
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): August 3, 2011

TREX COMPANY, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-14649
(Commission
File Number)

54-1910453
(IRS Employer
Identification No.)

160 Exeter Drive Winchester, Virginia
(Address of Principal Executive Offices)

22603-8605
(ZIP Code)

Registrant's telephone number, including area code: (540) 542-6300

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangement of Certain Officers.

On August 3, 2011, the Company entered into the following agreements:

1. Amendment and Restatement of Employment Agreement for Ronald W. Kaplan;
2. Amendment and Restatement of Trex Company, Inc. Change in Control Severance Agreement for Ronald W. Kaplan;
3. An Amendment and Restatement of Trex Company, Inc. Change in Control Severance Agreement for all executive officers (other than the Chief Executive Officer); and
4. A Severance Agreement for all executive officers (other than the Chief Executive Officer).

Amendment and Restatement of Employment Agreement for Ronald W. Kaplan

Mr. Kaplan has entered into an employment agreement with the Company, dated as of January 1, 2008, which was amended and restated as of March 7, 2011. The Amendment and Restatement of Employment Agreement dated August 3, 2011 (the “Amended Employment Agreement”) amends and restates the employment agreement in its entirety. The Amended Employment Agreement has an initial term expiring on August 16, 2015. The term of Mr. Kaplan’s employment will automatically be extended for additional one-year periods beginning on August 17, 2015 unless either Mr. Kaplan or the Company provides a non-extension notice to the other at least 90 days before the expiration of the employment term then in effect. Under the agreement, Mr. Kaplan is entitled to receive an annual base salary of \$515,000 (which is subject to adjustment by the Board of Directors or the Compensation Committee on an annual basis), to participate in the Company’s annual cash bonus plan with a target incentive equal to 100% of Mr. Kaplan’s base salary (which target is established by the Board of Directors or the Compensation Committee on an annual basis, but in no event can be less than 80% of Mr. Kaplan’s base salary), to participate in the Company’s 2005 Stock Incentive Plan (the current provisions of which provide an annual grant of long term incentives in an amount equal to 200% of Mr. Kaplan’s base salary), and to receive all medical and other benefits extended to the Company’s other senior executives.

The Amended Employment Agreement provides for the payment of severance benefits to Mr. Kaplan if the Company terminates his employment without “cause” or if Mr. Kaplan resigns for “good reason.” For this purpose, “good reason” includes events specified in the Amended Employment Agreement, including a material and adverse change in Mr. Kaplan’s status or position with the Company, a 10% or greater reduction in Mr. Kaplan’s aggregate base salary and targeted bonus other than as part of general reduction in executive compensation, the failure by the Company to continue in effect any employee benefit plan in which Mr. Kaplan is participating (or plans providing Mr. Kaplan with similar benefits that are not materially reduced in the aggregate) other than as a result of normal expiration of such plan in accordance with its terms, the relocation of Mr. Kaplan’s office that is both more than 50 miles from his current office and further than his then-current residence, or a material breach by the Company of the Amended Employment Agreement; provided however, that if any of the aforementioned conditions exists, Mr. Kaplan must provide notice to the Company no more than 90 calendar days following the initial existence of the condition and his intention to terminate his employment for good reason. Upon such notice the Company shall have 30 calendar days to remedy the condition. Upon such a termination, Mr. Kaplan will be entitled to receive the following:

- a lump-sum cash payment equal to the sum of (1) Mr. Kaplan’s accrued base salary and accrued vacation pay plus (2) if not previously paid, Mr. Kaplan’s annual cash bonus earned for the preceding fiscal year;
- a lump-sum cash payment equal to two times the sum of (1) Mr. Kaplan’s base salary then in effect plus (2) the greater of (a) Mr. Kaplan’s targeted cash bonus for the year in which his employment terminates or (b) his actual cash bonus earned for the preceding year;
- continued health, dental and life insurance benefits on the same terms and conditions as though he had remained an active executive, for the shorter of 24 months or until equivalent coverage is obtained from a new employer; and
- accelerated vesting of all outstanding long-term incentive awards, including stock options, stock appreciation rights (“SARs”), and restricted shares, with any stock options or SARs being exercisable for a period ending on the earlier of 5 years after termination or employment or the expiration of the term of such grant.

If Mr. Kaplan's employment is terminated during a change in control protection period under his change in control severance agreement described below, Mr. Kaplan will be entitled to receive the severance payments specified under that agreement instead of the foregoing payments under his Amended Employment Agreement.

The foregoing description of Mr. Kaplan's employment agreement with the Company is qualified in its entirety by reference to the Amended Employment Agreement, a copy of which is filed as Exhibit 10.1 to this report and incorporated herein by reference.

Amendment and Restatement of Trex Company, Inc. Change in Control Severance Agreement for Ronald W. Kaplan

Mr. Kaplan entered into a change in control severance agreement with the Company dated as of January 1, 2008. The Amendment and Restatement of Trex Company, Inc. Change in Control Severance Agreement dated August 3, 2011 (the "Kaplan CIC Agreement") amends and restates the change in control severance agreement. The terms of the Kaplan CIC Agreement are generally similar to those of the Company's change in control severance agreements for officers other than Mr. Kaplan, as described below. Under the Kaplan CIC Agreement, if, within the period beginning 90 days before and ending two years after a change in control of the Company, Mr. Kaplan's employment is terminated by the Company (other than for cause or by reason of death or disability) or if he terminates his employment in certain circumstances defined in the agreement which constitute "good reason," Mr. Kaplan will receive severance benefits. For this purpose, "good reason" includes events specified in the agreement, including a material and adverse change in Mr. Kaplan's status or position with Trex Company, a 10% or greater reduction in Mr. Kaplan's aggregate base salary and targeted bonus other than as part of general reduction in executive compensation, the failure by the Company or any successor to continue in effect any employee benefit plan in which Mr. Kaplan is participating (or plans providing Mr. Kaplan with similar benefits that are not materially reduced in the aggregate) other than as a result of normal expiration of such plan in accordance with its terms, or the relocation of Mr. Kaplan's office that is both more than 50 miles from the current office and further than his then-current residence. Upon such termination, the Mr. Kaplan will receive:

- a lump-sum cash payment equal to the sum of (1) Mr. Kaplan's accrued annual base salary and accrued vacation pay plus (2) if not previously paid, Mr. Kaplan's annual bonus earned for the preceding fiscal year plus (3) Mr. Kaplan's targeted cash bonus for the year in which the severance occurs, pro-rated based upon the number of days he was employed during such year;
- a lump sum severance payment of 2.99 times the sum of (1) his annual base salary (in effect immediately prior to the change in control or termination, whichever is greater) and (2) the greater of (a) his target cash bonus for the year immediately prior to the year in which the change in control occurs, (b) his target cash bonus for the year in which employment terminates or (c) his actual cash bonus for the year immediately prior to the year in which employment terminates; and
- continuation of group health and dental insurance, and group life insurance, on the same terms and conditions as though he had remained an active employee, for the shorter of 18 months or until equivalent coverage is obtained from a new employer.

If a change of control occurs during the term of the Kaplan CIC Agreement, Mr. Kaplan will be entitled to accelerated vesting of all outstanding long-term incentive awards, including stock options, stock appreciation rights ("SARs"), restricted shares, and performance shares (at the targeted payment level).

In addition, the agreement provides that, to the extent necessary to avoid imposition of the excise tax under Section 4999 of the Internal Revenue Code (the "Code") in connection with a change in control, the amounts payable or benefits to be provided to Mr. Kaplan shall be reduced such that the reduction of compensation to be provided to Mr. Kaplan is minimized. In applying this principle, the reduction shall be made in a manner consistent with the requirements of Section 409A of the Code, and where two economically equivalent amounts are subject to reduction but payable at different times, such amounts shall be reduced on a pro rata basis (but not below zero).

A change in control is generally defined as (1) the acquisition by any person or entity of more than 35% of the Company's outstanding stock, (2) a merger where the stockholders of the Company immediately prior to the merger would not own more than 50% of the outstanding stock of the Company after such merger, (3) a sale of all or substantially all of the assets of the Company, or (4) during any two-year period, the directors in office at the beginning of such period ceasing to be a majority of the board, unless the nomination of each new director during such period was approved by at least two-thirds of the directors in office at the beginning of such period.

The foregoing description of Mr. Kaplan's change in control severance is qualified in its entirety by reference to the Kaplan CIC Agreement, a copy of which is filed as Exhibit 10.2 to this report and incorporated herein by reference.

Form of Amendment and Restatement of Trex Company, Inc. Change in Control Severance Agreement for Eligible Employees

The Company adopted a form of Change in Control Severance Agreement for Eligible Employees on April 2, 2007 for executive officers of the Company other than the Chief Executive Officer ("Eligible Employees"). On August 3, 2011, the Company amended and restated the form of the Change in Control Severance Agreement (the "Amended CIC Agreement"), and entered into such agreements with all executive officers other than Mr. Kaplan. Pursuant to the Amended CIC Agreement, if within the period beginning 90 days before and ending two years after a "change in control" of the Company, the employment of the executive is terminated by the Company (other than a termination for cause or by reason of death or disability) or if the executive terminates his employment for "good reason" as such term is defined in the Amended CIC Agreement, the executive will receive severance benefits. For this purpose, "good reason" includes events specified in the agreement, including a material and adverse change in the Eligible Employee's status or position with Trex Company, a 10% or greater reduction in the Eligible Employee's aggregate base salary and targeted bonus other than as part of general reduction in executive compensation, the failure by the Company or any successor to continue in effect any employee benefit plan in which the Eligible Employee is participating (or plans providing the Eligible Employee with similar benefits that are not materially reduced in the aggregate) other than as a result of normal expiration of such plan in accordance with its terms, or the relocation of the Eligible Employee's office that is both more than 50 miles from the current office and further than his then-current residence. Upon such termination, the Eligible Employee will receive:

- a lump-sum cash payment equal to the sum of (1) the Eligible Employee's accrued base salary and accrued vacation pay, plus (2) if not previously paid, the Eligible Employee's annual cash bonus earned for the preceding fiscal year, plus (3) the Eligible Employee's targeted cash bonus for the year in which the severance occurs, pro-rated based upon the number of days he was employed during such year;
- a lump sum severance payment of 1.50 times the sum of the (1) Eligible Employee's annual base salary (in effect immediately prior to the change in control or termination, whichever is greater) and (2) the greater of (a) the Eligible Employee's target cash bonus for the year immediately prior to the year in which the change in control occurs, (b) the Eligible Employee's target cash bonus for the year in which employment terminates or (c) the actual cash bonus earned by the Eligible Employee for the year immediately prior to the year in which employment terminates; and
- continuation of group health and dental insurance, and group life insurance, on the same terms and conditions as though the Eligible Employee had remained an active employee, for the shorter of 18 months or until coverage is obtained from a new employer.

If a change of control occurs during the term of the Amended CIC Agreement, the Eligible Employee will be entitled to accelerated vesting of all outstanding long-term incentive awards, including, but not limited to, stock options, stock appreciation rights, restricted shares, and performance shares (at the targeted payment level).

In addition, the Amended CIC Agreement provides that, to the extent necessary to avoid imposition of the excise tax under Section 4999 of the Internal Revenue Code in connection with a change in control, the amounts payable or benefits to be provided to the Eligible Employees shall be reduced such that the reduction of compensation to be provided to the Eligible Employees is minimized. In applying this principle, the reduction shall be made in a manner consistent with the requirements of Section 409A of the Code, and where two economically equivalent amounts are subject to reduction but payable at different times, such amounts shall be reduced on a pro rata basis (but not below zero).

A change in control is generally defined as (1) the acquisition by any person or entity of more than 35% of the Company's outstanding stock, (2) a merger where the stockholders of the Company immediately prior to the merger would not own more than 50% of the outstanding stock of the Company after such merger, (3) a sale of all or substantially all of the assets of the Company, or (4) during any two-year period, the directors in office at the beginning of such period ceasing to be a majority of the board, unless the nomination of each new director during such period was approved by at least two-thirds of the directors in office at the beginning of such period.

The foregoing description is qualified in its entirety by reference to the Amended CIC Agreement, a copy of which is filed as Exhibit 10.3 to this report and incorporated herein by reference.

