Director Compensation Program, Stock Ownership Requirement and Stock-in-Lieu of Cash Retainer Plan

The Board of Directors (the "Board") believes that it is generally desirable for directors to own shares of stock of Allient Inc. (the "Company"). By becoming equity owners, the Non-Employee Directors assume a personal stake in the success or failure of the Company, and it aligns their financial interests with those of long-term shareholders of the Company. Accordingly, the Board has adopted the Director Compensation Program, Stock Ownership Requirement and Stock-in-Lieu of Cash Retainer Plan to facilitate such equity ownership. This document supersedes all prior plans, policies and documents with respect to the subjects covered herein.

I. Director Compensation Program.

Unless the context otherwise requires, all capitalized terms used in this Director Compensation Program shall have the respective meanings assigned to them in the Allient Inc. 2017 Omnibus Incentive Plan (the "Plan").

A. Equity Awards

The following shall constitute the equity awards under the Non-Employee Director Compensation Policy under Section 14 of the Plan:

Quarterly Retainer Share Awards

Each Non-Employee Director who is elected or appointed to the Board at the annual meeting of stockholders shall receive a stock award (each a "Quarterly Retainer Share Award") (i) on the date of the annual meeting and (ii) on the date of, and as of immediately prior to, each quarterly Board meeting thereafter until the next succeeding annual meeting (each a "Meeting Date"). The number of shares of stock shall be equal to the most recent quarterly equity retainer designated on Attachment A hereto (the "Quarterly Equity Amount") divided by the Fair Market Value of a share of the Company's Common Stock on the date immediately preceding the applicable Meeting Date. If a fraction results, the number of shares of stock shall be rounded up to the next whole number.

Each Quarterly Retainer Share Award shall represent consideration for services to be performed for the quarter then beginning. If a Non-Employee Director is elected or appointed to the Board other than at the annual meeting of stockholders, such Non-Employee Director shall receive a Quarterly Retainer Share Award for the quarter in which such Non-Employee Director is elected or appointed that is equal to the Quarterly Equity Amount multiplied by a fraction, the numerator of which is the number of days between the effective date of the election or appointment and the date of the next Meeting Date, and the denominator of which is the number of days between the last Meeting Date and the next Meeting Date. If a fraction results, the number of shares of stock shall be rounded up to the next whole number.

B. Cash Payments

In addition to Quarterly Retainer Share Awards, Non-Employee Directors shall be entitled to the following payments in cash:

Annual Director's and Lead Director's Cash Retainer and Committee Retainers

Each Non-Employee Director will be paid the most recent annual cash retainer designated on Attachment A hereto (the "Annual Cash Retainer"). In addition to the Annual Cash Retainer, the Lead Director, the chairpersons of the Audit, Human Capital and Compensation and Governance and Nominating Committees, and the other members of each of those Committees shall receive the most recent retainers listed for such positions on Attachment A (the "Other Cash Retainers" and together with the Annual Cash Retainer, the "Cash Retainers"). All Cash Retainers are payable ratably over the year on each Meeting Date. The Cash Retainers are to be paid in arrears and pro-rated based upon the date of appointment/separation of service from the Board.

No Separate Meeting Fees; Reimbursement of Expenses

No separate meeting fees shall be paid for Board or committee meetings or for actions taken by unanimous written consent in lieu of a meeting in accordance with the Company's Bylaws. Each Non-Employee Director will be reimbursed for his or her expenses in connection with attendance at each meeting.

II. Stock Ownership Requirement

Each Non-Employee Director is required to hold a minimum investment in shares of the Company's common stock equal to three (3) times the sum of (i) the Annual Cash Retainer and (ii) the Annual Equity Amount (defined below) (hereinafter referred to as the "Stock Ownership Requirement"). The "Annual Equity Amount" shall be four (4) times the most recent Quarterly Equity Amount designated on Attachment A hereto.

All Non-Employee Directors shall own a number of shares sufficient to satisfy the Stock Ownership Requirement under this Plan as long as they remain a member of the Company's Board of Directors, subject to the Grace Period and any hardship exception provisions approved by the Governance and Nominating Committee in accordance with the authority delegated to such Committee below. The Company will calculate compliance with the Stock Ownership Requirement on December 31 of each year.

For purposes of determining compliance with the Stock Ownership Requirement, shares owned by a Non-Employee Director shall include: (a) shares of the Company's common stock purchased directly by a director or received as consideration for services as a director, (b) shares of the Company's common stock purchased by or in the director's individual retirement account (IRA) or other tax qualified retirement plan, (c) shares of the Company's common stock purchased by a director's spouse living in the same household, and (d) shares of the Company's common stock owned by a trust funded by the director for the benefit of the director or his or her legal spouse or domestic partner, children or grandchildren.

