



**Amotiv Limited**

# **Long Term Incentive Equity Plan**

## **Rules**

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Adopted: As amended and restated on 15 August 2023

# Plan Rules

The intent of the Long Term Incentive plan is to align the interests of Executives and Senior Managers with those of Investors. The plan forms a part of GUD's remuneration approach and seeks to support the retention of participants of the plan through the provision of market competitive compensation practices.

The purpose of this Long-Term Incentive Equity Plan (**Plan**) is to allow the Board to make Offers to Eligible Employees to acquire securities in GUD Holdings Limited (**the Company**).

These Rules outline the terms and conditions upon which Offers will be made, including:

- the process for making and accepting Offers under the Plan (**Part A**);
- the type of securities that may be offered (being Rights and Options) (**Part B**); and
- the general terms and conditions that apply to Incentive Securities and Shares under the Plan (**Part C**).

Capitalised terms are defined in Part D of these Rules.

Additional rules of the Plan, included by way of an appendix, for Eligible Employees resident in a jurisdiction other than Australia, are set out in Part E of these Rules.

## PART A

### 1 Offers of Incentive Securities

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#### 1.1 Board to make invitations

- (a) The Board may, from time to time, in its absolute discretion invite Eligible Employees to participate in a grant of Incentive Securities, which may comprise any one or more of:
  - Rights; and
  - Options.(Offer).
- (b) Offers will be made on the terms set out in the Plan and/or on any additional or alternative terms as the Board determines.
- (c) Offers received in Australia are made under Division 1A of Part 7.12 of the Corporations Act 2001 (Cth).

## 1.2 Information to be provided to Participants

The Board will advise each Eligible Employee of the following minimum information in connection with an Offer:

- (a) the type or types of Incentive Securities being offered;
- (b) the number of Incentive Securities being offered, or the method by which the number will be calculated;
- (c) the amount (if any) that will be payable for the grant of Incentive Securities;
- (d) the date that the Incentive Securities will be granted;
- (e) when Incentive Securities may Vest;
- (f) the terms of exercise for an Option or a Right (where exercisable), including any Exercise Price that will be payable and the period(s) during which exercise is permitted;
- (g) where the Board has made a determination pursuant to rule 2.2(e) or 3.2(e) that the Vesting (and if applicable, exercise) of Rights and/or exercise of Options (as applicable) will only be satisfied through an allocation of Shares;
- (h) whether a dividend equivalent award will apply;
- (i) the circumstances in which Rights and/or Options will lapse;
- (j) the circumstances in which Shares allocated to the Eligible Employee may be forfeited;
- (k) any Vesting Conditions or other conditions that apply, including any Vesting Period; and
- (l) any restrictions (including the period of restriction) on Dealing in relation to a Share allocated to the Eligible Employee under this Plan.

## 1.3 Acceptance of Offer

- (a) Acceptance of an Offer must be made by the Eligible Employee in accordance with the instructions that accompany the Offer, or in any other way the Board determines.
- (b) The Board may, at its discretion, refuse to allow the participation of an Eligible Employee where that Eligible Employee ceases to satisfy any relevant conditions imposed by the Board (which may include, without limitation, that the Eligible Employee continues to be an employee of the Group at the time of grant).

- (c) Nothing limits the Board's ability to treat the conduct of an Eligible Employee in respect of an Offer (including the failure of an Eligible Employee to lodge an election not to participate within the time specified in the instructions accompanying the Offer) as valid acceptance of that Offer under these Rules.

## **1.4 Offer terms and conditions take precedence**

To the extent of any inconsistency, the terms and conditions advised to an Eligible Employee by the Board in an Offer will prevail over any other provision of these Rules.

# **PART B**

## **2 Rights**

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### **2.1 Grant**

- (a) Where an Eligible Employee has accepted an Offer to participate in a grant of Rights in accordance with rule 1, the Board will, subject to its discretion under rule 1.3(b), grant Rights to the Eligible Employee.
- (b) Unless the Board determines otherwise:
  - (1) no payment is required for the grant of a Right; and
  - (2) Rights may not be registered in any name other than that of the Eligible Employee; and
  - (3) Subdivision 83A-C of the Tax Act applies to the Rights (subject to the requirements of the Tax Act).

### **2.2 Vesting**

- (a) Subject to any express rule to the contrary, a Right will only Vest (and if applicable, become exercisable) where each Vesting Condition, and all other relevant conditions advised to the Participant by the Board pursuant to rule 1.2, have been satisfied or otherwise waived by the Board.
- (b) Where the Board notifies a Participant that a Right is exercisable, the exercise of the Right will be effected in the form and manner determined by the Board and notified to the Participant.

- (c) Subject to rule 2.2(d), the Vesting of a Right (and if applicable, exercise) will be satisfied by the Company allocating a Share to the Participant pursuant to rule 2.3.
- (d) The Board may determine that the Vesting (and if applicable, exercise) of a Right will be satisfied by the Company making a cash payment in lieu of an allocation of Shares pursuant to rule 2.4.
- (e) The Board may determine, prior to making a grant of Rights, that the Vesting (and if applicable, exercise) of those Rights will only be satisfied through an allocation of Shares to the Participant in accordance with rule 2.2(c), and not by making a cash payment under rule 2.2(d).
- (f) The Participant has no entitlement to receive a Share under rule 2.2(c) or a cash payment under rule 2.2(d) until the Rights have Vested (and if applicable, been exercised).
- (g) Vesting occurs upon notification from the Company to the Participant that a Right has Vested pursuant to this rule 2.2.
- (h) Where an exercisable Right has not been exercised by the expiry date, it will be automatically exercised on the expiry date.