Form of Severance Agreement for all executive officers (other than Mr. Kaplan)

The Company adopted a form of Severance Agreement for executive officers of the Company (other than the chief executive officer) (the "Executive Severance Agreement"), and entered into such agreements with all executive officers other than Mr. Kaplan on August 3, 2011. The term of the Executive Severance Agreement is two years, unless it is extended by mutual agreement of the parties. The Executive Severance Agreement provides for the payment of severance compensation and benefits to the executive officer (the "Executive") if the Company terminates his employment without "cause" or if the Executive resigns for "good reason." For this purpose, "good reason" includes events specified in the Executive Severance Agreement, including a material and adverse change in Executive's status or position with the Company, a 10% or greater reduction in Executive's aggregate base salary and targeted bonus other than as part of general reduction in executive compensation, the relocation of Executive's office that is both more than 50 miles from his current office and further than his then-current residence, or a material breach by the Company of the Executive Severance Agreement; provided however, that if any of the aforementioned conditions exists, Executive must provide notice to the Company no more than 90 calendar days following the initial existence of the condition and his intention to terminate his employment for good reason. Upon such notice the Company shall have 30 calendar days to remedy the condition. Upon such a termination, the Executive will be entitled to receive the following:

- a lump-sum cash payment equal to the sum of (1) Executive's accrued base salary and accrued vacation pay and (2) if not previously paid, Executive's annual bonus earned for the preceding fiscal year;
- a lump-sum cash payment equal to one times the sum of (1) Executive's base salary then in effect plus (2) an amount equal to the greater of (a) Executive's targeted cash bonus for the year immediately prior to the year in which his employment terminates or (b) his actual cash bonus earned for the year immediately prior to the year in which his employment terminates;
- (a) any unvested restricted stock or restricted stock units held by Executive immediately prior to termination of employment that was otherwise scheduled to vest during the one year period following termination shall not be forfeited and instead shall be immediately vested and all applicable restrictions on any shares under such grants shall lapse, and (b) any unvested stock appreciation rights or options held by Executive immediately prior to termination of employment that were otherwise scheduled to vest during the one year period following termination shall not be forfeited and instead shall vest in accordance with such schedule, and shall then be exercisable for a period of 90 days following such vesting; and
- Continued health and dental plan benefits on the same terms and conditions as though the Executive had remained an active employee, for the shorter of 12 months or until equivalent coverage is obtained from a new employer.

The foregoing description is qualified in its entirety by reference to the Executive Severance Agreement, a copy of which is filed as Exhibit 10.4 to this report and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(d) The Company herewith files the following exhibit:

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
10.1	Amendment and Restatement of Employment Agreement of Ronald W. Kaplan (FILED HEREWITH)
10.2	Amendment and Restatement of Trex Company, Inc. Change in Control Severance Agreement of Ronald W. Kaplan (FILED HEREWITH)
10.3	Form of Amendment and Restatement of Trex Company, Inc. Change in Control Severance Agreement for Officers other than the Chief Executive Officer (FILED HEREWITH)
10.4	Form of Severance Agreement for Officers other than the Chief Executive Officer (FILED HEREWITH)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TREX COMPANY, INC.

Date: August 9, 2011

/s/ JAMES E. CLINE

James E. Cline
Chief Financial Officer

AMENDMENT AND RESTATEMENT OF EMPLOYMENT AGREEMENT

This Amendment and Restatement of Employment Agreement is entered into as of August 3, 2011, by and between Ronald W. Kaplan, an individual ("Executive") and Trex Company, Inc., a Delaware corporation (the "Company").

Recitals

The Company and Executive executed an Employment Agreement dated as of January 1, 2008, which was amended and restated as of March 7, 2011, providing for Executive's employment as President and Chief Executive Officer of the Company (the "Employment Agreement"). The parties now desire to amend the Employment Agreement in certain respects, and to incorporate such amendments in this Amended and Restated Employment Agreement (the "Agreement").

Agreement

Now, therefore, in consideration of the mutual covenants contained herein, the parties hereby agree that the Employment Agreement shall be amended and restated as follows:

1. Employment/Board of Directors. Executive will serve as President and Chief Executive Officer of the Company for the Employment Term specified in Section 2 below. Executive will solely report to the Board of Directors of the Company (the "Board"), and Executive will render such services, consistent with the foregoing role, as the Board may from time to time direct. All employees of the Company shall report either directly or indirectly to Executive. The Company appointed Executive to the Board of Directors for an initial term, and will recommend to the shareholders that Executive be reappointed to the Board whenever his election must be approved by the shareholders.

2. Term. The employment of Executive pursuant to this Agreement (the "Employment Term") shall continue through August 16, 2015, unless extended or the Executive's employment is earlier terminated as provided in this Agreement. The Employment Term shall automatically be extended for additional one-year periods commencing on August 17, 2015 and continuing each year thereafter, unless either Executive or the Company gives the other written notice at least ninety (90) days prior to the then scheduled expiration of the Employment Term, of such party's intention not to extend the Employment Term. Employment Term includes the original term plus all extensions.

3. Salary. As compensation for the services rendered by Executive under this Agreement, the Company shall pay to Executive a base salary equal to \$515,000 per year, payable to Executive in accordance with the Company's payroll practices as in effect from time to time during the Employment Term. The base salary shall be subject to adjustment by the Board or the Compensation

Committee of the Board (the “Committee”), in the sole discretion of the Board or such Committee, on an annual basis; provided, however, that Executive’s base salary may not be decreased other than any such reduction consistent with a general proportionate reduction of pay across the executive staff as a group, as an economic or strategic measure due to poor financial performance by the Company. Executive’s annual base salary, as may be adjusted from time to time as provided above, is referred to herein as “Base Salary”.

4. Bonus. The Executive shall be eligible for participation in The Trex Company, Inc. Annual Cash Bonus Plan. As of the date of this Agreement, Executive has a target incentive of 100% of his Base Salary for fiscal year 2011. The actual amount earned will be contingent upon actual Company and individual performance as identified in the plan and may range between 0% of target and the maximum payment allowable under the plan. The annual target bonus shall be established by the Board or the Committee, in the discretion of the Board or Committee, but in no event shall the target bonus be less than 80% of Base Salary, and shall be payable based on achievement of performance objectives as identified in the plan and which are established in consultation with Executive.

5. Stock Incentive Awards. Executive shall be eligible to participate in any stock incentive plan approved by the Board of Directors and the shareholders at a level appropriate to his position as President and Chief Executive Officer. The terms and conditions of any and all such grants will be determined by the applicable Stock Agreement of the Trex Company, Inc. 2005 Stock Incentive Plan (or a successor plan) in effect at the time of such grant. Under the current provisions of the Plan, the President and Chief Executive Officer is eligible for an annual grant of Long-Term Incentives (LTI) which is equal to 200% of Base Salary.

In 2008, upon commencement of his employment, the Company granted to the Executive an initial grant of stock equal to one (1) times the Annual LTI Grant amount (200% of Base Salary at the rate in effect in 2008). This initial grant was as follows:

(a) Stock Appreciation Rights (SARs), equal to 140% of Base Salary (at the rate in effect in 2008) at an exercise price equal to the fair market value of the Common Stock on the date of the grant. The SARs vest equally over a three (3) year period in accordance with the award agreement, and as of the date of this Agreement, Executive is 100% vested in such SARs.

(b) Restricted shares of Common Stock with a par value of \$0.01, the amount of which equals 60% of Base Salary (at the rate in effect in 2008) subject to a three (3) year annual vesting in equal installments in accordance with the award agreement, and as of the date of this Agreement, Executive is 100% vested in such restricted shares.

6. Benefits.

(a) Benefits. Executive will be entitled to receive all benefits provided to senior executives, executives and employees of the Company generally from time to time, including medical, dental, life insurance and long-term disability, in each case so long as and to the extent that the same exist; provided, that in respect to each such plan Executive is otherwise eligible and insurable in accordance with the terms of such plans.

(b) Vacation, Sick Leave, and Holidays. Executive shall be entitled to vacation, which shall be no less than 4 weeks per year, sick leave, and holidays in accordance with the policies of the Company as they exist from time to time.

(c) Automobile Allowance. During the Employment Term, Executive shall be entitled to receive a monthly automobile allowance of \$1,000.00 for any and all expenses related to Executive's automobile (i.e., lease payments, insurance, gas, tolls, parking, etc.). Except for reimbursement of directly related automobile expenses (i.e. parking and tolls) incurred by Executive while fulfilling his duties and responsibilities to the Company, but which are outside of Executive's normal day to day usage of his automobile, Executive will not be entitled to any additional or alternative reimbursement for any other automobile related expenses. The payment of any taxes associated with the automobile allowance shall be the sole responsibility of Executive.

(d) Signing Bonus. Upon commencement of his employment with the Company in 2008, Executive received a signing bonus of \$200,000, minus all deductions required by law.

(e) Reimbursement of Legal Expenses. The Company shall reimburse Executive for reasonable legal expenses associated with the review of this Agreement, the Change in Control Severance Agreement, and any other documents associated with Executive's employment with the Company.

(f) Relocation Expenses. Executive shall be entitled to reimbursement under the Company's relocation policy as in effect from time to time.

(g) Indemnification and Insurance. During the term of this Agreement and at all times thereafter, with respect to Executive's service to the Company, Executive shall be entitled to indemnification pursuant to the terms of the Company's By-Laws and applicable law. During the term of this Agreement, and for a period of six years thereafter, with respect to Executive's service to the Company, Executive shall be entitled to indemnification pursuant to the terms of the Company's Directors and Officers Liability Insurance.

7. Effect of Termination

(a) Termination by the Company for Cause or at the Election of Executive Without Good Reason. In the event Executive's employment is terminated for Cause, as defined in Section 10(a), or at the election of Executive for any reason other than Good Reason, as defined in Section 10(b), the Company shall pay to Executive the compensation and benefits otherwise due and payable to him in a lump sum payment in cash, payable within 10 days after termination of employment, equal to the sum of (1) Executive's accrued Base Salary and any accrued vacation pay through the date of termination of employment, and (2) Executive's annual bonus earned for the fiscal year immediately preceding the fiscal year in which the date of termination of employment occurs if such bonus has not been paid as of the date of termination of employment.

(b) Termination for Death or Disability. If Executive's employment is terminated by death or because of Disability, as defined in Section 10(c), the Company shall pay to the estate of Executive or to Executive, as the case may be, a lump sum payment in cash, payable within 10 days after termination of employment, equal to the sum of (1) Executive's accrued Base Salary and any accrued vacation pay through the date of termination of employment, and (2) Executive's annual bonus earned for the fiscal year immediately preceding the fiscal year in which the date of termination of employment occurs if such bonus has not been paid as of the date of termination of employment.

(c) Termination by the Company Without Cause or By Executive for Good Reason. Subject to Section 7(c)(8) below, if Executive's employment is terminated by the Company without Cause, or is terminated by Executive for Good Reason, at any time during the Employment Term (including extensions thereof), except as provided in Section 7(d) and/or except during the Change in Control Protection Period (as defined in Executive's Amended and Restated Change In Control Severance Agreement dated August 3, 2011 ("Change in Control Severance Agreement")), Executive will be entitled to the following payments and benefits outlined in this Section 7(c):

(1) Payment of Accrued Obligations. The Company shall pay to Executive a lump sum payment in cash, no later than 10 days after the date of termination of employment, equal to the sum of (1) Executive's accrued Base Salary and any accrued vacation pay through the date of termination of employment, and (2) Executive's annual bonus earned for the fiscal year immediately preceding the fiscal year in which the date of termination of employment occurs if such bonus has not been paid as of the date of termination of employment.

(2) Payment of Severance. Subject to Section 7(c)(7) below, the Company shall pay to Executive a lump sum cash payment, no later than 10

days after such termination, equal to two (2) times Executive's Final Pay as defined in Section 10(d). In the event Executive materially breaches any non-compete or confidentiality agreement then in effect with the Company, Executive agrees to return to the Company all amounts received under this Section 7(c)(2).

(3) Acceleration of Equity; Period to Exercise. Subject to Section 7(c)(7) below, Executive shall become fully and immediately vested in all unvested restricted stock grants, stock appreciation rights, options, and/or any other form of equity grant and all applicable restrictions on any shares under any grants shall lapse, and each stock appreciation right and option and any other equity that may be subject to an exercise period shall be exercisable for a period ending on the earlier of five (5) years after the date of termination of employment or the expiration of the term of such equity grant.

(4) Benefit Continuation. Subject to Section 7(c)(7) below, commencing on the date immediately following Executive's date of termination of employment and continuing for 24 months (or such lesser time as required to avoid the imposition of additional taxes under Section 409A of the Internal Revenue Code of 1986, as amended (the "Code")) (the "Welfare Benefit Continuation Period"), the Company shall cover Executive under the same type of Company-sponsored group health plan and dental plan (e.g., individual or family coverage) and group life insurance in which he was covered immediately prior to termination of employment. The Executive shall receive such continued coverage under the same terms and conditions (e.g., any requirement that employees pay all or any portion of the cost of such coverage) that would apply if Executive had continued to be an employee of the Company during the Welfare Benefit Continuation Period.

(5) For each month during the Welfare Benefit Continuation Period in which Executive's continued coverage under an insured plan is not possible, the Company shall, in lieu of providing the coverage described in the preceding paragraph, make a monthly cash payment to Executive equal to the monthly premium the Company would be charged for coverage of a similarly-situated employee. The Company shall not be obligated to "gross up" or otherwise compensate Executive for any taxes due on amounts paid pursuant to the preceding sentence.

(6) Notwithstanding any other provision of this Section 7(c), the Company's obligation to provide continued coverage (or, in lieu thereof, make a cash payment) pursuant to this Section 7(c) shall expire on the date Executive becomes covered under one or more plans sponsored by a new employer (other than a successor to the Company) that, at the sole discretion of the Administrator, as defined in Section 10(e), are determined to provide coverage at least equivalent in the aggregate to the benefits continued under Section 7(c)(4). The coverage period for purposes of the group health continuation requirements of Section 4980B of the Code shall commence at the expiration of the Welfare Benefit Continuation Period.

(7) Release. The Executive shall not be eligible to receive any payments or benefits provided in Section 7(c) (other than payments under Section 7(c)(1)) unless he first executes a written release and agreement substantially in the form attached hereto as Exhibit A and does not revoke such release and agreement within the time permitted therein for such revocation. The release and agreement shall be executed and become irrevocable within sixty (60) days after the Executive's employment termination date.

