul Driscoll</u> Paul Driscoll	Vice President, Chief Financial Officer, Secretary and Treasurer
<u>/s/ Brian K. Barker</u> Brian K. Barker	Director
<u>/s/ Rex L. Davidson</u> Rex L. Davidson	Director
<u>/s/ Richmond Y. Holden, Jr.</u> Richmond Y. Holden, Jr.	Director
<u>/s/ Susan H. Murphy</u> Susan H. Murphy	Director
<u>/s/ Stevenson E. Ward III</u> Stevenson E. Ward III	Director



Board of Directors  
Acme United Corporation  
55 Walls Drive  
Fairfield, CT 06824

Dear Sirs and Madam:

We are corporate general counsel for Acme United Corporation (the “Company”), a Connecticut corporation. We are delivering this opinion in connection with the filing with the Securities and Exchange Commission (the “Commission”) on or about the date hereof of a Form S-8 Registration Statement (the “Registration Statement”) relating to a total of 250,000 shares of Common Stock, par value \$2.50 per share, of the Company (the “Shares”), consisting of: (i) up to an additional 200,000 Shares issuable upon exercise of options granted or which may be granted pursuant to the Acme United Corporation 2012 Employee Stock Option Plan, as amended (the “Employee Plan”); and (ii) up to 50,000 Shares issuable upon exercise of options granted or which may be granted pursuant to the Acme United Corporation 2017 Non-Salaried Director Stock Option Plan (the “Director Plan”). (The Employee Plan and the Director Plan are collectively referred to herein as the “Plans”.)

We have examined (i) the Restated Certificate of Incorporation and the Bylaws of the Company as presently in effect; (ii) a Certificate of Existence for the Company issued by the Connecticut Secretary of the State dated September 10, 2020; (iii) the respective resolutions of the Board of Directors and of the shareholders of the Company approving each of the Plans; (iv) the Plans; (v) a form of option agreement under each of the Plans; and (vi) such other documents and instruments as we have considered necessary for the purposes of the opinions hereinafter set forth.

In our examination of the aforesaid documents, we have assumed the genuineness of all signatures, the legal capacity of all natural persons, the accuracy and completeness of all documents submitted to us, the authenticity of all original documents, and the conformity to authentic original documents of all documents submitted to us as copies (including telecopies). This opinion letter is given, and all statements herein are made, in the context of the foregoing.

Based upon the foregoing, we are of the opinion that:

1. The Company has been duly incorporated and is a validly existing corporation under the laws of the State of Connecticut.
2. Upon issuance and delivery of Shares pursuant to the respective Plans and the related option agreements thereunder after the date hereof, including payment to the Company of the relevant option exercise price for the Shares, the Shares will be validly issued, fully paid, and nonassessable.

This opinion letter is provided to you for your benefit solely with regard to the Registration Statement, may be relied upon by you only in connection with the Registration Statement, and may not be relied upon by any other person or for any other purpose without our prior written consent.

We are members of the Bar of the State of Connecticut and some of us are members of other jurisdictions not relevant herein. In connection herewith, we express no opinion on the laws of any jurisdiction other than the laws of the State of Connecticut.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the use of our name in connection with the Registration Statement. In giving this consent, we do not hereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act of the 1933 or the rules and regulations of the Commission thereunder.

Very truly yours,

BRODY WILKINSON PC

By: /s/ James E. Rice

James E. Rice, Vice President

ACME UNITED CORPORATION  
2012 EMPLOYEE STOCK OPTION PLAN

## 1. PURPOSE

The purpose of this plan (the "Plan") is to promote the interests of Acme United Corporation (the "Corporation") by enabling its key employees to acquire an increased proprietary interest in the Corporation and thus to share in the future success of the Corporation's business. Accordingly, the Plan is intended as a means not only of attracting and retaining outstanding management personnel but also of promoting a closer identity of interests between employees and stockholders. Since the employees eligible to receive Options under the Plan will be those who are in a position to make important and direct contributions to the success of the Corporation, the Directors believe that the grant of the Options under the Plan will be in the best interests of the Corporation.