## **2.3 Allocation**

Subject to rule 2.2(d), as soon as practicable following Vesting (and if applicable, exercise) of a Right, the Board must issue to, procure the transfer to, or procure the setting aside for, the Participant the number of Shares in respect of which Rights have Vested (and if applicable, been exercised). No further action is required on the part of the Participant.

## **2.4 Payment of cash equivalent**

- (a) Where the Board exercises its discretion under rule 2.2(d) to make a cash payment to a Participant in lieu of an allocation of Shares, the Company must pay to the Participant an amount in Australian dollars (or any other currency determined by the Board in its absolute discretion) equivalent to the value of Rights that have Vested (and if applicable, been exercised).
- (b) The amount of the cash payment referred to in rule 2.4(a) will be calculated by multiplying the number of Rights that have Vested (and if applicable, been exercised) by the Current Market Price (which is to be calculated as at the date of Vesting unless the Board determines otherwise).
- (c) Where the Board determines that the payment under rule 2.4(a) is to be made in a currency other than Australian dollars, unless the Board determines otherwise, the foreign exchange rate applied will be the

average closing exchange rate of the relevant currency for the 5 days prior to the date of Vesting (or, if applicable, exercise).

## 2.5 Lapse of Rights

A Right will lapse upon the earliest to occur of:

- (a) 15 years after the date on which the Rights were allocated to the Participant, or any other date nominated as the expiry date in the Offer, other than a Vested but unexercised Right which will be automatically exercised on the expiry date;
- (b) the Right lapsing in accordance with a provision of these Rules (including an accordance with a term of an Offer);
- (c) failure to meet a Vesting Condition or any other condition applicable to the Right within the Vesting Period; or
- (d) the receipt by the Company of a notice in writing from a Participant to the effect that the Participant has elected to surrender the Right.

## 3 Options

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### 3.1 Grant

- (a) Where an Eligible Employee has accepted an Offer to participate in a grant of Options in accordance with rule 1, the Board will, subject to its discretion under rule 1.3(b), grant Options to the Eligible Employee.
- (b) Unless the Board determines otherwise:
  - (1) no payment is required for the grant of an Option;
  - (2) Options may not be registered in any name other than that of the Eligible Employee; and
  - (3) subdivision 83A-C of the Tax Act applies to the Options (subject to the requirements of that Act).

### 3.2 Vesting

- (a) Subject to any express rule to the contrary, an Option granted under the Plan will only Vest and become exercisable where each Vesting Condition, and all other relevant conditions advised to the Participant by the Board pursuant to rule 1.2, have been satisfied or otherwise waived by the Board.

- (b) The exercise of any Option granted under the Plan will be effected in the form and manner determined by the Board, and, subject to rule 3.4(a), must be accompanied by payment of the relevant Exercise Price (if any).
- (c) Subject to rule 3.2(d), the exercise of an Option will be satisfied by the Company allocating a Share to the Participant pursuant to rule 3.3.
- (d) The Board may determine that the exercise of those Options will be satisfied by the Company making a cash payment in lieu of an allocation of Shares pursuant to rule 3.4.
- (e) The Board may determine, prior to making a grant of Options, that the exercise of those Options will only be satisfied through an allocation of Shares to the Participant in accordance with rule 3.2(c) and not by making a cash payment under rule 3.2(d).
- (f) The Participant has no entitlement to receive a Share under rule 3.2(c) or a cash payment under rule 3.2(d) until the Options have been exercised.
- (g) Vesting occurs upon notification from the Company to the Participant that an Option has Vested pursuant to this rule 3.2.

### **3.3 Allocation following exercise**

Subject to rule 3.2(d), as soon as practicable following the exercise of an Option, the Board must issue to, procure the transfer to, or procure the setting aside for, the Participant the number of Shares in respect of which Options have been exercised. No further action is required on the part of the Participant.

### **3.4 Payment of cash equivalent**

- (a) Where the Board exercises its discretion under rule 3.2(c) to make a cash payment to a Participant in lieu of an allocation of Shares, the Company must:
  - (1) notify the Participant that no Exercise Price is payable in respect of the Options exercised and/or refund any amount paid by the Participant in respect of those Options; and
  - (2) as soon as reasonably practicable, pay to the Participant an amount in Australian dollars (or any other currency determined by the Board in its absolute discretion) equivalent to the value of Options that have been exercised by the Participant.
- (b) The amount of the cash payment referred to in rule 3.4(a)(2) will be calculated by multiplying the number of Options that have been exercised by the Current Market Price (which is to be calculated as at the date of Vesting unless the Board determines otherwise), less any Exercise Price

that would, if not for rule 3.4(a)(1), have been payable in respect of the Options exercised.