(8) Restriction on Timing of Distribution. Anything in this Agreement to the contrary notwithstanding, if (1) on Executive's date of termination of employment, any of the Company's stock is publicly traded on an established securities market or otherwise (within the meaning of Section 409A(a)(2)(B)(i) of the Code) and (2) as a result of such termination, Executive would receive any payment that, absent the application of this Section 7(c)(8), would be subject to interest and additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(1)(B) of the Code, then no such payment shall be payable prior to the date that is the earliest of (x) six months after Executive's date of termination of employment, (y) Executive's death or (z) such other date as will cause such payment not to be subject to such interest and additional tax. For the avoidance of doubt, upon the Executive's involuntary separation from service (as defined in Treas. Regs. §1.409A-1(n)), the preceding sentence shall not prevent payment to the Executive during such six-month period of an aggregate amount not exceeding the lesser of (a) two (2) times the sum of the Executive's annualized compensation based upon the annual rate of pay for his taxable year preceding the taxable year of the separation from service, or (b) two (2) times the maximum amount that may be taken into account under a qualified plan pursuant to Section 401(a)(17) of the Code for the year in which the Executive has a separation from service, as permitted pursuant to Treas. Regs. §1.409A-1(b)(9)(iii).

(d) Termination on August 16, 2015 by Company Upon Expiration Pursuant to Section 2. In the event that the Company provides notice under Section 2 of its intention not to extend the Employment Term for an additional one year period upon its expiration on August 16, 2015, then the Company shall pay to the Executive a lump sum cash payment, no later than 10 days after August 16, 2015, equal to one and one half (1.5) times the sum of (1) Executive's Base Salary in effect at the time employment terminates and (2) Executive's targeted cash bonus for the year in which employment terminates. In the event Executive materially breaches any non-compete or confidentiality agreement then in effect with the Company, Executive agrees to return to the Company all amounts received under this Section 7(d). For purposes of clarification, regardless of his age, if Executive's employment is terminated by the Company without Cause at any time during the Employment Term (including extensions thereof) without adherence to the notice and expiration provisions of Section 2,

then the payment and benefit provisions of Section 7(c) shall apply. Additionally, regardless of his age, if Executive terminates his employment for Good Reason at any time during the Employment Term (including extensions thereof), then the payment and benefit provisions of Section 7(c) shall apply.

(e) Accelerated Vesting of Equity Compensation Upon Termination On or After August 16, 2015. If Executive's employment is terminated for any reason on or after August 16, 2015, other than by the Company for Cause (as defined in Section 10(a)), Executive shall become fully and immediately vested in all unvested restricted stock grants, stock appreciation rights, options, and/or any other form of equity grant and all applicable restrictions on any shares under any grants shall lapse, and each stock appreciation right and option and any other equity grant that is subject to an exercise period shall be exercisable for a period ending on the earlier of five (5) years after the date of termination of employment or the expiration of the term of such equity grant.

(f) Termination During a Change in Control Protection Period. If Executive's employment is terminated during a Change in Control Protection Period (as that term is defined in Executive's Change in Control Severance Agreement), Executive shall be entitled to receive such severance payments and benefits as are set forth in Executive's Change in Control Severance Agreement, and shall not be entitled to any benefits under this Section 7.

8. Duty to Devote Full Time and Avoid Conflict of Interest. Executive agrees that during the Employment Term Executive shall devote his full-time efforts to his duties as an employee of the Company. Executive further agrees that during the Employment Term Executive shall not, directly or indirectly, engage or participate in any activities which are in conflict with the best interests of the Company. Notwithstanding the foregoing, nothing herein shall preclude Executive from: (i) serving, with the prior written consent of the Company, which consent shall not be unreasonably withheld, as a member of the board of directors or advisory boards (or their equivalents in the case of a non-corporate entity) of non-competing businesses and charitable organizations; (ii) engaging in charitable activities and community affairs; and (iii) managing his personal investments and affairs; provided, however, that the activities set out in clauses (i), (ii) and (iii) shall be limited by Executive so as not to materially interfere, individually or in the aggregate, with the performance of his duties and responsibilities hereunder.

9. Compliance with Rules and Regulations. Executive agrees to comply with the Company's rules, regulations and practices as they may from time to time be adopted or modified, so long as they are uniformly applied to all employees.

10. Definitions.

(a) "Cause" means one of the following reasons for which the Executive's employment with the Company is terminated: (1) Executive's willful or grossly negligent misconduct that is materially injurious to the Company; (2) Executive's embezzlement or misappropriation of funds or property of the Company; (3) Executive's conviction of a felony or the entrance of a plea of guilty or nolo contendere to a felony; (4) Executive's conviction of any crime involving fraud, dishonesty, moral turpitude or breach of trust or the entrance of a plea of guilty or nolo contendere to such a crime; or (5) Executive's willful failure or refusal by Executive to devote his full business time (other than on account of disability or approved leave) and attention to the performance of his duties and responsibilities if such breach has not been cured within 15 days after written notice thereof is given to the Executive by the Board.

(b) For the purposes of this Agreement, "Good Reason" shall exist upon: (1) a material and adverse change in Executive's status or position(s) as an officer or management employee of the Company, including, without limitation, any adverse change in his status or position as an employee of the Company as a result of a material diminution in his duties or responsibilities (other than, if applicable, any such change directly attributable to the fact that the Company is no longer publicly owned) or the assignment to him of any duties or responsibilities which are materially inconsistent with such status or position(s) (other than any isolated and inadvertent failure by the Company that is cured promptly upon his giving notice), or any removal of Executive from or any failure to reappoint or reelect him to such position(s) (except in connection with Executive's termination other than for Good Reason); (2) a 10% or greater reduction in Executive's aggregate Base Salary and targeted bonus, other than any such reduction proportionately consistent with a general reduction of pay across the executive staff as a group, as an economic or strategic measure due to poor financial performance by the Company; (3) the failure by the Company to continue in effect any employee benefit plan (excluding any equity compensation plan) in which the Executive is participating (or plans providing Executive with similar benefits that are not materially reduced in the aggregate) other than as a result of the normal expiration of any such plan in accordance with its terms; or the taking of any action, or the failure to act, by the Company or any successor which would adversely affect Executive's continued participation in any of such plans on at least as favorable a basis to him or which would materially reduce his benefits under any of such plans; (4) Company's requiring Executive to be based at an office that is both more than 50 miles from where his office is located and further from his then current residence; or (5) a material breach by the Company of this Agreement; provided, however, that if any of the conditions in this Section 10(b) exists, the Executive must provide notice to the Company no more than ninety (90) calendar days following the initial existence of the condition and his intention to terminate his employment for Good Reason. Upon such notice, the Company shall have a period of thirty (30) calendar days during which it may remedy the condition.

(c) For the purposes of this Agreement, the term “Disability” shall have the meaning given that term under the Trex Company, Inc. disability plan carrier, as in effect at the time a determination of Disability is to be made.

(d) For the purposes of this Agreement, the term “Final Pay” shall be defined as the sum of (1) Executive’s Base Salary in effect at the time employment terminates (without taking into consideration a reduction in Base Salary which constitutes “Good Reason” as provided in Section 10(b)(2) above), and (2) the greater of (A) Executive’s targeted cash bonus for the year in which employment terminates or (B) the actual cash bonus earned by the Executive for the year immediately prior to the year in which employment terminates.

(e) For the purposes of this Agreement, the term “Administrator” means the Committee or such other person or persons appointed from time to time by the Committee.

11. Notices. For purposes of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given when hand delivered, sent by overnight courier, or mailed by first-class, registered or certified mail, return receipt requested, postage prepaid, or transmitted by telegram, telecopy, or telex, addressed, in the case of the Executive, to the Executive’s address as shown on the Company’s records and, in the case of the Company, to the Company’s principal office, to the attention of the General Counsel, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

12. Entire Agreement. This Agreement, together with the Executive’s Change In Control Severance Agreement, any stock appreciation rights agreement, restricted stock agreement and/or any other equity agreement issued pursuant to the Trex Company, Inc. 2005 Stock Incentive Plan (or a successor plan), the Director/Officer Indemnification Agreement dated December 2, 2008, and the restrictive covenant agreement dated January 21, 2008, constitute the entire agreement between the parties and supersede all prior agreements and understandings, whether written or oral, relating to the subject matter of this Agreement.

13. Amendment. This Agreement may be amended or modified only by a written instrument executed by both the Company and Executive.

14. Governing Law. This Agreement shall be construed, interpreted and enforced as a sealed instrument under and in accordance with the laws of the Commonwealth of Virginia, without reference to the conflicts of laws provisions thereof. Any action, suit or other legal proceeding which is

commenced to resolve any matter arising under or relating to any provision of this Agreement shall be commenced only in a court of the Commonwealth of Virginia (or, if appropriate, a federal court located within Virginia), and the Company and Executive each consents to the jurisdiction of such a court.

15. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of both parties and their respective successors and assigns, including any corporation with which or into which the Company may be merged or which may succeed to its assets or business, provided, however, that the obligations of Executive are personal and shall not be assigned by him. Notwithstanding the foregoing, in the event of Executive's death, any payments that Executive was otherwise entitled to under this Agreement shall be made to his estate.

16. Acknowledgment. The Executive states and represents that he has had an opportunity to fully discuss and review the terms of this Agreement with an attorney. The Executive further states and represents that he has carefully read this Agreement, understands the contents herein, freely and voluntarily assents to all of the terms and conditions hereof, and signs his name of his own free act. The Company represents that it has obtained all necessary consents and approvals to execute this Agreement.

17. Miscellaneous.

(a) No delay or omission by the Company in exercising any right under this Agreement shall operate as a waiver of that or any other right. A waiver or consent given by the Company on any one occasion shall be effective only in that instance and shall not be construed as a bar or waiver of any right on any other occasion.

(b) The captions of the sections of this Agreement are for convenience of reference only and in no way define, limit or affect the scope or substance of any section of this Agreement.

(c) Any reimbursement provided under this Agreement shall be paid as soon as reasonably practicable following Executive's submission of such reasonable supporting documentation as the Company may request and in no event later than December 31 of the year following the year in which the expenses were incurred. Any reimbursements provided to Executive in a given year shall have no effect on the expenses eligible for reimbursement in any other given year. No right to reimbursement shall be subject to liquidation or exchange for another benefit.

(d) Termination of employment under this Agreement shall mean a separation from service under Section 409A of the Code.

(e) In case any provision of this Agreement shall be invalid, illegal or otherwise unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year set forth above.

Trex Company, Inc.

/s/ William R. Gupp

Name: William R. Gupp

Title: Chief Administrative Officer, General Counsel &
Secretary

Executive:

/s/ Ronald W. Kaplan

Name: Ronald W. Kaplan

EXHIBIT A

RELEASE AGREEMENT

This Release is made as of _____, 20____, by and between Trex Company, Inc., a Delaware corporation (“Trex”), and Ronald W. Kaplan (“Employee”). The parties, desiring to settle all differences between them, hereby agree as follows:

1. Termination and Payment of Salary. The parties acknowledge that Employee’s employment with Trex is terminated as of the date this Agreement is executed, thereby discontinuing any employer/employee relationship between Trex and Employee as of that date. This Release is being executed pursuant to Section 7(c)(7) of the Amended and Restated Employment Agreement between Trex and the Employee dated August 3, 2011 (the “Employment Agreement”).

2. Waiver and Release of Claims.

(a) Employee on behalf of Employee and any related individuals and entities, and Employee’s heirs, successors and assigns, hereby unconditionally releases and forever discharges Trex and its past and present parents, subsidiaries and divisions, its related or affiliated companies, their predecessors, successors, assigns past and present, and partners, officers, directors, agents, representatives, attorneys, employees or trustees of any or all of the aforesaid entities (hereinafter collectively referred to as “Trex”), from any and all claims, causes of action, charges, debts, liabilities, demands, obligations, promises, acts, agreements, damages and costs of any nature whatsoever, in law or equity, whether known or unknown, (collectively referred to as “claims”) which Employee has or may have against Trex arising up to and including the date of execution of this Agreement, including any and all claims arising out of Employee’s employment and/or termination of employment with Trex.

(b) Without limiting the general nature of the foregoing waiver and release in subsection (a), Employee acknowledges and agrees that the release and waiver includes, but is not limited to, any statutory, civil or administrative claim, whether arising under any contract, tort, federal, state or local statutes, ordinances or common law, any claim arising under federal, state, and local laws relating to wages and hours or which prohibits discrimination on the basis of race, sex, age, disability or any other form of discrimination, any claim for wrongful termination, and any claim based upon or connected with Employee’s employment with Trex including, but not limited to compensation, benefits, expenses and terms of employment.

(c) Employee also agrees not to initiate any legal action, charge or complaint against Trex in any forum whatsoever to the extent that such legal action, charge or complaint would relate to matters covered or contemplated by this Agreement, or which is based on events which took place up to the execution hereof. In the event such actions, charges or complaints are asserted in the future by Employee, a material breach of this Agreement shall be deemed to have occurred, entitling Trex, in addition to any remedies available to it under law or equity, the return of the consideration set forth in Section 7(c)(2) of the Employment Agreement. Employee agrees to pay for any legal fees or costs incurred by Trex as a result of any knowing breach of Employee's agreement in this subsection (c).

