EACO Corporation

Controlling Shareholder Transaction Policy

(July 9, 2026)

As condition of a settlement in *Alluvial Fund, LP v. Glen F. Ceiley, et al.*, Case No. 24-012180, approved by the Circuit Court of the Seventeenth Judicial District, in and for Broward County, Florida, effective July 8, 2026, the Board of Directors ("**Board**") of EACO Corporation (the "**Company**") has adopted the following policy with regard to Ceiley Transactions, as defined below (the "**Policy**").[1]

I. Background

This Policy is adopted pursuant to Section 607.0832 of the Florida Business Corporation Act (the "**FBCA**"), which governs interested transactions between corporations and their directors. Upon adoption and approval by the Board of this Policy, the Board shall comply with the provisions of this Policy with respect to any review of, approval of, or recommendation related to any Ceiley Transactions, as defined below. Subject to compliance with applicable law, this Policy shall be enforceable by the Company's shareholders.

II. Definitions

a. "**Applicable Period**" shall mean the time period commencing on the effective date of this Policy (the "**Effective Date**") and ending five (5) years from the date this Policy is adopted July 9, 2031.

b. "**Existing Directors**" shall mean Ms. Ellen S. Bancroft and Messrs. Stephen Catanzaro, Glen F. Ceiley, and William L. Means.

c. A "**Ceiley Transaction**" shall mean a transaction with a value in an amount of at least $500,000, between, on the one hand, (i) the Company or any parent or subsidiary thereof, or (ii) the Company's shareholders collectively, other than the Ceiley Parties (as defined below) if Florida law requires Board approval of such transaction or the Board chooses to make a recommendation to the shareholders with respect to such transaction, and, on the other hand, any of (i) Glen F. Ceiley, (the current Chief Executive Officer, Chairman of the Board, and majority shareholder of the Company), (ii) the Glen F. Ceiley and Barbara A. Ceiley Revocable Trust (the "**Trust**"), and (iii) the Glen and Bobbie Ceiley Foundation (the "**Foundation,**" and together with Glen F. Ceiley and the Trust, the "**Ceiley Parties**"). Notwithstanding the foregoing, the following transactions shall not be deemed a Ceiley Transaction: (i) any Change of Control Transaction of the Company where the Ceiley Parties receive the same consideration as other Company shareholders (*i.e.*, the Ceiley Parties do not receive directly from the counterparty in the transaction a material, non-ratable benefit); (ii) any issuance of shares of common stock or options of the Company to any Ceiley Party pursuant to any stock or equity incentive compensation plan of the

[1] As provided in the Stipulation and Agreement of Settlement, Compromise, and Release approved by the Court, the Company and the members of the Board deny any and all allegations of fault, liability, wrongdoing, or damages whatsoever in the action.

Company; (iii) any payment to a Ceiley Party pursuant to the Company's Articles of Incorporation or Bylaws, including any stockholders dividend; and (iv) any agreement, arrangement and payment as disclosed in the public filings of the Company in connection with the employment of Ceiley as an officer of or consultant to the Company. For the avoidance of doubt, a transaction is not a Ceiley Transaction merely because Ceiley is, or one or more of the Ceiley Parties are, a signatory to the transaction, without meeting the other criteria specified above.

d. A "**Change of Control Transaction**" of the Company shall mean any transaction involving the Company in which the following shall be deemed to have occurred:

- a merger, consolidation, tender offer or other reorganization approved by the Company's stockholders, unless securities representing fifty percent (50%) or more of the total combined voting power of the voting securities of the successor corporation are immediately thereafter beneficially owned, directly or indirectly and in substantially the same proportion, by the persons who beneficially owned the Company's outstanding voting securities immediately prior to such transaction;

- any transaction or series of related transactions pursuant to which any person or any group of persons comprising a "group" within the meaning of Rule 13d-5(b)(1) of the Exchange Act (other than the Company or a person that, prior to such transaction or series of related transactions, directly or indirectly controls, is controlled by or is under common control with, the Company) acquires directly or indirectly (whether as a result of a single acquisition or by reason of one or more acquisitions) beneficial ownership (within the meaning of Rule 13d-3 of the Exchange Act) of securities possessing (or convertible into or exercisable for securities possessing) fifty percent (50%) or more of the total combined voting power of the Company's securities (as measured in terms of the power to vote with respect to the election of Board members) outstanding immediately after the consummation of such transaction or series of related transactions, whether such transaction involves a direct issuance from the Company or the acquisition of outstanding securities held by one or more of the Company's existing stockholders;

- a sale, transfer, or other disposition of all or substantially all of the Company's assets to any third party other than a Ceiley Party; or

- a change in control of the Company of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A promulgated under the Exchange Act or, if Item 6(e) is no longer in effect, any regulations issued by the SEC pursuant to the Exchange Act which serve similar purposes.