- (c) Where the Board determines that the payment under rule 3.4(a)(2) is to be made in a currency other than Australian dollars, unless the Board determines otherwise, the foreign exchange rate applied will be the average closing exchange rate of the relevant currency for the 5 days prior to the date of exercise.

### 3.5 Lapse of Options

An Option will lapse upon the earliest to occur of:

- (a) 15 years after the date on which the Options were allocated to the Participant, or any other date nominated as the expiry date in the Offer;
- (b) the Option lapsing in accordance with a provision of these Rules (including in accordance with a term of an Offer);
- (c) failure to meet a Vesting Condition or any other condition applicable to the Option within the Vesting Period; or
- (d) the receipt by the Company of a notice in writing from a Participant to the effect that the Participant has elected to surrender the Option.

## PART C

### 4 Prohibited dealings

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- (a) Any Dealing in respect of an Incentive Security is prohibited unless:
  - (1) the Board determines otherwise; or
  - (2) the Dealing is required by law and the Participant has provided satisfactory evidence to the Company of that fact.
- (b) Where, in the opinion of the Board, a Participant Deals with a Right or an Option in contravention of rule 4(a), the Right or Option will immediately lapse.
- (c) The Board may, at its discretion, impose restrictions on Dealing in respect of any Shares allocated upon Vesting (and if applicable, exercise) of Rights under rule 2.3 and/or exercise of Options under rule 3.3 and may implement any procedure it considers appropriate to enforce such restrictions.



## 5 Preventing inappropriate benefits

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### 5.1 When the Board can take action

- (a) Where, in the opinion of the Board, a Participant:
- (1) has acted fraudulently or dishonestly;
  - (2) has done an act which has brought the Company, the Group or any entity within the Group into disrepute;
  - (3) is in breach of his or her obligations to the Group;
  - (4) is convicted of an offence in connection with the affairs of the Group; or
  - (5) has a judgment entered against him or her in any civil proceedings in respect of the contravention by the Participant of his or her duties at law, in equity or under statute, in his or her capacity as an employee or officer of the Group,

the Board may determine that any:

- (6) unvested Rights or Options held by the Participant;
- (7) Vested but unexercised Rights or Options held by the Participant; and/or
- (8) Shares allocated upon Vesting (and if applicable, exercise) of Rights or exercise of Options,

will lapse or be deemed to be forfeited (as the case may be).

- (b) Without limiting rule 5.1, where, in the opinion of the Board:
- (1) a Participant's Incentive Securities Vest as a result of the fraud, dishonesty or breach of obligations of either the Participant or of any other person and, in the opinion of the Board, the Incentive Securities would not have otherwise Vested; or
  - (2) the Company is required by or entitled under law to reclaim an overpaid bonus from a Participant,

the Board may, subject to applicable laws, determine any treatment in relation to the Incentive Securities or Shares to comply with the law or to ensure no unfair benefit is obtained by the Participant.

## 5.2 Board's overriding discretion

For avoidance of doubt, and despite anything else in these rules, the Board has an overriding discretion to exercise any powers under this rule 5:

- (a) at each decision point relating to a grant of Incentive Securities, including during the applicable Vesting Period; and
- (b) whether or not the employment or engagement of the Participant has ceased.

## 6 Forfeiture

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- (a) Where Shares are forfeited in accordance with these Rules and the Shares are held by the Participant, the Participant is deemed to have agreed to dispose of his or her legal and/or beneficial interest (as appropriate) in such Shares for no consideration and the Shares will be transferred into the name of the Company's nominee who will then hold full legal and beneficial title to those Shares.
- (b) Where Shares are forfeited in accordance with these Rules and the Shares are held by the Trustee, the Participant's rights in the Shares will be extinguished for nil consideration and the Shares will be held as general trust property in accordance with the terms of the Trust Deed. The Board may, at any time after such forfeiture, direct the Trustee to hold the Shares for the benefit of a different or new Participant.
- (c) Where a Participant forfeits Shares allocated to them on exercise of Options pursuant to these Rules, the Company will repay to the Participant any Exercise Price.

## 7 Cessation of employment

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- (a) Unless the Board determines otherwise pursuant to rule 7(b), where a Participant ceases to be an employee of the Group:
  - (1) by reason of termination for cause, all Incentive Securities held by the Participant, or on the Participant's behalf, will lapse or be forfeited (as the case may be) with effect from the Cessation Date;
  - (2) by reason of voluntary resignation, all Incentive Securities held by the Participant, or on the Participant's behalf, will lapse or be forfeited (as the case may be) with effect from the Cessation Date;
  - (3) for any other reason, including (but not limited to):

- Total and Permanent Disablement;
- redundancy;
- death;
- Genuine Retirement; or
- termination by agreement,

a pro rata portion (based on how much of the Vesting Period has elapsed as at the Cessation Date) of the Incentive Securities will remain on foot and subject to the applicable Vesting Condition(s). The balance of the Incentive Securities will lapse.