## 2. DEFINITIONS

Unless the context clearly indicates otherwise, the following terms when used in the Plan, shall have the meanings set forth in this Section 2.

- (a) "Beneficiary" means the person or persons who shall acquire the right to exercise an option by bequest or inheritance.
- (b) "Board of Directors" or "Board" means the Board of the Directors of the Corporation.
- (c) "Code" means the Internal Revenue Code of 1986, as amended from time to time, and related treasury regulations.
- (d) "Committee" means the Compensation Committee of the Board which consists of two or more members of the Board in accordance with Section 4(b), below.
- (e) "Common Stock" shall mean common stock, par value \$2.50 per share, of the Corporation.
- (f) "Disability" means a disability as defined in the Corporation's Long-Term Disability Plan, as amended from time to time.
- (g) "Fair Market Value" shall mean the closing price for a share of the Common Stock on the date on which the option is granted, determined as follows: if the Common Stock is listed on any established stock exchange or a national market system, including, without limitation, the New York Stock Exchange or the NASDAQ Stock Market, the Fair Market Value shall be the closing price of a share of Common Stock (or if no sales were reported on that date, the closing price on the date immediately preceding such date) as quoted on such exchange or system on the date of determination. In the absence of an established market for the Common Stock, the Fair Market Value shall be determined in good faith by the Board, acting on the recommendation of the Committee, and such determination shall be conclusive and binding on all persons.
- (h) "Incentive Stock Option" shall mean a stock option granted pursuant to this Plan and intended to satisfy the requirements of Section 422 of the Code.
- (i) "Option" shall mean a stock option granted pursuant to the Plan.
- (j) "Optionee" shall mean a person to whom an Option has been granted under the Plan.
- (k) "Option Agreement" shall mean the written agreement to be entered into by the Corporation and the Optionee, as provided in Section 6 hereof.
- (l) Reserved
- (m) "Share" shall mean the Common Stock of the Corporation, as adjusted in accordance with Section 16 of the Plan.

- (n) “Subsidiary” shall mean any subsidiary corporation of the Corporation within the meaning of Section 424(f) of the Code (or a successor provision of similar import).
- (o) “Closing Price” means for purposes of a notice delivered during or after trading hours on a particular trading day, the closing price of the Common Stock published by NYSE MKT for that day (or if no sales were reported on that day, the closing price on the day immediately preceding such day), and with respect to delivery of an exercise notice before the opening of trading on a particular day or on a non-trading day, the closing price of the Common Stock published by NYSE MKT for the immediately preceding trading day.

Where used herein, unless the context indicates otherwise, words in the masculine form shall be deemed to refer to females as well as to males.

### 3. SHARES SUBJECT TO THE PLAN

- (a) The stock to be covered by the Options is the Common Stock of the Corporation. The aggregate number of shares of Common Stock which may be delivered on exercise of the Options is 1,380,000 shares, subject to adjustment pursuant to Section 16.
- (b) As determined by the Board from time to time, such shares may be previously issued shares reacquired by the Corporation or authorized but unissued shares. If any Option expires or terminates for any reason without having been exercised in full, the Shares covered by the unexercised portion of such Option shall again be available for future grants of Options, within the limits specified above. However, shares delivered or withheld by the Company to satisfy any tax withholding obligation shall not become available again for future Option grants. If either (i) the exercise price of an Option is paid by Net Share Exercise pursuant to Section 11(b)(ii) of the Plan, or if (ii) the exercise of an Option is settled by payment of cash to the Optionee pursuant to Section 11(b)(iii) of the Plan, the Shares otherwise deliverable to the Optionee shall again be available for issuance under the Plan.