A new Non-Employee Director will be allowed a grace period to meet the Stock Ownership Requirement in full, from the date of initial election or appointment to the Board through the fifth (5^{th}) anniversary of such election or appointment (the "Grace Period"). At the end of each year during the Grace Period, a Non-Employee Director must own at least the following minimum percentage of their Stock Ownership Requirement: 1^{st} year – 20%; 2^{nd} year – 40%; 3^{rd} year – 60%; 4^{th} year – 80%; and 5^{th} year and thereafter – 100%. Until such time as the director satisfies the Stock Ownership Requirement, the director must hold 100% of the shares of common stock received as consideration for services as a director, including any Quarterly Retainer Share Award.

Hardship exceptions to any of the terms, conditions and requirements under this Plan may be made at the discretion of the Governance and Nominating Committee.

III. Stock-in-Lieu of Cash Retainer Plan.

Each Non-Employee Director may elect to forego receipt of all or a portion of any Cash Retainer payable under the Company's Director Compensation Program in exchange for common stock issued in accordance with the following provisions:

Shares Applicable to Stock Ownership Requirement

All shares acquired by a Non-Employee Director pursuant to an election to take stock in lieu of cash, as provided below, shall qualify in satisfying such director's Stock Ownership Requirement.

Election Procedure

The number of shares of Common Stock received by any Non-Employee Director with respect to a payment date shall equal the amount of foregone Cash Retainer divided by the Fair Market Value (as defined in the Plan) of a share of Common Stock on the relevant payment date, rounded down to the nearest whole share, with the dollar amount of any fractional share paid in cash on the payment date. If the Cash Retainer would be paid during a blackout period as defined in the Company's *Insider Trading Policy*, then the payment date as used herein for the purchase of shares will be the first day of the next Trading Window as defined in the *Insider Trading Policy*.

Election

A Non-Employee Director may elect Common Stock in place of cash by submitting a written or electronic election to the Company's Secretary, in such form as the Company determines, by the date established by the Company prior to such payment date.

Number of Authorized Shares

There are 150,000 shares of the Company's Common Stock reserved for issuance pursuant to this Stock-in-Lieu of Cash Retainer Plan.

Adjustments in Authorized Shares

If a dividend or other distribution, recapitalization, forward or reverse split, reorganization, merger, consolidation, spin-off, combination, repurchase, share exchange, liquidation, dissolution, or other similar corporate transaction or event affects the Company's Common Stock, then the Company's Board of Directors shall, in such manner as it may determine equitable, substitute or adjust any or all of the remaining limits on the number and kind of shares available under this Stock-in-Lieu of Cash Retainer Plan. The decision of the Board of Directors shall be final and binding.

Share Shortfalls

If any election under this Stock-in-Lieu of Cash Retainer Plan would cause the number of shares of Common Stock required to be issued hereunder to exceed the authorized shares, then any then current elections of non-employee directors shall be reduced or disregarded to the extent necessary, as determined by the Human Capital and Compensation Committee of the Board of Directors in an equitable manner, to avoid exceeding the authorized shares. The decision of the Human Capital and Compensation Committee shall be final and binding. No further elections shall be made or shall be valid until such time, if any, as additional shares of Common Stock become available for purchase under this Stock-in-Lieu of Cash Retainer Plan.

Inside Information

All purchases of Company stock are subject to compliance with Section 16 of the Securities Exchange Act of 1934, as amended, and the Company's *Insider Trading Policy* including the defined Trading Window.

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This Director Compensation Program, Stock Ownership Requirement and Stock-in-Lieu of Cash Retainer Plan can be amended, modified and terminated at any time, on a prospective basis, by the Company's Board of Directors in its sole and absolute discretion.

<u>ATTACHMENT A</u>

A. Equity Awards

1.	Quarterly Equity Amount	$27,500
2.	Lead Director's Annual Equity Retainer	$15,000

B. Cash Payments

1.	Directors' Annual Cash Retainer	$72,000
2.	Lead Director's Annual Cash Retainer	$30,000
3.	Audit Committee Chair Annual Cash Retainer	$21,000
4.	Human Capital and Compensation Committee Chair Annual Retainer	$17,000
5.	Governance and Nominating Committee Chair Annual Retainer	$15,000
6.	Audit Committee Member Annual Retainer	$10,000
7.	Human Capital and Compensation Committee Member Annual Retainer	$ 7,500
8.	Governance and Nominating Committee Member Annual Retainer	$ 6,500