(b) The Board, in its discretion, may determine that some or all of a Participant's Rights or Options, as applicable:

- (1) lapse;
- (2) Vest;
- (3) remain on foot and are subject to the applicable Vesting Condition(s);
- (4) are only exercisable for a prescribed period and will otherwise lapse; and/or
- (5) are no longer subject to some or all of the restrictions (including any Vesting Condition) that previously applied,

with effect from the Cessation Date as a result of the Participant ceasing employment. In determining a different treatment to apply, the Board may preserve some or all of its discretions under this rule 7.

## 8 Change of control

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### 8.1 Takeovers and other change of control events

(a) Where there is a:

- (1) Takeover Bid for Shares; or
- (2) other transaction, event or state of affairs,

that, in the Board's opinion, is likely to result in a change in the Control of the Company (**Change of Control Event**), the Board may, in its absolute discretion, determine that all or a specified number of a Participant's Incentive Securities Vest or cease to be subject to restrictions (as applicable).

- (b) In exercising its discretion under rule 8.1(a) the Board will have regard to all relevant circumstances.
- (c) Notwithstanding the default treatment set out in these Rules, the Board may specify in the Offer to the Participant (in accordance with rule 1.2) an additional or different treatment that will apply to unvested Incentive Securities where a Change of Control Event occurs. In determining a different change of Control treatment to apply to an Offer, the Board may preserve some or all of its discretions under this rule 8.

## 8.2 Effect of Board determination

- (a) Where the Board makes a determination pursuant to rule 8.1(a), the Board will, as soon as reasonably practicable, give written notice to each Participant of the number of Rights and/or Options that have Vested.
- (b) If the Board determines that only some of a Participant's unvested Rights or Options will Vest, all Rights or Options that remain unvested will remain on foot, unless the Board determines otherwise.
- (c) For the avoidance of doubt, if the Board does not make a determination pursuant to rule 8.1(a), then all of a Participant's Incentive Securities remain on foot subject to the original terms of grant.

## 8.3 Treatment of vested Options

Unless the Board determines otherwise, where a Change of Control Event occurs, any Vested Options and in the case of Rights that are exercisable, Vested Rights (including those that Vest in accordance with rule 8.1(a)):

- (a) will be exercisable for a period specified by the Board notified to the Participant; and
- (b) will lapse if not exercised within the specified period.

## 8.4 Effect on Shares

Unless the Board determines otherwise, any restrictions on Dealing imposed by the Board on Vested Incentive Securities will cease to have effect on the occurrence of a Change of Control Event.

## 8.5 Acquisition of shares in Acquiring Company

If:

- (a) a company (**Acquiring Company**) obtains Control of the Company as a result of a Change of Control Event; and

(b) the Company, the Acquiring Company and the Participant agree,  
subject to applicable laws (including taxation laws, the Corporations Act and the ASX Listing Rules) a Participant may, upon:

(c) Vesting (and if applicable, exercise) of Rights; or

(d) exercise of Options,

be provided with shares of the Acquiring Company or its parent in lieu of Shares in such manner as the parties may agree (including by a replacement security or exchange of Shares issued on Vesting or exercise) and on substantially the same terms and on substantially the same conditions but with any necessary or appropriate adjustments to the number and kind of shares.

## **8.6 Divestment of material business or subsidiary**

- (a) Where the Company divests a business designated by the Board for this purpose as “material”, the Board may make special rules that apply to some or all of an affected Participant’s Incentive Securities.
- (b) Without limiting the Board’s discretion in rule 8.6(a), such rules may include varying the Vesting Condition and/or any other relevant conditions advised to a Participant and deeming that a Participant remains an employee of the Group for a specific period for the purposes of the relevant Offers.
- (c) As soon as reasonably practicable after making any special rules under this rule 8.6, the Board will give notice in writing of those special rules to any affected Participant.
- (d) Any special rules made under this rule 8.6 will not be considered amendments for the purposes of rule 12.

## **9 Power to adjust Rights and/or Options and the Exercise Price**

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- (a) Prior to the allocation of Shares to a Participant upon Vesting (and if applicable, exercise) of Rights or exercise of Options, the Board may make any adjustments it considers appropriate to the terms of a Right and/or Option granted to that Participant in order to minimise or eliminate any material advantage or disadvantage to a Participant resulting from a corporate action by, or capital reconstruction in relation to, the Company, including but not limited to any return of capital.
- (b) Without limiting rule 9(a), if:

- (1) Shares are issued pro rata to the Company's shareholders generally by way of a bonus issue (other than an issue in lieu of dividends or by way of a dividend reinvestment) involving capitalisation of reserves of distributable profits;
- (2) Shares are issued pro rata to the Company's shareholders generally by way of a rights issue; or
- (3) any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company is effected,

then:

- (4) the number of Rights or Options to which each Participant is entitled;
- (5) the number of Shares to which each Participant is entitled upon Vesting (and if applicable, exercise) of Rights or exercise of Options;
- (6) any amount payable on Vesting (and if applicable, exercise) of the Rights or exercise of Options; or

(7) where appropriate, a combination of (4), (5), and/or (6) above, in the case of circumstances falling within paragraphs (1) or (3) will, and in the case of a circumstance falling within paragraph (2) may, be adjusted in the manner determined by the Board, having regard to the ASX Listing Rules and the general principles set out in rule 9(a).