### 4. ADMINISTRATION OF THE PLAN

- (a) The Plan shall be administered by the Board of Directors of the Corporation, which shall accept, amend, or reject recommendations made by the Committee. In addition to its duties with respect to the Plan stated elsewhere in the Plan, Board shall have full authority, consistent with the Plan, to interpret the Plan, to promulgate such rules and regulations with respect to the Plan as it deems desirable and to make all other determinations necessary or desirable for the administration of the Plan. All decisions, determinations, and interpretations of the Board shall be binding upon all persons.
- (b) The Committee shall consist of members of the Board who (i) are “outside directors,” as defined under Section 162(m) of the Code; (ii) “non-employee directors,” as defined under Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”); and (iii) “independent,” as defined in Section 803 of rules of the NYSE Amex, as said sections and rule may be amended or superseded from time to time.
- (c) The Board may, with the consent of the Optionee, substitute Options which are not intended to be Incentive Stock Options for outstanding Incentive Stock Options. Any such substitution shall not constitute the grant of a new Option for the purposes of this Plan, and shall not require a revaluation of the Option exercised prior to the substituted Option. Any such substitution shall be implemented by an amendment to the applicable Option Agreement or in such other manner as the Board in its discretion shall determine.
- (d) The Committee, subject to the approval of the Board, shall make such provision as it deems necessary or appropriate for the withholding of any federal, state, local or other tax required to be withheld with regard to the exercise of an Option under the Plan.

5. EMPLOYEES ELIGIBLE TO RECEIVE OPTIONS

- (a) The Board, upon the recommendation of the Committee, shall from time to time in its discretion select the employees to whom the options shall be granted from among the key employees of the Corporation and any Subsidiary.
- (b) Members of the Board of Directors who are not regular salaried employees of the Corporation or a Subsidiary shall not be eligible to receive Options under this Plan.
- (c) An individual employee may receive more than one Option.

6. OPTION AGREEMENT

- (a) No Option shall be exercised by an Optionee unless he or she shall have executed and delivered an Option Agreement.
- (b) Appropriate officers of the Corporation are hereby authorized to execute and deliver Option Agreements in the name of the Corporation as directed from time to time by the Board.

7. GRANTS OF OPTIONS

- (a) The Board, acting upon the recommendation of the Committee, shall in its discretion determine the time or times when Options shall be granted and the number of shares of Common Stock to be subject to each Option.
- (b) The aggregate fair market value (determined as of the date the Option is granted) of the stock with respect to which Incentive Stock Options are exercisable for the first time by an individual during any calendar year (under all stock option plans of the Corporation and its Subsidiaries) shall not exceed \$100,000.00.
- (c) No Incentive Stock Option shall be granted to an employee who, at the time the Option is granted, owns (within the meaning of Section 422(b)(6) of the code) stock possessing more than ten percent of the total combined voting power of all classes of stock of the Corporation unless the following requirements are satisfied: (i) notwithstanding the provisions of Section 8, the purchase price for each share of common stock subject to an Option shall be at least 110 percent of the Fair Market Value of the Common Stock subject to the Option; and (ii) the Option is not exercisable after the expiration of five (5) years from the date such Option is granted.
- (d) The Board may in its discretion grant Options that are intended to constitute Incentive Stock Options or options that are intended to be non-qualified options.
- (e) Each Option shall be evidenced by an Option Agreement, in such form as the Board shall from time to time approve, which shall state the terms and conditions of the Option in accordance with the Plan, and also shall contain such additional provisions as may be necessary or appropriate under applicable laws, regulations, and rules.

8. OPTION PRICE

Subject to Section 7(c), the purchase price for each share of Common Stock subject to an Option shall be one hundred percent (100%) of the Fair Market Value of the Common Stock on the date the Option is granted provided, however, that the purchase price shall not be less than the par value of the Common Stock which is the subject of the Option.

9. OPTION PERIOD; EXERCISE RIGHTS

- a) Each Option shall be for such term as the Board shall determine, but not more than ten years from the date it is granted, and shall be subject to earlier termination as provided in Section 10.
- b) Subject to (i) the continued employment of Optionee and (ii) Sections 10 and 17, below, Options shall vest and therefore become exercisable in four equal installments on the first day after each of the first, second, third and fourth anniversaries of the Option grant.