(d) For purposes of the waiver and release set forth in this Section 3 and the covenants contained herein, references to Trex shall include Trex and its officers, directors, employees, agents, representatives, related entities, successors and assigns.

(e) Notwithstanding the foregoing, this Release shall not apply to Employee's rights (i) under the Employment Agreement and the Amended and Restated Change in Control Severance Agreement between Trex and the Employee dated August 3, 2011, (ii) under COBRA, (iii) to indemnification under Trex's By-laws or applicable law and to directors' and officers' liability insurance coverage pursuant to Section 6(g) of the Employment Agreement.

3. Further Covenants by Employee. Employee agrees: (a) not to make any public statement or statements concerning Trex, its business objectives, its management practices, or other sensitive information without first receiving Trex's written approval; and (b) not to knowingly take any action which would cause Trex or its employees or agents any embarrassment or humiliation or otherwise cause or contribute to Trex's or any such person's being held in disrepute by the general public or Trex's employees, clients, or customers.

4. Litigation Support. Employee agrees to cooperate with, and assist, Trex in the defense of any claim, lawsuit or action instituted against Trex, where Employee has knowledge or information useful to the defense of the claim, suit or action, such cooperation to include Employee's appearance as a witness, with or without subpoena, at any hearing, trial or deposition, provided Trex reimburses Employee for reasonable costs of travel and accommodation, and provided that such cooperation does not materially interfere with any subsequent employment of Employee.

5. Non-Disclosure. The parties agree that they will not disclose the circumstances under which Employee's employment with Trex was terminated,

except in connection with any action to enforce the terms of this Agreement or as necessary to respond to legitimate governmental requests for information or as may be required by law. In addition, any party may reveal the terms of this Agreement to such party's accountants or attorneys.

6. No Admission of Liability. The parties agree and understand that neither this Agreement nor anything contained herein shall be construed as an admission by Trex of any liability whatsoever, which liability is expressly denied.

7. Knowing and Voluntary Waiver. Employee acknowledges that (a) Employee has carefully read and fully understands all the provisions of this Agreement; (b) Employee has been advised to consult an attorney, and that if Employee has not consulted with an attorney Employee has done so voluntarily; (c) Employee has not relied upon any representation or statement, written or oral, not contained herein; and (d) Employee has entered into this Agreement knowingly and voluntarily.

8. Acknowledgement of Consideration. Employee acknowledges that Employee's waiver and release of rights and claims, and Employee's undertaking of agreements and obligations as set forth in this Agreement are in exchange for valuable consideration which Employee would not otherwise be entitled to receive.

9. Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the Commonwealth of Virginia.

10. Acknowledgment by Employee. Employee further states that Employee has carefully read this Agreement, including specifically Section 2 hereof (waiver and release of claims), that Employee acknowledges that Employee has been advised by Trex to consult with an attorney prior to executing this Agreement, that Employee knows and understands the contents, that Employee acknowledges that the waiver and release set forth in Section 2 hereof includes a waiver of any right or claim arising under the Age Discrimination in Employment Act, and that Employee executes the same as Employee's own free act and deed. Employee further represents and agrees that Employee fully understands the terms, conditions, and final and binding effect of this Agreement, including specifically Section 2 hereof (waiver and release of claims), to be a full and final release of all claims with final and binding effect. Employee acknowledges that Employee has been given a period of at least twenty-one (21) days within which to consider this Agreement prior to Employee's execution thereof. Furthermore, it is agreed that Employee shall have the right to revoke this Agreement by written notice to Trex within the seven (7) day period following its execution, and that this Agreement shall not become effective or enforceable until such seven-day period has expired. In the event this

Agreement is revoked by Employee in accordance with provisions of this Section, or in the event that Employee challenges the validity of any of the provisions hereof including specifically Section 2 hereof (waiver and release of claims), Employee agrees to return to Trex all amounts received under the terms of the Employment Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date last entered below:

TREX COMPANY, INC.

By: _____

Date _____

Ronald W. Kaplan

Date _____

**AMENDMENT AND RESTATEMENT OF
TREX COMPANY, INC.
CHANGE IN CONTROL SEVERANCE AGREEMENT**

THIS AMENDED AND RESTATED AGREEMENT (the "Agreement") is entered into as of August 3, 2011 (the "Effective Date") by and between **TREX COMPANY, INC.**, a Delaware corporation (the "Company"), and **RONALD W. KAPLAN**, a key employee of the Company (the "Eligible Employee").

The Company and the Eligible Employee executed a Change in Control Severance Agreement dated as of January 1, 2008 (the "CIC Agreement"). The parties now desire to amend the CIC Agreement in certain respects, and to incorporate such amendments in this Amended and Restated Change in Control Severance Agreement.

RECITALS:

WHEREAS, the Eligible Employee has been appointed the President and Chief Executive Officer of the Company and will be important in developing and expanding the business and operations of the Company and will possess valuable knowledge and skills with respect to such business;

WHEREAS, the Compensation Committee of the Board of Directors of the Company (the "Committee") believes that it is in the best interests of the Company to encourage the Eligible Employee's employment with and dedication to the Company and has authorized the Company to enter into this Agreement;

WHEREAS, the parties desire to enter into this Agreement setting forth the terms and conditions for the payment of compensation to the Eligible Employee in the event of a termination of the Eligible Employee's employment in connection with a Change in Control (as defined herein) during the term of this Agreement;

NOW, THEREFORE, in consideration of the foregoing, the agreements and covenants set forth herein, and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Definitions. Except as otherwise provided in this Agreement, capitalized terms in this Agreement shall have the meanings set forth in this Section 1.

- (a) "Administrator" means the Committee or such other person or persons appointed from time to time by the Committee.
- (b) "Affiliate" means any "parent corporation" and any "subsidiary corporation" of the Company, as such terms are defined in Section 424 of the Code.
- (c) "Board" means the Board of Directors of the Company.

(d) “Cause” means one of the following reasons for which the Eligible Employee’s employment with the Employer is terminated: (1) Eligible Employee’s willful or grossly negligent misconduct that is materially injurious to the Employer; (2) Eligible Employee’s embezzlement or misappropriation of funds or property of the Employer; (3) Eligible Employee’s conviction of a felony or the entrance of a plea of guilty or nolo contendere to a felony; (4) Eligible Employee’s conviction of any crime involving fraud, dishonesty, moral turpitude or breach of trust or the entrance of a plea of guilty or nolo contendere to such a crime; or (5) Eligible Employee’s willful failure or refusal by the Eligible Employee to devote his full business time (other than on account of disability or approved leave) and attention to the performance of his duties and responsibilities if such breach has not been cured within 15 days after written notice thereof is given to the Eligible Employee by the Board.

(e) “Change in Control” means the first of the following events to occur after the Effective Date:

(1) The consummation of a transaction in which any “person” (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended) becomes, within the 12-month period ending on the date of such person’s most recent acquisition, a “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities representing more than 35% of the voting power of the then outstanding securities of the Company; provided that a Change in Control shall not be deemed to occur as a result of a transaction in which the Company becomes a subsidiary of another corporation and in which the stockholders of the Company, immediately prior to the transaction, will beneficially own, immediately after the transaction, shares entitling such stockholders to more than 50% of all votes to which all stockholders of the other corporation would be entitled in the election of directors (without consideration of the rights of any class of stock to elect directors by a separate class vote);

(2) The consummation of (a) a merger, consolidation, or similar extraordinary event involving the Company and another entity where the stockholders of the Company, immediately prior to the merger, consolidation or similar extraordinary event, will not beneficially own, immediately after the merger, consolidation or similar extraordinary event, securities entitling such stockholders to more than 50% of all votes to which all stockholders of the surviving corporation would be entitled in the election of directors (without consideration of the rights of any class of stock to elect directors by a separate class vote), or (b) a sale or other disposition of all or substantially all of the assets of the Company; or

(3) During any 24-month period, individuals who at the beginning of any such period constitute the Board cease for any reason to constitute at least a majority thereof, unless the election, or the nomination for election by the Company's stockholders, of each director of the Company first elected during such period was approved by a vote of at least two-thirds of the directors of the Company then still in office who were directors of the Company at the beginning of such 24-month period.

- (f) "Change in Control Severance Benefits" means the benefits payable pursuant to Section 3 of this Agreement.
- (g) "Change in Control Protection Period" means the period commencing on the later of (1) the date that is 90 days before the date a Change in Control occurs or (2) the Effective Date, and ending on the second anniversary of the date the Change in Control occurs.
- (h) "Code" means the Internal Revenue Code of 1986, as amended.
- (i) "Disability" shall have the meaning given that term under the Trex Company, Inc. Disability Plan, as in effect at the time a determination of Disability is to be made.
- (j) "Employer" means the Company or an Affiliate.
- (k) "ERISA" means the Employee Retirement Income Security Act of 1974, as amended.
- (l) "Final Pay" means the sum of (1) the greater of (A) the Eligible Employee's annual base salary in effect immediately prior to the Change in Control, or (B) the Eligible Employee's annual base salary in effect at the time employment terminates, and (2) the greater of (A) the Eligible Employee's targeted cash bonus for the year immediately prior to the year in which the Change in Control occurs, (B) the Eligible Employee's targeted cash bonus for the year in which employment terminates or (C) the actual cash bonus earned by the Eligible Employee for the year immediately prior to the year in which employment terminates.
- (m) "Good Reason" means, without the specific written consent of the Eligible Employee, any of the following:
 - (1) A material and adverse change in the Eligible Employee's status or position(s) as an officer or management employee of the Employer as in effect immediately prior to the Change in Control, including, without limitation, any adverse change in his status or position as an employee of the Employer as a result of a material diminution in his duties or responsibilities or the assignment to him of any duties or

responsibilities which are materially inconsistent with such status or position(s) (other than any isolated and inadvertent failure by the Employer that is cured promptly upon his giving notice), or any removal of the Eligible Employee from or any failure to reappoint or reelect him to such position(s) (except in connection with the Eligible Employee's Severance other than for Good Reason).

(2) A 10% or greater reduction in the Eligible Employee's aggregate base salary and targeted bonus from the aggregate base salary and targeted bonus that was in effective immediately prior to the occurrence of a Change in Control, but disregarding any reduction in targeted bonus which occurs in accordance with the terms of any written bonus program as it reads immediately prior to the occurrence of a Change in Control.

(3) The failure by the Employer or any successor to continue in effect any employee benefit plan (excluding any equity compensation plan) in which the Eligible Employee is participating at the time of the Change in Control (or plans providing the Eligible Employee with similar benefits that are not materially reduced in the aggregate) other than as a result of the normal expiration of any such plan in accordance with its terms as in effect at the time of the Change in Control; or the taking of any action, or the failure to act, by the Employer or any successor which would adversely affect the Eligible Employee's continued participation in any of such plans on at least as favorable a basis to him as is the case on the date of the Change in Control or which would materially reduce his benefits under any of such plans.

(4) The Employer's requiring the Eligible Employee to be based at an office that is both more than 50 miles from where his office is located immediately prior to the Change in Control and further from his then current residence, except for required travel on the Employer's business to an extent substantially consistent with the business travel obligations which the Eligible Employee undertook on behalf of the Employer prior to the Change in Control.

(5) A material breach by the Employer of this Agreement, which breach is not cured within 15 business days after written notice thereof is given to the Employer by the Eligible Employee

(n) "Incentive Plan" means the Trex Company, Inc. 2005 Stock Incentive Plan (or a successor plan).

(o) "Severance" means (1) the involuntary termination of the Eligible Employee's employment by the Employer, other than for Cause, death or Disability or (2) a termination of the Eligible Employee's employment by

the Eligible Employee for Good Reason, in each case, during the Change in Control Protection Period; provided, however, that in each case the termination constitutes a "separation from service" within the meaning of Section 409A(a)(2)(A)(i) of the Code and Treasury Regulations thereunder.

(p) "Severance Date" means the date on which the Eligible Employee incurs a Severance.

2. Term of Agreement. This Agreement shall remain in effect during the term of the Employment Agreement executed by the Employer and the Eligible Employee contemporaneously herewith.

3. Change in Control Severance Benefits.

- (a) Generally. Subject to subsections (h) and (i) below and Section 4, the Eligible Employee shall be entitled to the Change in Control Severance Benefits provided in this Section 3 if he incurs a Severance during the Change in Control Protection Period. If the Eligible Employee becomes entitled to receive compensation or benefits under the terms of this Section 3, such compensation or benefits will be in lieu of any other severance or other benefits payable under any plan, program, policy or practice of or agreement or other arrangement between the Eligible Employee and the Company.
- (b) Payment of Accrued Obligations. If the Eligible Employee incurs a Severance during the Change in Control Protection Period, the Company shall pay to him a lump sum payment in cash, no later than 10 days after the Severance Date (or the date of the Change in Control, if later), equal to the sum of (1) the Eligible Employee's accrued annual base salary and any accrued vacation pay through the Severance Date, (2) the Eligible Employee's annual bonus earned for the fiscal year immediately preceding the fiscal year in which the Severance Date occurs if such bonus has not been paid as of the Severance Date; and (3) the Eligible Employee's targeted cash bonus for the year in which the Severance occurs, pro-rated based upon the number of days the Eligible Employee was employed during such year.
- (c) Payment of Severance. Subject to subsections (h) and (i) below and Section 4, if the Eligible Employee incurs a Severance during the Change in Control Protection Period, the Company shall pay to him a lump sum cash payment, no later than 10 days after the Severance Date (or the date of the Change in Control, if later), equal to two and ninety-nine one-hundredths (2.99) times the Eligible Employee's Final Pay.
- (d) **[Intentionally Omitted]**.