For the avoidance of doubt: (i) a stock repurchase or stock redemption by the Company of securities held by the Ceiley Parties shall not be deemed a "Change of Control Transaction" unless such repurchase or redemption results in a change of control of the Company; and (ii) a transaction that results in the Ceiley Parties' collectively with any of their affiliates acquiring 100% of the outstanding shares of Company common stock shall not be deemed a Change of Control Transaction.

III. Approval of Ceiley Transactions

In the event of a proposed Ceiley Transaction during the Applicable Period, the Board shall establish a committee (the "**Transaction Committee**") consisting of at least two individuals for the purpose of negotiating, evaluating, assessing, reviewing and approving or, if Board approval is required by law then recommending for approval of, such Ceiley Transaction. If the Ceiley Transaction requires Board approval, the Transaction Committee shall, if it approves the Ceiley Transaction, recommend that the Board approve the Ceiley Transaction. The Board shall not approve the Ceiley Transaction unless the Transaction Committee has recommended such Ceiley Transaction to the Board for such approval and the Board has concluded, as a matter of its own fiduciary duties, that the transaction as approved by the Transaction Committee is in the best interests of the Company and its shareholders. Nothing in this Policy shall require the Board or any member thereof to take any action that, upon the advice of legal counsel, would constitute a violation of law or breach of fiduciary duty to the Company or its shareholders. If the Board rejects a Ceiley Transaction recommended to it for approval by a Transaction Committee, it may, but is not required to, provide its reasons for rejecting the Ceiley Transaction. Approval of any Ceiley Transaction pursuant to this Policy shall be deemed an approval "under the authority of the board of directors of the corporation" as required by FBCA § 607.0801.

IV. Composition, Procedure and Authority of Transaction Committee

Except as set forth in this Policy, the Board shall have the sole authority to select and appoint individuals to serve on the Transaction Committee, provided that each such individual: (i) shall meet the definition of "qualified director" under Section 607.0143 of FBCA, with the sole exception that a Transaction Committee member may be deemed to satisfy such definition of "qualified director" without being a director of the Company's Board, (ii) shall not be an Existing Director or Donald S. Wagner, and (iii) may, but is not required to, be a member of the Board (other than an Existing Director). Notwithstanding the foregoing, upon receipt by the Company of a written legal opinion by outside counsel that, with respect to the Ceiley Transaction that will be the subject of the Transaction Committee, Ms. Ellen S. Bancroft satisfies the definition of "qualified director" under Section 607.0143 of FBCA, Ms. Ellen S. Bancroft may be appointed as a member of the Transaction Committee, provided that any such Committee must have at least three members, Ms. Bancroft shall not serve as the Chair of the Transaction Committee, and to be effective a decision of the Transaction Committee must receive the support of the other two members of the Committee.

Nothing in this Policy shall prohibit the Transaction Committee from interacting with the Board, any individual members thereof, and any of the Company's employees for the purpose of evaluating the proposed transaction pursuant to this Policy. The Transaction Committee shall have the authority to retain, at the Company's expense, advisors, experts, and legal counsel as the Transaction Committee may deem necessary to evaluate and negotiate the proposed transaction, provided that the Transaction Committee shall consult with the Company prior to any engagement of such advisors, experts and legal counsel. Such consultation shall not be with any of the Ceiley

Parties, and the Transaction Committee's engagement of such advisors, experts, and legal counsel shall not require Company approval.

Transaction Committee members shall perform their role subject to the same fiduciary duties applicable to directors of the Company and shall be protected from liability in connection with the performance of their Transaction Committee responsibilities to the same extent as directors of the Company. Transaction Committee members shall be provided the same rights to advancement and indemnification as the directors of the Company, shall be insured or otherwise (for example, by endorsement) be covered by the Company's director and officer liability insurance and shall be protected in all other respects from liability (including, but not limited to, the provisions of FBCA § 607.0831) coextensive with directors of the Company. The provisions of this paragraph shall be memorialized in a retention or engagement letter for any non-director members of any Transaction Committee.

The authority of the Transaction Committee is limited to its duties with respect to a Ceiley Transaction as set forth in this Policy. Therefore, as a condition of their appointment, the non-director members of the Transaction Committee (if any) shall tender a letter of resignation upon joining the Transaction Committee which will be effective immediately following the completion of the responsibilities of the Transaction Committee with respect to the Ceiley Transaction for which the Transaction Committee was formed, and the Transaction Committee shall be dissolved until another Ceiley Transaction is presented.

The Board shall have the power to determine appropriate compensation for the Transaction Committee members for their services to be paid and borne by the Company. Such compensation shall not be less than the compensation paid to other Board members for comparable service on a Board committee.

If public announcement of or an SEC filing disclosing the proposed or final Ceiley Transaction is required by any applicable law or regulation, then the Company shall also announce or disclose that a Transaction Committee has been or was formed and shall identify the members of such committee.

Approved by the Company's Board of Directors
on July 1, 2026 (effective July 9, 2026)