- c) Upon the purchase of shares of Common Stock under an Option, the Stock certificate or certificates may, at the request of the purchaser, be issued in his name and the name of another person as joint tenants with the right of survivorship.
- d) The exercise of each Option granted under the Plan shall be subject to the condition that if at any time the Corporation shall determine in its discretion that the listing, registration, or qualification of any shares of Common Stock otherwise deliverable upon such exercise upon any securities exchange or under any State or Federal law, or the consent or approval of any regulatory body, is necessary or desirable as a condition of, or in connection with, such exercise or the delivery or purchase of shares thereunder, then in any such event such exercise shall not be effective unless such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Corporation. Any such postponement shall not extend the time within which the Option may be exercised; and neither the Corporation nor its directors or officers shall have any obligation or liability to the Optionee or to a Beneficiary with respect to any shares of Common Stock as to which the Option shall lapse because of such postponement.
- e) No fractional shares of Common Stock shall be issuable or issued upon exercise of any Option. In lieu of a fractional share, the Company shall pay to the Optionee cash in an amount equal to the Fair Market Value of the fractional share which the Optionee would otherwise have been entitled to receive, with such amount to be determined on the date of exercise of the relevant Option.

#### 10. RIGHTS UPON TERMINATION OF EMPLOYMENT

##### a) Termination after Age 60

If an Optionee terminates his or her employment with the Corporation or a Subsidiary on or after age 60, the Optionee's Option shall terminate one year after the date of such termination but in no event later than the date on which it would have expired if the Optionee had not terminated his or her employment. Notwithstanding the provisions of Section 9(b), if an Optionee terminates his or her employment with the Corporation or a Subsidiary on or after age 60 and has been employed full time by the Corporation or a Subsidiary for at least a total of 15 years (excluding leaves of absence), such Option may be exercised, in whole or in part, at any time up to and including the date that the Option would have expired if the Optionee had not terminated his or her employment. Notwithstanding the foregoing, if the Option is exercised later than three months from the date of such termination such Option shall not constitute an Incentive Stock Option.

##### b) Disability

If an Optionee becomes disabled, the Optionee may exercise the Option (i) within one year after the date of Disability, but in no event later than the date on which it would have expired if the Optionee had not become disabled, or (ii) within such other period, not exceeding three years after the date of Disability, as shall be prescribed in the Option Agreement. Notwithstanding the provisions of Section 9(b), if an Optionee becomes disabled and has been employed full time by the Corporation or a Subsidiary for at least a total of 15 years (excluding leaves of absence), the unvested portion of each Option held by an Optionee shall immediately vest and become exercisable in full upon the date of Disability and such Option may be exercised, in whole or in part, at any time up to and including the date on which the Option would have expired if the Optionee had not become disabled. Notwithstanding the foregoing, if the Option is exercised later than one year after the date of Disability, it shall not constitute an Incentive Stock Option.

##### c) Death

If an Optionee dies during a period in which he or she is entitled to exercise an Option (including the period referred to in paragraphs (a), (b), and (d) of this Section 10), the Option may be exercised, in whole or in part, at any time within one year from the date of the Optionee's death, but

in no event later than the date on which it would have expired if the Optionee had lived, by the Optionee's Beneficiary. Notwithstanding the provisions of Section 9(b), if an Optionee dies during a period in which he or she is entitled to exercise an Option (including the period referred to in paragraphs (a), (b) and (d) of this Section 10) and has been employed full time by the Corporation or a Subsidiary for at least a total of 15 years (excluding leaves of absence), the unvested portion of each Option held by an Optionee shall immediately vest and become exercisable in full on the date of death and such Option may be exercised, in whole or in part, at any time up to and including the date on which the Option would have expired if the Optionee had lived, by the Optionee's Beneficiary.