- (e) **[Intentionally Omitted].**
- (f) **Benefit Continuation.** Subject to subsections (h) and (i) below and Section 4, if the Eligible Employee incurs a Severance during the Change in Control Protection Period, commencing on the date immediately following such Eligible Employee's Severance Date and continuing for 18 months (or such lesser time as required to avoid the imposition of additional taxes under Section 409A of the Code) (the "**Welfare Benefit Continuation Period**"), the Company shall cover the Eligible Employee under the same type of Employer-sponsored group health plan and dental plan (*e.g.*, individual or family coverage) and group life insurance in which he was covered as of immediately prior to his Severance Date. The Eligible Employee shall receive such continued coverage under the same terms and conditions (*e.g.*, any requirement that employees pay all or any portion of the cost of such coverage) that would apply if the Eligible Employee had continued to be an employee of the Employer during the Welfare Benefit Continuation Period.
- For each month during the Welfare Benefit Continuation Period in which the Eligible Employee's continued coverage under an insured plan is not possible, the Company shall, in lieu of providing the coverage described in the preceding paragraph, make a monthly cash payment to the Eligible Employee equal to the monthly premium the Employer would be charged for coverage of a similarly-situated employee. The Company shall not be obligated to "gross up" or otherwise compensate the Eligible Employee for any taxes due on amounts paid pursuant to the preceding sentence.
- Notwithstanding any other provision of this subsection (f), the Company's obligation to provide continued coverage (or, in lieu thereof, make a cash payment) pursuant to this subsection (f) shall expire on the date the Eligible Employee becomes covered under one or more plans sponsored by a new employer (other than a successor to the Company) that, at the sole discretion of the Administrator, are determined to provide coverage at least equivalent in the aggregate to the benefits continued under this subsection (f). The coverage period for purposes of the group health continuation requirements of Section 4980B of the Code shall commence at the expiration of the Welfare Benefit Continuation Period.
- (g) **Outplacement Services.** Subject to subsection (i) below and Section 4, if the Eligible Employee incurs a Severance during the Change in Control Protection Period, the Company shall provide him with reasonable outplacement services for up to 12 months following the Severance Date.
- (h) **Release.** The Eligible Employee shall not be eligible to receive any Change in Control Severance Benefits provided in this Section 3 (other than payments under Section 3(b)) unless he first executes a written release and agreement provided by the Company substantially in the form attached hereto as Exhibit A and does not revoke such release and agreement within the time permitted therein for such revocation.

- (i) Restriction on Timing of Distribution. Anything in this Agreement to the contrary notwithstanding, if (1) on the Eligible Employee's Severance Date, any of the Company's stock is publicly traded on an established securities market or otherwise (within the meaning of Section 409A(a)(2)(B)(i) of the Code) and (2) as a result of such termination, the Eligible Employee would receive any payment that, absent the application of this Section 3(i), would be subject to interest and additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(2)(B)(i) of the Code, then no such payment shall be payable prior to the date that is the earliest of (x) six months after the Eligible Employee's Severance Date, (y) the Eligible Employee's death or (z) such other date as will cause such payment not to be subject to such interest and additional tax.

4. Reduction of Change in Control Severance Benefits.

- (a) Reduction of Payments. To the extent necessary to avoid imposition of the excise tax under Section 4999 of the Code in connection with a change in control, the amounts payable or benefits to be provided to the Eligible Employee shall be reduced such that the reduction of compensation to be provided to the Eligible Employee is minimized. In applying this principle, the reduction shall be made in a manner consistent with the requirements of Section 409A of the Code, and where two economically equivalent amounts are subject to reduction but payable at different times, such amounts shall be reduced on a pro rata basis (but not below zero).
- (b) Determination. The determination that the Eligible Employee's Payment would cause him to become subject to the excise tax imposed under Section 4999 of the Code and the calculation of the amount of any reduction, shall be made, at the Company's discretion, by the Company's outside auditing firm or by a nationally-recognized accounting or benefits consulting firm designated by the Company prior to a Change in Control. The firm's expenses shall be paid by the Company.
- (c) Payment of Remaining Benefits. If a determination is made that the Eligible Employee's Change in Control Severance Benefits provided in Section 3(c) must be reduced, payment of the remaining Change in Control Severance Benefits provided in Section 3(c) shall be made in a lump sum cash payment no later than 10 days after the latter of the Severance Date or the date the determination is made.

5. Taxes; Withholding. The Eligible Employee shall be responsible for the payment of all applicable local, state and federal taxes associated with the Eligible Employee's receipt of Change in Control Severance Benefits hereunder, and the Company shall have the right to deduct from any distributions hereunder any such taxes or other amounts required by law to be withheld therefrom.

6. Claims Procedures.

- (a) Applications for Benefits and Inquiries. Any application for benefits, inquiries about this Agreement or inquiries about present or future rights under this Agreement must be submitted to the Administrator in writing.
- (b) Denial of Claims. In the event that any application for benefits is denied in whole or in part, the Administrator must notify the applicant, in writing, of the denial of the application, and of the applicant's right to review the denial. The written notice of denial will be set forth in a manner designed to be understood by the applicant, and will include specific reasons for the denial, specific references to the provisions of this Agreement upon which the denial is based, a description of any additional material or information necessary for the applicant to perfect the claim and an explanation of why such material or information is necessary, and an explanation of the review procedure, including the applicant's right to bring a civil action under Section 502(a) of ERISA following an adverse decision on review. This written notice will be given to the applicant within 90 days after the Administrator receives the application, unless special circumstances require an extension of time, in which case, the Administrator has up to an additional 90 days. If an extension of time is required, written notice of the extension will be furnished to the applicant before the end of the initial 90-day period. This notice of extension will describe the special circumstances necessitating the additional time and the date by which the Administrator expects to render a decision on the application.
- (c) Request for a Review. Any person (or that person's authorized representative) for whom an application for benefits is denied, in whole or in part, may appeal the denial by submitting a written request for a review to the Administrator within 60 days after the application is denied. The Administrator will give the applicant (or his or her authorized representative) an opportunity to review pertinent documents in preparing a request for a review and submit written comments, documents, records and other information relating to the claim.
- (d) Decision on Review. The Administrator will provide written notice of its decision on review within 60 days after receipt of the request, unless special circumstances require an extension of time (not to exceed an additional 60 days). If an extension for review is required, written notice of the extension will be furnished to the applicant within the initial 60-day period. This notice of extension will describe the special circumstances necessitating the additional time and the date by which the Administrator expects to render a decision on review. In the event that the Administrator confirms the denial of the application for benefits in whole or in part, the

notice will outline, in a manner calculated to be understood by the applicant, the specific reasons for the decision, the specific provisions of this Agreement upon which the decision is based, a statement that the applicant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the applicant's claim for benefits, and a statement of the applicant's right to bring an action under Section 502(a) of ERISA.

- (e) Rules and Procedures. The Administrator may establish rules and procedures, consistent with this Agreement and with ERISA, as necessary and appropriate in carrying out its responsibilities in reviewing benefit claims.

7. Immediate Vesting of Equity-Based Compensation Awards upon a Change in Control. If a Change of Control occurs during the term of this Agreement, (1) the unexercised portions of all Options and SARs (as defined in the Incentive Plan) granted to the Eligible Employee under the Incentive Plan that have not expired or been forfeited pursuant to their terms shall automatically accelerate and become fully exercisable, (2) the restrictions and conditions on all outstanding Restricted Stock and Restricted Stock Units (as defined in the Incentive Plan) granted to the Eligible Employee that have not expired or been forfeited pursuant to their terms shall immediately lapse and such Restricted Stock and Restricted Stock Units shall vest, and (3) all outstanding Restricted Stock Units and Restricted Stock (as defined in the Incentive Plan) granted to the Eligible Employee that are based upon performance of the Company over a certain period of time shall become payable at the Eligible Employee's target payment for the relevant performance period (regardless of the amount of the relevant performance period that precedes the Change in Control). Where a Severance precedes the Change in Control (i.e., by operation of clause (1) of Section 1(g)) and the terms of any award granted to the Eligible Employee under the Incentive Plan would otherwise call for the forfeiture of such award upon the termination of the Eligible Employee's employment with the Company, such award shall not be deemed to be forfeited on account of the Eligible Employee's Severance and shall remain outstanding (subject to the other terms of the award, including its original term) as if the Change in Control preceded the Severance.

8. General Provisions

- (a) Amendment and Termination. This Agreement may not be terminated prior to the end of its term without the written consent of the Eligible Employee. This Agreement may be amended by the Committee at any time; provided, however, that this Agreement may not be amended without the written consent of the Eligible Employee if such amendment would in any manner adversely affect the rights of the Eligible Employee under this Agreement.
- (b) Assignment. Except as otherwise provided herein or by law, no right or interest of the Eligible Employee under this Agreement shall be assignable

or transferable, in whole or in part, either directly or by operation of law or otherwise, including without limitation by execution, levy, garnishment, attachment, pledge or in any manner; no attempted assignment or transfer thereof shall be effective. Notwithstanding the preceding sentence, if the Eligible Employee is unable to care for his affairs when a payment is due under this Agreement to the Eligible Employee, payment may be made directly to his legal guardian or personal representative.

- (c) Compliance with Section 409A. The parties intend that this Agreement and its performance shall be in compliance with applicable requirements of Section 409A of the Code so as not to subject the Eligible Employee to additions to tax and interest under Section 409A(a)(1)(B). If either party reasonably determines that any payment obligation under this Agreement will cause the Eligible Employee to incur tax obligations under Section 409A(a)(1)(B) of the Code, then the parties shall work together in good faith to adopt amendments to this Agreement or to participate in any available IRS voluntary corrections program, as appropriate to enable the Eligible Employee to avoid such tax obligations.
- (d) Governing Law. This Agreement shall be construed and enforced according to the laws of the Commonwealth of Virginia to the extent not preempted by federal law, without regard to any conflict of laws principles that would apply the law of another jurisdiction.
- (e) Severability. If any provision of this Agreement shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions hereof, and this Agreement shall be construed and enforced as if such provisions had not been included.
- (f) Headings and Terms. The headings and captions herein are provided for reference and convenience only, shall not be considered part of the Agreement, and shall not be employed in the construction of the Agreement. Capitalized terms shall have the meanings given herein. Singular nouns shall be read as plural and masculine pronouns shall be read as feminine, and vice versa, as appropriate.
- (g) No Assurance of Employment. Neither the execution and delivery of this Agreement by the Company and the Eligible Employee nor the creation of any fund, trust or account, nor the payment of any benefits shall be construed as giving the Eligible Employee the right to be retained in the service of the Employer, and the Eligible Employee shall remain subject to discharge to the same extent as if this Agreement had never been entered into.
- (h) Successors. This Agreement shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the parties, including the Eligible Employee and any successor to the

Company. If the Eligible Employee incurs a Severance during the Change in Control Protection Period but dies before his Change in Control Severance Benefits have been fully paid, any unpaid amounts shall be paid to the executor, personal representative or administrators of the Eligible Employee's estate in a lump sum payment no later than the fifteenth day of the third calendar month following the Eligible Employee's death.

- (i) Notice. For purposes of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given when hand delivered, sent by overnight courier, or mailed by first-class, registered or certified mail, return receipt requested, postage prepaid, or transmitted by telegram, telecopy, or telex, addressed, in the case of the Eligible Employee, to the Eligible Employee's address as shown on the Company's records, and, in the case of the Company or the Administrator, to the Company's principal office, to the attention of the General Counsel, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.
- (j) Entire Agreement. This Agreement, together with the Employment Agreement executed contemporaneously herewith, and the SAR and Restricted Stock Agreements reflecting the grants described in the Employment Agreement, sets forth the entire agreement of the parties with respect to the subject matter hereof. Any and all prior agreements or understandings with respect to such matters are hereby superseded.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed as of the day first above written.

TREX COMPANY, INC.

By: /s/ William R. Gupp
Name: William R. Gupp
Title: Chief Administrative Officer, General Counsel and
Secretary

ELIGIBLE EMPLOYEE

/s/ Ronald W. Kaplan
Name: RONALD W. KAPLAN

**AMENDMENT AND RESTATEMENT OF
TREX COMPANY, INC.
CHANGE IN CONTROL SEVERANCE AGREEMENT**

THIS AMENDED AND RESTATED AGREEMENT (the "Agreement") is entered into as of August 3, 2011 (the "Effective Date") by and between **TREX COMPANY, INC.**, a Delaware corporation (the "Company"), and _____, a key employee of the Company (the "Eligible Employee").

The Company and the Eligible Employee executed a Change in Control Severance Agreement dated as of _____ (the "CIC Agreement"). The parties now desire to amend the CIC Agreement in certain respects, and to incorporate such amendments in this Amended and Restated Change in Control Severance Agreement.