(c) Where additional Rights or Options are granted to the Participant under this rule 9, such Rights or Options will be subject to the same terms and conditions as the original Rights or Options granted to the Participant (including without limitation, any Vesting Conditions) unless the Board determines otherwise.

(d) The Board must, as soon as reasonably practicable after making any adjustments under this rule 9, give notice in writing of the adjustment to any affected Participant.

## 10 Dividends and other rights

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### 10.1 Dividends and other rights associated with Shares

- (a) Subject to the terms of any Trust Deed (if applicable), the following rules apply in respect of Shares allocated to a Participant under this Plan:

- (1) the Participant is entitled to receive all dividends and other distributions or benefits payable to the Participant or to the Trustee in respect of the Shares;
- (2) the Participant is entitled to exercise, or to direct the Trustee in writing how to exercise, the voting rights attaching to the Shares, either generally or in a particular case;
- (3) any bonus shares that are issued in respect of the Shares will be issued to the Participant, or to the Trustee on the Participant's behalf, and will be held by the Participant or Trustee as Shares subject to the same terms, conditions and restrictions on Dealing as the Shares; and
- (4) if rights arise on a rights issue in respect of the Shares, the Participant may deal with or exercise those rights, or instruct the Trustee (if applicable) in relation to those rights in accordance with the Trust Deed. If the Shares are held by the Trustee on the Participant's behalf and the Participant does not instruct the Trustee how to deal with the rights, the rights will be dealt with in accordance with the Trust Deed.

## **10.2 Dividend equivalent awards and other rights associated with Rights and Options**

- (a) Unless or until Shares are allocated to a Participant following Vesting (or if applicable, exercise) of their Rights or Options (as applicable), the Participant has no interest in those Shares in respect of which the Right or Option was granted.
- (b) Notwithstanding rule 10.2(a), the Board may determine at the time an Offer is made that a dividend equivalent award will be paid to a Participant who becomes entitled to an allocation of Shares (or equivalent cash amount) following the Vesting or exercise of Rights or Options under that Offer and how that dividend equivalent award will be calculated.
- (c) Subject to the terms of any Offer, a Participant will have no right to receive a dividend equivalent award in respect of any Rights or Options that lapse.
- (d) Subject to the terms of any Offer, a dividend equivalent award:
  - (1) will be an amount determined by the Company that will be approximately equal to the amount of notional dividends that would have been payable to the Participant had they been the owner of the Shares referred to in rule 10.2(b) during the period from the date the Rights or Options are allocated to the Participant to the date on which the Rights or Options Vest (or if applicable, are exercised);

- (2) will not be grossed up or otherwise adjusted to account for any tax consequences which would have applied if the Participant had actually been paid a dividend; and
- (3) may be satisfied through the allocation of Shares or payment of cash.

## 11 Withholding

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- (a) If the Company or the Group is obliged, or reasonably believes it may have an obligation, as a result of or in connection with any Incentive Securities granted or Shares allocated under this Plan, to account for:
  - (1) income tax or employment taxes under any wage, withholding or other arrangements; or
  - (2) any other tax, social security contributions or levy or charge of a similar nature,that is a liability of the Participant, then the relevant Group company is entitled to be reimbursed by the Participant for the amount or amounts so paid or payable.
- (b) Where rule 11(a) applies, the relevant Group company may make arrangements for payment or reimbursement of the amounts referred to in rule 11(a). Those arrangements may include, without limitation:
  - (1) the provision by the Participant of sufficient funds to reimburse the Group company for the amount (by salary deduction, reduction of any amount owed by the Group to the Participant or otherwise);
  - (2) the sale on behalf of the Participant of Shares allocated pursuant to these Rules for payment or reimbursement of these amounts, as well as the costs of any such sale; or
  - (3) a reduction in any amount payable to the Participant in lieu of an allocation of Shares under these Rules.

## 12 Amendments

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### 12.1 Power to make amendments

- (a) Subject to rule 12.2, the Board may at any time by resolution:



- (1) amend or add to (**amend**) all or any of the provisions of the Plan;
  - (2) amend the terms or conditions of any Incentive Security granted under the Plan; or
  - (3) suspend or terminate the operation of the Plan.
- (b) Notwithstanding rule 12.2, the Board may waive, amend or replace any Vesting Condition attaching to an Incentive Security if the Board determines that the original Vesting Condition is no longer appropriate or applicable (including, without limitation, where a Vesting Condition refers to a particular stock market index that is no longer published or there is a corporate action by the Company, including a discounted rights issue, which impacts on the Vesting Condition), provided that the interests of the relevant Participant are not, in the opinion of the Board, materially prejudiced or advantaged relative to the position reasonably anticipated at the time of the grant.

## 12.2 Restrictions on amendments

Without the consent of the Participant, the Board may not exercise its powers under rule 12.1(a) in a manner which reduces the rights of the Participant in respect of any Incentive Security or Share already granted other than an amendment introduced primarily:

- (a) for the purpose of complying with or conforming to present or future laws governing or regulating the maintenance or operation of the Plan or similar plans, in any jurisdiction in which invitations under the Plan have been made;
- (b) to correct any manifest error or mistake; or
- (c) to take into consideration possible adverse tax implications in respect of the Plan arising from, amongst others, adverse rulings, changes to tax legislation and/or changes in the interpretation of tax legislation by a court of competent jurisdiction.