d) Termination of Employment for Any Other Reason

Except as otherwise provided: (i) in paragraph (e) of this section, (ii) in an Option Agreement for an Optionee, or (iii) in an employment agreement the terms of which have been approved by the Committee, if an Optionee ceases to be employed by the Corporation or a Subsidiary for any reason other than termination after age 60, disability, or death, the Optionee's Option shall terminate on the earlier of (X) the first anniversary after the date of such cessation of employment and (Y) the date on which the term of the Option would have expired if such cessation of employment had not occurred. During such period the option may be exercised only to the extent that the Optionee was entitled to do so under Section 9(b) at the date of cessation of employment unless the Committee, in its sole and nonreviewable discretion, permits exercise of the Option to a greater extent. Except to the extent required by law, the employment of an Optionee shall not be deemed to have ceased upon his or her absence from the Corporation or a Subsidiary on a leave of absence granted in accordance with the usual procedure of the Corporation or Subsidiary.

e) Notwithstanding any language of the Plan to the contrary, if an Optionee ceases to be employed by the Corporation or a Subsidiary and becomes, or continues to be, a member of the Board of Directors prior to the time the Optionee's Option(s) would have otherwise expired pursuant to this Section 10, the Optionee's Option(s) shall continue to vest in accordance with Section 9(b) hereof and shall continue to be exercisable for the remainder of the term of the Option(s); provided, that, if an Optionee described in this Section 10(e) ceases to be a member of the Board of Directors for any reason, the Optionee's Option(s) shall terminate in accordance with the provisions of the 2017 Non-Salaried Director Stock Option Plan. Any Option which is not exercised by the Optionee within the three-month period immediately following the Optionee's termination of employment, or, in the case of termination of employment on account of Disability, within one year after the date of Disability, shall cease to be an Incentive Stock Option.

11. METHOD OF EXERCISE

- (a) When exercisable pursuant to the terms of the Plan and the governing Option Agreement, an Option shall be exercised by the Optionee as to all or part of the shares subject to the Option by delivering written notice of exercise to the Company at its principal business office or such other office as the Company may from time to time direct, (i) specifying the number of shares subject to the Option (or portion thereof) being exercised; (ii) specifying the method of payment of the total exercise price of the Option (or portion thereof), and (iii) containing such further provisions consistent with the provisions of the Plan as the Company may from time to time prescribe. The written notice of exercise shall be in the form and delivered in the manner prescribed by the Company from time to time. No Option may be exercised after the expiration of the term specified in Section 9 hereof.
- (b) Payment of the exercise price of the Option shall be paid in full at the time the Option (or portion thereof) is exercised. Such payment shall be made
- (i) in cash in United States currency;

- (ii) subject to the consent of the Company at the time of exercise and if permitted by the Option Agreement granting such Option, the Optionee may elect in the notice of exercise given pursuant to Section 11(a) to make such payment by reduction in the number of shares of Common Stock otherwise deliverable upon exercise of such Option by the number of shares having an aggregate value based on the Closing Price equal to the total exercise price of the Option (or portion thereof) (“Net Share Exercise”); or
- (iii) subject to the consent of the Company at the time of exercise and if permitted by the Option Agreement granting such Option, the Optionee may elect in the notice of exercise given pursuant to Section 11(a) to receive from the Company cash in an amount equal to the number of shares of Common Stock subject to the Option (or portion thereof) that is being exercised multiplied by the excess of (A) the Closing Price of the Common Stock, over (B) the exercise price per share of the Option.

## 12. NONTRANSFIERABILITY OF OPTIONS

Each Option shall be nonassignable and nontransferable by the Optionee other than by will or by the laws of descent and distribution. Each Option shall be exercisable during the Optionee’s lifetime only by the Optionee.

## 13. SHAREHOLDER RIGHTS

No person shall have any rights of a shareholder by virtue of an Option except with respect to shares actually issued to him and registered on the transfer books of the Corporation, and the issuance of shares shall confer no retroactive right to dividends.

## 14. USE OF PROCEEDS

The proceeds received by the Corporation from the sale by it of shares of Common Stock to persons exercising an Option pursuant to the Plan will be used for the general purposes of the Corporation or any Subsidiary.