RECITALS:

WHEREAS, the Eligible Employee has been important in developing and expanding the business and operations of the Company and possesses valuable knowledge and skills with respect to such business;

WHEREAS, the Compensation Committee of the Board of Directors of the Company (the "Committee") believes that it is in the best interests of the Company to encourage the Eligible Employee's continued employment with and dedication to the Company and has authorized the Company to enter into this Agreement;

WHEREAS, the parties desire to enter into this Agreement setting forth the terms and conditions for the payment of compensation to the Eligible Employee in the event of a termination of the Eligible Employee's employment in connection with a Change in Control (as defined herein) during the term of this Agreement;

NOW, THEREFORE, in consideration of the foregoing, the agreements and covenants set forth herein, and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Definitions. Except as otherwise provided in this Agreement, capitalized terms in this Agreement shall have the meanings set forth in this Section 1.

- (a) "Administrator" means the Committee or such other person or persons appointed from time to time by the Committee.
- (b) "Affiliate" means any "parent corporation" and any "subsidiary corporation" of the Company, as such terms are defined in Section 424 of the Code.
- (c) "Board" means the Board of Directors of the Company.
- (d) "Cause" means one of the following reasons for which the Eligible Employee's employment with the Employer is terminated: (1) willful or grossly negligent misconduct that is materially injurious to the Employer; (2)

embezzlement or misappropriation of funds or property of the Employer; (3) conviction of a felony or the entrance of a plea of guilty or nolo contendere to a felony; (4) conviction of any crime involving fraud, dishonesty, moral turpitude or breach of trust or the entrance of a plea of guilty or nolo contendere to such a crime; or (5) failure or refusal by the Eligible Employee to devote full business time and attention to the performance of his duties and responsibilities if such breach has not been cured within 15 days after notice thereof is given to the Eligible Employee.

(e) “Change in Control” means the first of the following events to occur after the Effective Date:

(1) The consummation of a transaction in which any “person” (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended) becomes, within the 12-month period ending on the date of such person’s most recent acquisition, a “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities representing more than 35% of the voting power of the then outstanding securities of the Company; provided that a Change of Control shall not be deemed to occur as a result of a transaction in which the Company becomes a subsidiary of another corporation and in which the stockholders of the Company, immediately prior to the transaction, will beneficially own, immediately after the transaction, shares entitling such stockholders to more than 50% of all votes to which all stockholders of the other corporation would be entitled in the election of directors (without consideration of the rights of any class of stock to elect directors by a separate class vote);

(2) The consummation of (a) a merger, consolidation, or similar extraordinary event involving the Company and another entity where the stockholders of the Company, immediately prior to the merger, consolidation or similar extraordinary event, will not beneficially own, immediately after the merger, consolidation or similar extraordinary event, securities entitling such stockholders to more than 50% of all votes to which all stockholders of the surviving corporation would be entitled in the election of directors (without consideration of the rights of any class of stock to elect directors by a separate class vote), or (b) a sale or other disposition of all or substantially all of the assets of the Company; or

(3) During any 24-month period, individuals who at the beginning of any such period constitute the Board cease for any reason to constitute at least a majority thereof, unless the election, or the nomination for election by the Company’s stockholders, of each director of the Company first elected during such period was approved by a vote of at least two-thirds of the directors of the Company then still in office who were directors of the Company at the beginning of such 24-month period.

- (f) “Change in Control Severance Benefits” means the benefits payable pursuant to Section 3 of this Agreement.
- (g) “Change in Control Protection Period” means the period commencing on the later of (1) the date that is 90 days before the date a Change in Control occurs or (2) the Effective Date, and ending on the second anniversary of the date the Change in Control occurs.
- (h) “Code” means the Internal Revenue Code of 1986, as amended.
- (i) “Disability” shall have the meaning given that term under the Trex Company, Inc. Disability Plan, as in effect at the time a determination of Disability is to be made.
- (j) “Employer” means the Company or an Affiliate.
- (k) “ERISA” means the Employee Retirement Income Security Act of 1974, as amended.
- (l) “Final Pay” means the sum of (1) the greater of (A) the Eligible Employee’s annual base salary in effect immediately prior to the Change of Control, or (B) the Eligible Employee’s annual base salary in effect at the time employment terminates, and (2) the greater of (A) the Eligible Employee’s targeted cash bonus for the year immediately prior to the year in which the Change of Control occurs, (B) the Eligible Employee’s targeted cash bonus for the year in which employment terminates or (C) the actual cash bonus earned by the Eligible Employee for the year immediately prior to the year in which employment terminates.
- (m) “Good Reason” means, without the specific written consent of the Eligible Employee, any of the following:
 - (1) A material and adverse change in the Eligible Employee’s status or position(s) as an officer or management employee of the Employer as in effect immediately prior to the Change in Control, including, without limitation, any adverse change in his status or position as an employee of the Employer as a result of a material diminution in his duties or responsibilities or the assignment to him of any duties or responsibilities which are materially inconsistent with such status or position(s) (other than any isolated and inadvertent failure by the Employer that is cured promptly upon his giving notice), or any removal of the Eligible Employee from or any failure to reappoint or reelect him to such position(s) (except in connection with the Eligible Employee’s Severance other than for Good Reason).

(2) A 10% or greater reduction in the Eligible Employee's aggregate base salary and targeted bonus from the aggregate base salary and targeted bonus that was in effect immediately prior to the occurrence of a Change of Control, but disregarding any reduction in targeted bonus which occurs in accordance with the terms of any written bonus program as it reads immediately prior to the occurrence of a Change of Control.

(3) The failure by the Employer or any successor to continue in effect any employee benefit plan (excluding any equity compensation plan) in which the Eligible Employee is participating at the time of the Change in Control (or plans providing the Eligible Employee with similar benefits that are not materially reduced in the aggregate) other than as a result of the normal expiration of any such plan in accordance with its terms as in effect at the time of the Change in Control; or the taking of any action, or the failure to act, by the Employer or any successor which would adversely affect the Eligible Employee's continued participation in any of such plans on at least as favorable a basis to him as is the case on the date of the Change in Control or which would materially reduce his benefits under any of such plans.

(4) The Employer's requiring the Eligible Employee to be based at an office that is both more than 50 miles from where his office is located immediately prior to the Change in Control and further from his then current residence, except for required travel on the Employer's business to an extent substantially consistent with the business travel obligations which the Eligible Employee undertook on behalf of the Employer prior to the Change in Control.

(n) "Incentive Plan" means the Trex Company, Inc. 2005 Stock Incentive Plan (or a successor plan).

(o) "Severance" means (1) the involuntary termination of the Eligible Employee's employment by the Employer, other than for Cause, death or Disability or (2) a termination of the Eligible Employee's employment by the Eligible Employee for Good Reason, in each case, during the Change in Control Protection Period; provided, however, that in each case the termination constitutes a "separation from service" within the meaning of Section 409A(a)(2)(A)(i) of the Code and Treasury Regulations thereunder.

(p) "Severance Date" means the date on which the Eligible Employee incurs a Severance.

2. Term of Agreement. This Agreement shall remain in effect from the Effective Date through December 31, 2011; provided, however, that (a) the Agreement shall

automatically extend for additional one-year terms unless the Company provides written notice to the Eligible Employee not less than six months before the end of the then-current term; and (b) the Agreement shall automatically extend until the end of the Change in Control Protection Period if a Change in Control occurs during the term of the Agreement.

3. Change in Control Severance Benefits.

- (a) Generally. Subject to subsections (h) and (i) below and Section 4, the Eligible Employee shall be entitled to the Change in Control Severance Benefits provided in this Section 3 if he or she incurs a Severance during the Change in Control Protection Period. If the Eligible Employee becomes entitled to receive compensation or benefits under the terms of this Section 3, such compensation or benefits will be reduced by other severance benefits payable under any plan, program, policy or practice of or agreement or other arrangement between the Eligible Employee and the Company. It is intended that the net effect to the Eligible Employee of entitlement to any similar benefits that are contained both in this Agreement and in any other existing plan, program, policy or practice of or agreement or arrangement between the Eligible Employee and the Company will be to provide the Eligible Employee with the greater of the benefits under this Agreement or under such other plan, program, policy, practice, or agreement or arrangement.
- (b) Payment of Accrued Obligations. If the Eligible Employee incurs a Severance during the Change in Control Protection Period, the Company shall pay to him a lump sum payment in cash, no later than 10 days after the Severance Date (or the date of the Change in Control, if later), equal to the sum of (1) the Eligible Employee's accrued annual base salary and any accrued vacation pay through the Severance Date, (2) the Eligible Employee's annual bonus earned for the fiscal year immediately preceding the fiscal year in which the Severance Date occurs if such bonus has not been paid as of the Severance Date; and (3) the Eligible Employee's targeted cash bonus for the year in which the Severance occurs, pro-rated based upon the number of days the Eligible Employee was employed during such year.
- (c) Payment of Severance. Subject to subsections (h) and (i) below and Section 4, if the Eligible Employee incurs a Severance during the Change in Control Protection Period, the Company shall pay to him a lump sum cash payment, no later than 10 days after the Severance Date (or the date of the Change in Control, if later), equal to one and one-half (1 1/2) times the Eligible Employee's Final Pay.
- (d) **[Intentionally Omitted].**
- (e) **[Intentionally Omitted].**

(f) **Benefit Continuation.** Subject to subsections (h) and (i) below and Section 4, if the Eligible Employee incurs a Severance during the Change in Control Protection Period, commencing on the date immediately following such Eligible Employee's Severance Date and continuing for 18 months (or such lesser time as required to avoid the imposition of additional taxes under Section 409A of the Code) (the "Welfare Benefit Continuation Period"), the Company shall cover the Eligible Employee under the same type of Employer-sponsored group health plan and dental plan (*e.g.*, individual or family coverage) and group life insurance in which he was covered as of his Severance Date. The Eligible Employee shall receive such continued coverage under the same terms and conditions (*e.g.*, any requirement that employees pay all or any portion of the cost of such coverage) that would apply if the Eligible Employee had continued to be an employee of the Employer during the Welfare Benefit Continuation Period.

For each month during the Welfare Benefit Continuation Period in which the Eligible Employee's continued coverage under an insured plan is not possible, the Company shall, in lieu of providing the coverage described in the preceding paragraph, make a monthly cash payment to the Eligible Employee equal to the monthly premium the Employer would be charged for coverage of a similarly-situated employee. The Company shall not be obligated to "gross up" or otherwise compensate the Eligible Employee for any taxes due on amounts paid pursuant to the preceding sentence.

Notwithstanding any other provision of this subsection (f), the Company's obligation to provide continued coverage (or, in lieu thereof, make a cash payment) pursuant to this subsection (f) shall expire on the date the Eligible Employee becomes covered under one or more plans sponsored by a new employer (other than a successor to the Company) that, at the sole discretion of the Administrator, are determined to provide coverage at least equivalent in the aggregate to the benefits continued under this subsection (f). The coverage period for purposes of the group health continuation requirements of Section 4980B of the Code shall commence at the expiration of the Welfare Benefit Continuation Period.

(g) **Outplacement Services.** Subject to subsection (i) below and Section 4, if the Eligible Employee incurs a Severance during the Change in Control Protection Period, the Company shall provide him with reasonable outplacement services for up to 12 months following the Severance Date.

(h) **Release.** The Eligible Employee shall not be eligible to receive any Change in Control Severance Benefits provided in this Section 3 (other than payments under Section 3(b)) unless he first executes a written release and agreement provided by the Company and does not revoke such release and agreement within the time permitted therein for such revocation.

- (i) **Restriction on Timing of Distribution.** Anything in this Agreement to the contrary notwithstanding, if (1) on the Eligible Employee's Severance Date, any of the Company's stock is publicly traded on an established securities market or otherwise (within the meaning of Section 409A(a)(2)(B)(i) of the Code) and (2) as a result of such termination, the Eligible Employee would receive any payment that, absent the application of this Section 3(i), would be subject to interest and additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(2)(B)(i) of the Code, then no such payment shall be payable prior to the date that is the earliest of (x) six months after the Eligible Employee's Severance Date, (y) the Eligible Employee's death or (z) such other date as will cause such payment not to be subject to such interest and additional tax.

4. **Reduction of Change in Control Severance Benefits.**

- (a) **Reduction of Payments.** To the extent necessary to avoid imposition of the excise tax under Section 4999 of the Code in connection with a change in control, the amounts payable or benefits to be provided to the Eligible Employee shall be reduced such that the reduction of compensation to be provided to the Eligible Employee is minimized. In applying this principle, the reduction shall be made in a manner consistent with the requirements of Section 409A of the Code, and where two economically equivalent amounts are subject to reduction but payable at different times, such amounts shall be reduced on a pro rata basis (but not below zero).
- (b) **Determination.** The determination that the Eligible Employee's Payment would cause him to become subject to the excise tax imposed under Section 4999 of the Code and the calculation of the amount of any reduction, shall be made, at the Company's discretion, by the Company's outside auditing firm or by a nationally-recognized accounting or benefits consulting firm designated by the Company prior to a Change in Control. The firm's expenses shall be paid by the Company.
- (c) **Payment of Remaining Benefits.** If a determination is made that the Eligible Employee's Change in Control Severance Benefits provided in Section 3(c) must be reduced, payment of the remaining Change in Control Severance Benefits provided in Section 3(c) shall be made in a lump sum cash payment no later than 10 days after the latter of the Severance Date or the date the determination is made.

5. **Taxes; Withholding.** The Eligible Employee shall be responsible for the payment of all applicable local, state and federal taxes associated with the Eligible Employee's receipt of Change in Control Severance Benefits hereunder, and the Company shall have the right to deduct from any distributions hereunder any such taxes or other amounts required by law to be withheld therefrom.