## 12.3 Notice of amendment

As soon as reasonably practicable after making any amendment under rule 12.1, the Board will give notice in writing of that amendment to any Participant affected by the amendment.

## 13 Participants based overseas

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### 13.1 Overseas transfers

If a Participant is transferred to work in another country and, as a result of that transfer:

- (a) the Participant or any Group company would suffer a tax disadvantage in relation to their Incentive Securities (this being demonstrated to the satisfaction of the Board);
- (b) the Company would be restricted in its ability to Vest Incentive Securities and/or allocate Shares to the Participant; or
- (c) the Participant would become subject to restrictions on their ability to Deal with the Incentive Securities or any Shares allocated to the Participant in respect of those Incentive Securities because of the security laws or exchange control laws of the country to which he or she is transferred,

then, if the Participant continues to hold an office or employment with the Group, the Board may decide that:

- (d) some or all of the Participant's Rights will Vest (and if applicable, become exercisable);
- (e) some or all of the Participant's Options will Vest and become exercisable; or
- (f) some or all of the Participant's Options or Rights will be settled in cash in lieu of Shares,

with the balance (if any) continuing to be held on the original terms.

### 13.2 Non-Australian residents

The Board may adopt additional rules of the Plan, included by way of an appendix to the Plan Rules for each jurisdiction, that will apply to a grant made to an Eligible Employee who is a resident in a jurisdiction other than Australia. The remaining provisions of these Rules will apply subject to whatever alterations or additions the Board may determine having regard to any securities, exchange control, taxation or other laws and/or regulations or any other matter that the Board considers directly or indirectly relevant.

## 14 Miscellaneous

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### 14.1 Shares issued under the Plan

- (a) Any Shares issued under the Plan will rank equally in all respects with other Shares for the time being on issue by the Company (for example, having rights with respect to voting, dividends and in the event of a winding up of the Company), except as regards any rights attaching to such Shares by reference to a record date prior to the date of their issue.
- (b) The Company will apply for quotation of Shares issued under the Plan within the period required by the Listing Rules.

### 14.2 Rights and obligations of Participants

- (a) Unless the subject of an express provision in an employment contract, the rights and obligations of any Participant under the terms of their office, employment or contract with the Group are not affected by their participation in the Plan.
- (b) Participation in the Plan does not confer on any Participant any right to future employment and does not affect any rights which any member of the Group may have to terminate the employment of any Participant.
- (c) These Rules will not form part of and are not incorporated into any contract of any Participant (whether or not they are an employee of the Group).
- (d) The grant of Incentive Securities on a particular basis in any year does not create any right or expectation of the grant of Incentive Securities on the same basis, or at all, in any future year.
- (e) No Participant has any right to compensation for any loss in relation to the Plan, including:
  - (1) any loss or reduction of any rights or expectations under the Plan in any circumstances or for any reason (including lawful or unlawful termination of employment or the employment relationship);
  - (2) any exercise of a discretion or a decision taken in relation to a grant of Incentive Securities or in relation to the Plan, or any failure to exercise a discretion under these Rules;
  - (3) the operation, suspension, termination or amendment of the Plan; or

- (4) forfeiture of any Incentive Securities.
- (f) The Participant irrevocably appoints each company secretary of the Company (or any other officer of the Company authorised by the Board for this purpose) as his or her agent to do anything necessary to:
  - (1) allocate Shares to the Participant in accordance with these Rules; and
  - (2) execute transfers of Shares in accordance with these Rules.

### **14.3 Power of the Board to administer the Plan**

- (a) The Plan is administered by the Board which has power to:
  - (1) determine appropriate procedures for administration of the Plan consistent with these Rules including to implement an employee share trust for the purposes of delivering and holding Shares on behalf of Participants upon the Vesting (and, if applicable, exercise) of Rights or exercise of Options; and
  - (2) delegate to any one or more persons for such period and on such conditions as it may determine the exercise of any of its powers or discretions arising under the Plan.
- (b) Except as otherwise expressly provided in the Plan, the Board has absolute and unfettered discretion to act or refrain from acting under or in connection with the Plan and in the exercise of any power or discretion under the Plan.

### **14.4 Overriding Board discretion**

Subject to the Listing Rules and any other applicable law, and notwithstanding any other provision of these Rules or the terms of an Offer, the Board may, in its absolute discretion, determine that the number of Incentive Securities that Vest will be greater or lower than the number of Incentive Securities which would otherwise have been eligible to Vest in accordance with these Rules and the terms of the applicable Offer.

### **14.5 Waiver of terms and conditions**

Notwithstanding any other provisions of the Plan, the Board may at any time waive in whole or in part any terms or conditions (including any Vesting Condition) in relation to any Incentive Securities or Shares granted to a Participant.