## 15. GENERAL PROVISIONS

The grant of an Option in any year shall not give the Optionee any right to similar grants in future years or any right to be retained in the employ of the Corporation or any Subsidiary.

## 16. ADJUSTMENT UPON CHANGES IN CAPITALIZATION

If there is a change in the number or kind of outstanding shares of the Corporation’s stock by reason of a stock dividend, stock split, recapitalization, merger, consolidation, combination, or other similar event, appropriate adjustments shall be made by the Board to the number and kind of shares subject to the Plan, the number and kind of shares under Options then outstanding, the maximum number of shares available for Options or the Option Price and other relevant provisions.

## 17. EFFECT OF MERGER OR OTHER REORGANIZATION

If the Corporation shall be the surviving corporation in a merger or other reorganization, an Option shall extend to stock and securities of the Corporation to the same extent that a holder of that number of Shares immediately before the merger or consolidation corresponding to the number of Shares covered by the Option would be entitled to have or obtain stock and securities of the Corporation under the terms of the merger or consolidation. If the Corporation dissolves, sells substantially all of its assets, is acquired in a stock for stock or securities exchange, or is a party to a merger or other reorganization in which it is not the surviving corporation (each of the foregoing being referred to as a “Transaction”), then each Option shall fully vest and become fully exercisable commencing upon the date the action of the shareholders (or the Board if shareholders’ action is not required) is taken to approve the Transaction and thereafter may be exercised for a period of sixty (60) days, and, upon the expiration of that period, all Options and all rights thereto shall automatically terminate; provided, however, that each Option to purchase shares authorized for issuance under the Plan by shareholder action taken on or after April 25, 2011, shall, instead, fully vest and become fully exercisable upon the occurrence of a Transaction and thereafter may be exercised for a period of sixty (60) days, and, upon the expiration of that period, each such Option and all rights thereto shall automatically terminate.



18. TERMINATION; AMMENDMENTS

- (a) The Board may at any time terminate the Plan. Unless the Plan shall previously have been terminated by the Board, it shall terminate on February 21, 2022. No Option may be granted after such termination.
- (b) The Board may at any time or times amend the Plan or amend any outstanding Option for the purpose of satisfying the requirements of any changes in applicable laws or regulations or for any other purpose which at the time may be permitted by law.
- (c) Except as provided in Section 16, no such amendment shall, without the approval of the shareholders of the Corporation: (i) increase the maximum number of shares of Common Stock for which the Options may be granted under the Plan; (ii) reduce the Option price of outstanding Options; (iii) extend the period during, which Options may be granted; (iv) materially increase in any other way the benefits accruing to Optionees; or (v) change the class of persons eligible to be Optionees.
- (d) No termination or amendment of the Plan shall without the consent of an Optionee or Beneficiary, adversely affect the Optionee's or Beneficiary's right under any Option previously granted, but it shall be conclusively presumed that any adjustment for changes in capitalization in accordance with Section 16 hereof does not adversely affect any such right.

19. EFFECTIVE DATE

The effective date of the Plan is February 21, 2012.

20. GOVERNING LAW

The Plan shall be construed and its provisions enforced and administered in accordance with and under the laws of Connecticut except to the extent that such laws may be superseded by any Federal law.

As amended April 22, 2013  
As amended April 21, 2014  
As amended April 20, 2015  
As amended February 26, 2016  
As amended April 24, 2017  
As amended April 23, 2018  
As amended October 16, 2018  
As amended April 20, 2020

**INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM'S CONSENT**

We consent to the incorporation by reference in the Registration Statement of Acme United Corporation on Form S-8 of our report dated March 13, 2020, with respect to our audits of the consolidated financial statements of Acme United Corporation as of December 31, 2019 and 2018 and for the years then ended and our report dated March 13, 2020 with respect to our audit of internal control over financial reporting of Acme United Corporation as of December 31, 2019, which reports are included in this Annual Report on Form 10-K of Acme United Corporation for the year ended December 31, 2019.

/s/ Marcum LLP

Marcum LLP  
New Haven, Connecticut  
September 11, 2020