6. Claims Procedures.

- (a) Applications for Benefits and Inquiries. Any application for benefits, inquiries about this Agreement or inquiries about present or future rights under this Agreement must be submitted to the Administrator in writing.
- (b) Denial of Claims. In the event that any application for benefits is denied in whole or in part, the Administrator must notify the applicant, in writing, of the denial of the application, and of the applicant's right to review the denial. The written notice of denial will be set forth in a manner designed to be understood by the applicant, and will include specific reasons for the denial, specific references to the provisions of this Agreement upon which the denial is based, a description of any additional material or information necessary for the applicant to perfect the claim and an explanation of why such material or information is necessary, and an explanation of the review procedure, including the applicant's right to bring a civil action under Section 502(a) of ERISA following an adverse decision on review. This written notice will be given to the applicant within 90 days after the Administrator receives the application, unless special circumstances require an extension of time, in which case, the Administrator has up to an additional 90 days. If an extension of time is required, written notice of the extension will be furnished to the applicant before the end of the initial 90-day period. This notice of extension will describe the special circumstances necessitating the additional time and the date by which the Administrator expects to render a decision on the application.
- (c) Request for a Review. Any person (or that person's authorized representative) for whom an application for benefits is denied, in whole or in part, may appeal the denial by submitting a written request for a review to the Administrator within 60 days after the application is denied. The Administrator will give the applicant (or his or her authorized representative) an opportunity to review pertinent documents in preparing a request for a review and submit written comments, documents, records and other information relating to the claim.
- (d) Decision on Review. The Administrator will provide written notice of its decision on review within 60 days after receipt of the request, unless special circumstances require an extension of time (not to exceed an additional 60 days). If an extension for review is required, written notice of the extension will be furnished to the applicant within the initial 60-day period. This notice of extension will describe the special circumstances necessitating the additional time and the date by which the Administrator expects to render a decision on review. In the event that the Administrator confirms the denial of the application for benefits in whole or in part, the notice will outline, in a manner calculated to be understood by the applicant, the specific reasons for the decision, the specific provisions of

this Agreement upon which the decision is based, a statement that the applicant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the applicant's claim for benefits, and a statement of the applicant's right to bring an action under Section 502(a) of ERISA.

- (e) Rules and Procedures. The Administrator may establish rules and procedures, consistent with this Agreement and with ERISA, as necessary and appropriate in carrying out its responsibilities in reviewing benefit claims.

7. Immediate Vesting of Equity-Based Compensation Awards upon a Change in Control. If a Change of Control occurs during the term of this Agreement, (1) the unexercised portions of all Options and SARs (as defined in the Incentive Plan) granted to the Eligible Employee under the Incentive Plan that have not expired or been forfeited pursuant to their terms shall automatically accelerate and become fully exercisable, (2) the restrictions and conditions on all outstanding Restricted Stock and Restricted Stock Units (as defined in the Incentive Plan) granted to the Eligible Employee that have not expired or been forfeited pursuant to their terms shall immediately lapse and such Restricted Stock and Restricted Stock Units shall vest, and (3) all outstanding Restricted Stock Units and Restricted Stock (as defined in the Incentive Plan) granted to the Eligible Employee that are based upon performance of the Company over a certain period of time shall become payable at the Eligible Employee's target payment for the relevant performance period (regardless of the amount of the relevant performance period that precedes the Change in Control). Where a Severance precedes the Change in Control (i.e., by operation of clause (1) of Section 1(g)) and the terms of any award granted to the Eligible Employee under the Incentive Plan would otherwise call for the forfeiture of such award upon the termination of the Eligible Employee's employment with the Company, such award shall not be deemed to be forfeited on account of the Eligible Employee's Severance and shall remain outstanding (subject to the other terms of the award, including its original term) as if the Change in Control preceded the Severance.

8. General Provisions

- (a) Amendment and Termination. This Agreement may not be terminated prior to the end of its term without the written consent of the Eligible Employee. This Agreement may be amended by the Committee at any time; provided, however, that this Agreement may not be amended without the written consent of the Eligible Employee if such amendment would in any manner adversely affect the rights of the Eligible Employee under this Agreement.
- (b) Assignment. Except as otherwise provided herein or by law, no right or interest of the Eligible Employee under this Agreement shall be assignable or transferable, in whole or in part, either directly or by operation of law or otherwise, including without limitation by execution, levy, garnishment,

attachment, pledge or in any manner; no attempted assignment or transfer thereof shall be effective. Notwithstanding the preceding sentence, if the Eligible Employee is unable to care for his affairs when a payment is due under this Agreement to the Eligible Employee, payment may be made directly to his legal guardian or personal representative.

- (c) Compliance with Law. Notwithstanding subsection (a) above or any other provision of this Agreement to the contrary, the Company may amend, modify or terminate this Agreement, without the consent of the Eligible Employee, as the Company deems necessary or appropriate to ensure compliance with any law, rule, regulation or other regulatory pronouncement applicable to this Agreement, including, without limitation, Section 409A of the Code and any Treasury Regulations or other guidance thereunder.
- (d) Governing Law. This Agreement shall be construed and enforced according to the laws of the Commonwealth of Virginia to the extent not preempted by federal law, without regard to any conflict of laws principles that would apply the law of another jurisdiction.
- (e) Severability. If any provision of this Agreement shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions hereof, and this Agreement shall be construed and enforced as if such provisions had not been included.
- (f) Headings and Terms. The headings and captions herein are provided for reference and convenience only, shall not be considered part of the Agreement, and shall not be employed in the construction of the Agreement. Capitalized terms shall have the meanings given herein. Singular nouns shall be read as plural and masculine pronouns shall be read as feminine, and vice versa, as appropriate.
- (g) No Assurance of Employment. Neither the execution and delivery of this Agreement by the Company and the Eligible Employee nor the creation of any fund, trust or account, nor the payment of any benefits shall be construed as giving the Eligible Employee the right to be retained in the service of the Employer, and the Eligible Employee shall remain subject to discharge to the same extent as if this Agreement had never been entered into.
- (h) Successors. This Agreement shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the parties, including the Eligible Employee and any successor to the Company. If the Eligible Employee incurs a Severance during the Change in Control Protection Period but dies before his Change in Control Severance Benefits have been fully paid, any unpaid amounts shall be paid to the executor, personal representative or administrators of the

Eligible Employee's estate in a lump sum payment no later than the fifteenth day of the third calendar month following the Eligible Employee's death.

- (i) Notice. For purposes of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given when hand delivered, sent by overnight courier, or mailed by first-class, registered or certified mail, return receipt requested, postage prepaid, or transmitted by telegram, telecopy, or telex, addressed, in the case of the Eligible Employee, to the Eligible Employee's address as shown on the Company's records, and, in the case of the Company or the Administrator, to the Company's principal office, to the attention of the Chief Executive Officer or to the Chairman of the Committee, as applicable, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.
- (j) Entire Agreement. This Agreement sets forth the entire agreement of the parties with respect to the subject matter hereof. Any and all prior agreements or understandings with respect to such matters are hereby superseded.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed as of the day first above written.

TREX COMPANY, INC.

By: _____
Name: Ronald W. Kaplan
Title: Chairman, President and Chief Executive Officer

ELIGIBLE EMPLOYEE

Name: _____

SEVERANCE AGREEMENT

This Severance Agreement is entered into as of August 3, 2011, by and between _____, an individual (“Executive”) and Trex Company, Inc., a Delaware corporation (the “Company”).

Recitals

Executive is an executive officer of the Company. The Company and Executive desire to set forth their agreement pursuant to which Executive will receive certain benefits upon severance from the Company under certain circumstances.

Agreement

Now, therefore, in consideration of the mutual covenants contained herein, the parties hereby agree as follows:

1. Term. The term of this Agreement (the “Term”) shall begin on the date hereof, and shall end two (2) years thereafter, unless this Agreement is extended by mutual agreement of the parties.

2. Termination of Employment.

(a) Termination by the Company for Cause or at the Election of Executive Without Good Reason. In the event Executive’s employment is terminated for Cause, as defined in Section 3(a), or at the election of Executive for any reason other than Good Reason, as defined in Section 3(b), the Company shall pay to Executive the compensation and benefits otherwise due and payable to him in a lump sum payment in cash, payable within 10 days after termination of employment, equal to the sum of (1) Executive’s then annual base salary (“Base Salary”) and any accrued vacation pay through the date of termination of employment, and (2) Executive’s annual bonus earned for the fiscal year immediately preceding the fiscal year in which the date of termination of employment occurs if such bonus has not been paid as of the date of termination of employment.

(b) Termination for Death or Disability. If Executive’s employment is terminated by death or because of Disability, as defined in Section 3(c), the Company shall pay to the estate of Executive or to Executive, as the case may be, a lump sum payment in cash, payable within 10 days after termination of employment, equal to the sum of (1) Executive’s accrued Base Salary and any accrued vacation pay through the date of termination of employment, and (2) Executive’s annual bonus earned for the fiscal year immediately preceding the fiscal year in which the date of termination of employment occurs if such bonus has not been paid as of the date of termination of employment.

(c) Termination by the Company Without Cause or By Executive for Good Reason. Subject to Section 3(c)(8) below, if Executive's employment is terminated by the Company without Cause, or is terminated by Executive for Good Reason, at any time during the Term (including extensions thereof), except during the Change in Control Protection Period (as defined in Executive's Change In Control Severance Agreement dated _____) ("Change in Control Severance Agreement"), Executive will be entitled to the following payments and benefits outlined in this Section 3(c):

(1) Payment of Accrued Obligations. The Company shall pay to Executive a lump sum payment in cash, no later than 10 days after the date of termination of employment, equal to the sum of (1) Executive's accrued Base Salary and any accrued vacation pay through the date of termination of employment, and (2) Executive's annual bonus earned for the fiscal year immediately preceding the fiscal year in which the date of termination of employment occurs if such bonus has not been paid as of the date of termination of employment.

(2) Payment of Severance. Subject to Section 3(c)(7) below, the Company shall pay to Executive a lump sum cash payment, no later than 10 days after such termination, equal to one (1) times Executive's Final Pay as defined in Section 3(d). In the event Executive materially breaches any non-compete or confidentiality agreement then in effect with the Company, Executive agrees to return to the Company all amounts received under this Section 3(c)(2).

(3) Equity. Subject to Section 3(c)(7) below, (a) any unvested restricted stock (or restricted stock units) held by Executive immediately prior to termination of employment that was otherwise scheduled to vest during the one (1) year period following termination shall not be forfeited and instead shall be immediately vested and all applicable restrictions on any shares under any such grants shall lapse, and (b) any unvested stock appreciation rights or options held by Executive immediately prior to termination of employment that were otherwise scheduled to vest during the one (1) year period following termination shall not be forfeited and instead shall vest in accordance with such schedule, and shall then be exercisable for a period of ninety (90) days following such vesting. Other than the foregoing, Executive's rights with respect to equity grants shall be governed by the Trex Company, Inc. 2005 Stock Incentive Plan (or a successor plan) and any equity agreement associated with the grant of such equity.

(4) Benefit Continuation. Subject to Section 3(c)(7) below, commencing on the date immediately following Executive's date of termination of employment and continuing for 12 months (or such lesser time as required to avoid the imposition of additional taxes under Section 409A of the Internal Revenue Code of 1986, as amended (the "Code")) (the "Welfare Benefit Continuation Period"), the Company shall cover Executive under the same type

of Company-sponsored group health plan and dental plan (e.g., individual or family coverage) in which he was covered immediately prior to termination of employment. The Executive shall receive such continued coverage under the same terms and conditions (e.g., any requirement that employees pay all or any portion of the cost of such coverage) that would apply if Executive had continued to be an employee of the Company during the Welfare Benefit Continuation Period.

(5) For each month during the Welfare Benefit Continuation Period in which Executive's continued coverage under an insured plan is not possible, the Company shall, in lieu of providing the coverage described in the preceding paragraph, make a monthly cash payment to Executive equal to the monthly premium the Company would be charged for coverage of a similarly-situated employee. The Company shall not be obligated to "gross up" or otherwise compensate Executive for any taxes due on amounts paid pursuant to the preceding sentence.

(6) Notwithstanding any other provision of this Section 3(c), the Company's obligation to provide continued coverage (or, in lieu thereof, make a cash payment) pursuant to this Section 3(c) shall expire on the date Executive becomes covered under one or more plans sponsored by a new employer (other than a successor to the Company) that, at the sole discretion of the Administrator, as defined in Section 3(e), are determined to provide coverage at least equivalent in the aggregate to the benefits continued under Section 3(c)(4). The coverage period for purposes of the group health continuation requirements of Section 4980B of the Code shall commence at the expiration of the Welfare Benefit Continuation Period.

(7) Release. The Executive shall not be eligible to receive any payments or benefits provided in Section 3(c) (other than payments under Section 3(c)(1)) unless he first executes a written release and agreement substantially in the form attached hereto as Exhibit A and does not revoke such release and agreement within the time permitted therein for such revocation. The release and agreement shall be executed and become irrevocable within sixty (60) days after the Executive's employment termination date.