## 14.6 Application of Corporations Act and Listing Rules

- (a) Notwithstanding any rule, Incentive Securities and Shares will not be allocated, issued, acquired, transferred or otherwise dealt with under the Plan if to do so would contravene the Corporations Act, the Listing Rules, or any other applicable laws (including any applicable foreign law).
- (b) For the avoidance of doubt, the Company has no obligation to seek shareholder approval to deliver any benefit under the Rules that cannot be delivered without shareholder approval.

## 14.7 Dispute or disagreement

In the event of any dispute, disagreement or uncertainty as to the interpretation of the Plan, or as to any question or right arising from or related to the Plan or to any Incentive Securities or Shares granted under it, the decision of the Board is final and binding.

## 14.8 Approved leave of absence

Subject to applicable laws, at the discretion of the Board, a Participant who is granted an approved leave of absence and who exercises their right to return to work under any applicable award, enterprise agreement, other agreement, statute or regulation may be treated as not having ceased to be an employee for the purposes of rule 7 of the Rules. Whether a Participant who is granted leave without pay is deemed to have ceased employment will be determined with reference to the Group's policies and any applicable laws.

## 14.9 Communication

- (a) Any notice or other communication provided under or in connection with the Plan may be given by personal delivery or by sending the same by post, email or facsimile to:
  - (1) in the case of a company, to its registered office;
  - (2) in the case of an individual, to the individual's last notified address; or
  - (3) where a Participant is a director or employee of the Group, either to the Participant's last known address, email address or to the address of the place of business at which the Participant performs the whole or substantially the whole of the duties of the Participant's office or employment.
- (b) Where a notice or other communication is given by post, it is deemed to have been received 48 hours (or, where given by post to an address outside of Australia, five days) after it was put into the post properly

addressed and stamped. Where a notice or other communication is given by facsimile or email, it is deemed to have been received on completion of transmission.

#### 14.10 Data protection

- (a) Subject to any applicable laws, by participating in an Offer, the Participant consents to the holding and processing of personal data or other similar matters set out in the Offer provided by the Participant to the Group, the plan administrator or the Trustee, for all purposes with regard to the operation of these Rules. These include, but are not limited to:
- (1) administering and maintaining Participant records;
  - (2) providing information to the Trustee, registrars, brokers, printers or third party plan administrators;
  - (3) providing information to any regulatory authority (including the Australian Tax Office) where required under law; and
  - (4) providing information to future purchasers of a Group company or the business in which the Participant works.
- (b) Without limiting the terms of an Offer, by participating in an Offer and allowing the Company to grant Incentive Securities under these Rules, the Participant:
- (1) acknowledges that the Group, the plan administrator and/or the Trustee may be required or authorised to collect the personal data under laws including the Tax Act, the *Taxation Administration Act 1953* (Cth) and the Corporations Act, and that limited details about shareholders are available to members of the public on request;
  - (2) confirms they have reviewed the Privacy Policy, and acknowledges that the Privacy Policy applies to the Group's handling of their personal data, and contains further details about the countries to which personal data may be disclosed, requesting access to and updating of personal data and how to raise queries and concerns; and
  - (3) agrees that if their personal data is disclosed to a third party in a country outside Australia, the Group will not be accountable under Australian privacy law for the conduct of the recipient in relation to that personal data, and the Participant may not be able to seek redress under Australian privacy law.
- (c) Without limiting rules 14.10(a) or 14.10(b), by allowing the Company to grant Incentive Securities under these Rules, the Participant agrees, subject to rule 14.10(d):
- (1) the tax file number (TFN) they have provided to the Group as an employee of the Group (where applicable) being provided to any plan administrator, as agent for the Company and also as administrator of these Rules; and

- (2) their TFN (where applicable) being provided to the Australian Taxation Office and any other regulatory authorities as permitted under law.
- (d) Rule 14.10(c) is voluntary and the Participant should notify the Company if they wish to withdraw agreement to that rule at any time. Participants who withdraw agreement from rule 14.10(c) may be subject to withholding tax deductions under the *Taxation Administration Act 1953* (Cth).

#### **14.11 Tax**

Unless otherwise required by law, no company in the Group is responsible for any Tax which may become payable by a Participant as a consequence of or in connection with the grant of any Incentive Securities, the allocation of any Shares or any Dealing with any Incentive Securities or any Shares.

#### **14.12 Laws governing Plan**

The Plan, and any Incentive Securities granted and Shares allocated under it, are governed by the laws of Victoria and the Commonwealth of Australia.

## PART D

## 15 Definition and Interpretation

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### 15.1 Definitions

| <b>Term</b>                 | <b>Meaning</b>  |
|-----------------------------|---|
| <b>ASX</b>                  | ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires  |
| <b>Board</b>                | the board of directors of GUD Holdings Limited, any committee of the Board or a duly authorised person or body to which the Board has delegated its powers under this Plan  |
| <b>Cessation Date</b>       | the date on which a Participant ceases to be an employee of the Group   |
| <b>Company</b>              | GUD Holdings Limited ABN 99 004 400 891   |
| <b>Control</b>              | has the meaning given in section 50AA of the Corporations Act   |
| <b>Corporations Act</b>     | Corporations Act 2001 (Cth)   |
| <b>Current Market Price</b> | in relation to a Share means the arithmetic average of the daily volume weighted average market price (rounded to the nearest cent) of all Shares sold on the ASX during the previous twenty or twenty-one trading days, as the case may be, or any other calculation as may be determined by the Board from time to time |
| <b>Deal or Dealing</b>      | in relation to an Incentive Security or Share (as the case may be), any dealing, including but not limited to:  |