(8) Restriction on Timing of Distribution. Anything in this Agreement to the contrary notwithstanding, if (1) on Executive's date of termination of employment, any of the Company's stock is publicly traded on an established securities market or otherwise (within the meaning of Section 409A(a)(2)(B)(i) of the Code) and (2) as a result of such termination, Executive would receive any payment that, absent the application of this Section 3(c)(8), would be subject to interest and additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(1)(B) of the Code, then no such payment shall be payable prior to the date that is the earliest of (x) six months after Executive's date of termination of employment, (y)

Executive's death or (z) such other date as will cause such payment not to be subject to such interest and additional tax. For the avoidance of doubt, upon the Executive's involuntary separation from service (as defined in Treas. Regs. §1.409A-1(n)), the preceding sentence shall not prevent payment to the Executive during such six-month period of an aggregate amount not exceeding the lesser of (a) two (2) times the sum of the Executive's annualized compensation based upon the annual rate of pay for his taxable year preceding the taxable year of the separation from service, or (b) two (2) times the maximum amount that may be taken into account under a qualified plan pursuant to Section 401(a)(17) of the Code for the year in which the Executive has a separation from service, as permitted pursuant to Treas. Regs. §1.409A-1(b)(9)(iii).

(f) Termination During a Change in Control Protection Period. If Executive's employment is terminated during a Change in Control Protection Period (as that term is defined in Executive's Change in Control Severance Agreement), Executive shall be entitled to receive such severance payments and benefits as are set forth in Executive's Change in Control Severance Agreement, and shall not be entitled to any benefits under this Section 3.

3. Definitions.

(a) "Cause" means one of the following reasons for which the Executive's employment with the Company is terminated: (1) Executive's willful or grossly negligent misconduct that is materially injurious to the Company; (2) Executive's embezzlement or misappropriation of funds or property of the Company; (3) Executive's conviction of a felony or the entrance of a plea of guilty or nolo contendere to a felony; (4) Executive's conviction of any crime involving fraud, dishonesty, moral turpitude or breach of trust or the entrance of a plea of guilty or nolo contendere to such a crime; or (5) Executive's willful failure or refusal by Executive to devote his full business time (other than on account of disability or approved leave) and attention to the performance of his duties and responsibilities if such breach has not been cured within 15 days after written notice thereof is given to the Executive by the Board.

(b) For the purposes of this Agreement, "Good Reason" shall exist upon: (1) a material and adverse change in Executive's status or position(s) as an officer or management employee of the Company, including, without limitation, any adverse change in his status or position as an employee of the Company as a result of a material diminution in his duties or responsibilities (other than, if applicable, any such change directly attributable to the fact that the Company is no longer publicly owned) or the assignment to him of any duties or responsibilities which are materially inconsistent with such status or position(s) (other than any isolated and inadvertent failure by the Company that is cured promptly upon his giving notice), or any removal of Executive from or any failure to reappoint or reelect him to such position(s) (except in connection with Executive's termination other than for Good Reason); (2) a 10% or greater

reduction in Executive's aggregate Base Salary and targeted bonus, other than any such reduction proportionately consistent with a general reduction of pay across the executive staff as a group, as an economic or strategic measure due to poor financial performance by the Company; (3) Company's requiring Executive to be based at an office that is both more than 50 miles from where his office is located and further from his then current residence; or (4) a material breach by the Company of this Agreement; provided, however, that if any of the conditions in this Section 3(b) exists, Executive must provide notice to the Company no more than ninety (90) calendar days following the initial existence of the condition and his intention to terminate his employment for Good Reason. Upon such notice, the Company shall have a period of thirty (30) calendar days during which it may remedy the condition.

(c) For the purposes of this Agreement, the term "Disability," shall have the meaning given that term under the Trex Company, Inc. disability plan carrier, as in effect at the time a determination of Disability is to be made.

(d) For the purposes of this Agreement, the term "Final Pay" shall be defined as the sum of (1) Executive's Base Salary in effect at the time employment terminates (without taking into consideration a reduction in Base Salary which constitutes "Good Reason" as provided in Section 3(b)(2) above), and (2) the greater of (A) Executive's targeted cash bonus for the year immediately prior to the year in which employment terminates or (B) the actual cash bonus earned by the Executive for the year immediately prior to the year in which employment terminates.

(e) For the purposes of this Agreement, the term "Administrator" means the Compensation Committee of the Board of Directors or such other person or persons appointed from time to time by the Committee.

4. Notices. For purposes of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given when hand delivered, sent by overnight courier, or mailed by first-class, registered or certified mail, return receipt requested, postage prepaid, or transmitted by telegram, telecopy, or telex, addressed, in the case of Executive, to Executive's address as shown on the Company's records and, in the case of the Company, to the Company's principal office, to the attention of the General Counsel, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

5. Entire Agreement. This Agreement, together with the Executive's Change In Control Severance Agreement, any stock appreciation rights agreement, restricted stock agreement and/or any other equity agreement issued pursuant to the Trex Company, Inc. 2005 Stock Incentive Plan (or a successor plan), the Director/Officer Indemnification Agreement dated _____, and the

restrictive covenant agreement dated _____, constitute the entire agreement between the parties and supersede all prior agreements and understandings, whether written or oral, relating to the subject matter of this Agreement.

6. Amendment. This Agreement may be amended or modified only by a written instrument executed by both the Company and Executive.

7. Governing Law. This Agreement shall be construed, interpreted and enforced as a sealed instrument under and in accordance with the laws of the Commonwealth of Virginia, without reference to the conflicts of laws provisions thereof. Any action, suit or other legal proceeding which is commenced to resolve any matter arising under or relating to any provision of this Agreement shall be commenced only in a court of the Commonwealth of Virginia (or, if appropriate, a federal court located within Virginia), and the Company and Executive each consents to the jurisdiction of such a court.

8. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of both parties and their respective successors and assigns, including any corporation with which or into which the Company may be merged or which may succeed to its assets or business, provided, however, that the obligations of Executive are personal and shall not be assigned by him. Notwithstanding the foregoing, in the event of Executive's death, any payments that Executive was otherwise entitled to under this Agreement shall be made to his estate.

9. Acknowledgment. Executive states and represents that he has had an opportunity to fully discuss and review the terms of this Agreement with an attorney. The Executive further states and represents that he has carefully read this Agreement, understands the contents herein, freely and voluntarily assents to all of the terms and conditions hereof, and signs his name of his own free act. The Company represents that it has obtained all necessary consents and approvals to execute this Agreement.

10. Miscellaneous.

(a) No delay or omission by the Company in exercising any right under this Agreement shall operate as a waiver of that or any other right. A waiver or consent given by the Company on any one occasion shall be effective only in that instance and shall not be construed as a bar or waiver of any right on any other occasion.

(b) The captions of the sections of this Agreement are for convenience of reference only and in no way define, limit or affect the scope or substance of any section of this Agreement.

(c) Termination of employment under this Agreement shall mean a separation from service under Section 409A of the Code.

(d) In case any provision of this Agreement shall be invalid, illegal or otherwise unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year set forth above.

Trex Company, Inc.

Ronald W. Kaplan
Chairman, President and Chief Executive Officer

Executive:

Name: _____

EXHIBIT A

RELEASE AGREEMENT

This Release is made as of _____, 20____, by and between Trex Company, Inc., a Delaware corporation (“Trex”), and _____ (“Employee”). The parties, desiring to settle all differences between them, hereby agree as follows:

1. Termination and Payment of Salary. The parties acknowledge that Employee’s employment with Trex is terminated as of the date this Agreement is executed, thereby discontinuing any employer/employee relationship between Trex and Employee as of that date. This Release is being executed pursuant to Section 3(c)(7) of the Severance Agreement between Trex and the Employee dated July 27, 2011 (the “Severance Agreement”).

2. Waiver and Release of Claims.

(a) Employee on behalf of Employee and any related individuals and entities, and Employee’s heirs, successors and assigns, hereby unconditionally releases and forever discharges Trex and its past and present parents, subsidiaries and divisions, its related or affiliated companies, their predecessors, successors, assigns past and present, and partners, officers, directors, agents, representatives, attorneys, employees or trustees of any or all of the aforesaid entities (hereinafter collectively referred to as “Trex”), from any and all claims, causes of action, charges, debts, liabilities, demands, obligations, promises, acts, agreements, damages and costs of any nature whatsoever, in law or equity, whether known or unknown, (collectively referred to as “claims”) which Employee has or may have against Trex arising up to and including the date of execution of this Agreement, including any and all claims arising out of Employee’s employment and/or termination of employment with Trex.

(b) Without limiting the general nature of the foregoing waiver and release in subsection (a), Employee acknowledges and agrees that the release and waiver includes, but is not limited to, any statutory, civil or administrative claim, whether arising under any contract, tort, federal, state or local statutes, ordinances or common law, any claim arising under federal, state, and local laws relating to wages and hours or which prohibits discrimination on the basis of race, sex, age, disability or any other form of discrimination, any claim for wrongful termination, and any claim based upon or connected with Employee’s employment with Trex including, but not limited to compensation, benefits, expenses and terms of employment.

(c) Employee also agrees not to initiate any legal action, charge or complaint against Trex in any forum whatsoever to the extent that such legal action, charge or complaint would relate to matters covered or contemplated by this Agreement, or which is based on events which took place up to the execution hereof. In the event such actions, charges or complaints are asserted in the future by Employee, a material breach of this Agreement shall be deemed to have occurred, entitling Trex, in addition to any remedies available to it under law or equity, the return of the consideration set forth in Section 3(c)(2) of the Severance Agreement. Employee agrees to pay for any legal fees or costs incurred by Trex as a result of any knowing breach of Employee's agreement in this subsection (c).

(d) For purposes of the waiver and release set forth in this Section 3 and the covenants contained herein, references to Trex shall include Trex and its officers, directors, employees, agents, representatives, related entities, successors and assigns.

(e) Notwithstanding the foregoing, this Release shall not apply to Employee's rights (i) under the Severance Agreement between Trex and the Employee dated July 27, 2011, the Change in Control Severance Agreement between Trex and the Employee dated _____, (ii) under COBRA, (iii) to indemnification under Trex's By-laws or applicable law and to directors' and officers' liability insurance coverage under the Company's policies.

3. Further Covenants by Employee. Employee agrees: (a) not to make any public statement or statements concerning Trex, its business objectives, its management practices, or other sensitive information without first receiving Trex's written approval; and (b) not to knowingly take any action which would cause Trex or its employees or agents any embarrassment or humiliation or otherwise cause or contribute to Trex's or any such person's being held in disrepute by the general public or Trex's employees, clients, or customers.

4. Litigation Support. Employee agrees to cooperate with, and assist, Trex in the defense of any claim, lawsuit or action instituted against Trex, where Employee has knowledge or information useful to the defense of the claim, suit or action, such cooperation to include Employee's appearance as a witness, with or without subpoena, at any hearing, trial or deposition, provided Trex reimburses Employee for reasonable costs of travel and accommodation, and provided that such cooperation does not materially interfere with any subsequent employment of Employee.

5. Non-Disclosure. The parties agree that they will not disclose the circumstances under which Employee's employment with Trex was terminated,

except in connection with any action to enforce the terms of this Agreement or as necessary to respond to legitimate governmental requests for information or as may be required by law. In addition, any party may reveal the terms of this Agreement to such party's accountants or attorneys.

6. No Admission of Liability. The parties agree and understand that neither this Agreement nor anything contained herein shall be construed as an admission by Trex of any liability whatsoever, which liability is expressly denied.

7. Knowing and Voluntary Waiver. Employee acknowledges that (a) Employee has carefully read and fully understands all the provisions of this Agreement; (b) Employee has been advised to consult an attorney, and that if Employee has not consulted with an attorney Employee has done so voluntarily; (c) Employee has not relied upon any representation or statement, written or oral, not contained herein; and (d) Employee has entered into this Agreement knowingly and voluntarily.

8. Acknowledgement of Consideration. Employee acknowledges that Employee's waiver and release of rights and claims, and Employee's undertaking of agreements and obligations as set forth in this Agreement are in exchange for valuable consideration which Employee would not otherwise be entitled to receive.

9. Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the Commonwealth of Virginia.

10. Acknowledgment by Employee. Employee further states that Employee has carefully read this Agreement, including specifically Section 2 hereof (waiver and release of claims), that Employee acknowledges that Employee has been advised by Trex to consult with an attorney prior to executing this Agreement, that Employee knows and understands the contents, that Employee acknowledges that the waiver and release set forth in Section 2 hereof includes a waiver of any right or claim arising under the Age Discrimination in Employment Act, and that Employee executes the same as Employee's own free act and deed. Employee further represents and agrees that Employee fully understands the terms, conditions, and final and binding effect of this Agreement, including specifically Section 2 hereof (waiver and release of claims), to be a full and final release of all claims with final and binding effect. Employee acknowledges that Employee has been given a period of at least twenty-one (21) days within which to consider this Agreement prior to Employee's execution thereof. Furthermore, it is agreed that Employee shall have the right to revoke this Agreement by written notice to Trex within the seven (7) day period following its execution, and that this Agreement shall not become effective or enforceable until such seven-day period has expired. In the event

this Agreement is revoked by Employee in accordance with provisions of this Section, or in the event that Employee challenges the validity of any of the provisions hereof including specifically Section 2 hereof (waiver and release of claims), Employee agrees to return to Trex all amounts received under the terms of the Employment Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date last entered below:

TREX COMPANY, INC.

By: _____

Date _____

Date _____