|                           |   |
|---------------------------|---|
|                           | <p>(a) a sale, transfer, assignment, encumbrance, option, swap, or any other alienation of all or any part of the rights attaching to the Incentive Security or Share;</p> <p>(b) any attempt to do any of the actions set out in paragraph (a) above; and</p> <p>(c) any hedging (including any dealing with a derivative instrument intended to “lock in” a profit relating to an Incentive Security, and any other transactions in financial products that operate to limit the economic risk associated with holding an Incentive Security)</p> |
| <b>Eligible Employee</b>  | an employee of the Group (including a director employed in an executive capacity) or any other person who is declared by the Board to be eligible to receive a grant of Incentive Securities under the Plan   |
| <b>Exercise Price</b>     | the amount payable to exercise an Option following Vesting as set out in an Offer (as may be adjusted or amended in accordance with these Rules)  |
| <b>Genuine Retirement</b> | the voluntary cessation of a Participant’s employment with a company within the Group after the Participant has reached the age of 55 years and where, in the opinion of the Board, the Participant no longer intends to work on a full-time or permanent part-time basis   |
| <b>Group</b>              | means the Company and each Related Body Corporate of the Company  |
| <b>Incentive Security</b> | a Right and/or Option (as the case may be)  |
| <b>Listing Rules</b>      | the official Listing Rules of the ASX and any other exchange on which the Company is listed as they apply to the Company from time to time  |

|                               |  |
|-------------------------------|--|
| <b>Offer</b>                  | an invitation to an Eligible Employee made by the Board under rule 1.1 to apply for, or participate in a grant of, Incentive Securities  |
| <b>Option</b>                 | an entitlement to receive a Share (or, in certain circumstances, to a cash payment in lieu of a Share) subject to satisfaction of applicable conditions (including any Vesting Condition) and compliance with the applicable exercise procedure (including payment of any applicable Exercise Price) |
| <b>Participant</b>            | a person who holds an Incentive Security or Share under the terms of this Plan from time to time   |
| <b>Plan</b>                   | the GUD Holdings Limited Long Term Incentive Equity Plan as set out in these Rules   |
| <b>Privacy Policy</b>         | the Group's privacy policy, as amended from time to time, which can be found on the Group's website, or such other Group policy in relation to privacy laws as applicable from time to time  |
| <b>Related Body Corporate</b> | has the meaning given in section 50 of the Corporations Act  |
| <b>Right</b>                  | an entitlement to a Share (or, in certain circumstances, to a cash payment in lieu of a Share) subject to satisfaction of applicable conditions (including any Vesting Condition) and compliance with any applicable exercise procedure  |
| <b>Rules</b>                  | the terms and conditions of the Plan as set out in this document as amended from time to time  |
| <b>Share</b>                  | a fully paid ordinary share in the capital of GUD Holdings Limited   |
| <b>Takeover Bid</b>           | has the meaning given in section 9 of the Corporations Act   |

|  |  |
|--|--|
| <b>Tax</b>                             | includes any tax, levy, impost, GST, deduction, charge, rate, contribution, duty or withholding which is assessed (or deemed to be assessed), levied, imposed or made by any government or any governmental, semi-governmental or judicial entity or authority together with any interest, penalty, fine, charge, fee or other amount assessed (or deemed to be assessed), levied, imposed or made on or in respect of any or all of the foregoing   |
| <b>Tax Act</b>                         | the <i>Income Tax Assessment Act 1997</i> (Cth)  |
| <b>Total and Permanent Disablement</b> | is assessed, for the purposes of these Rules, in the opinion of the Board in its absolute discretion. In exercising this discretion, the Board may take into account whether a person has been successful in making a claim for total and permanent disablement under a policy with a reputable insurer or under the terms of the trust deed of a compliant superannuation fund  |
| <b>Trust Deed</b>                      | any trust deed made between the Company and a trustee for the purposes of the Plan as amended from time to time  |
| <b>Trustee</b>                         | the trustee under the Trust Deed   |
| <b>Vest or Vesting</b>                 | <p>the process by which the holder of an Incentive Security becomes entitled to:</p> <ol style="list-style-type: none"> <li>1 in the case of a Right, exercise the Right (if applicable) or be allocated a Share (or equivalent cash payment) in accordance with rules 2.2 and 2.3; and</li> <li>2 in the case of an Option, exercise the Option in accordance with rule 3.2 and 3.3,</li> </ol> <p>following the satisfaction of all Vesting Conditions that apply to that Incentive Security</p> |
| <b>Vesting Condition</b>               | performance, service or other conditions that must be satisfied or circumstances which must exist before a Right or Option Vests under these Rules   |

|                              |  |
|------------------------------|--|
| <b>Vesting Period</b>        | the prescribed period for satisfaction of a Vesting Condition, advised to a Participant by the Board under rule 1.2. |
| <b>Voluntary Resignation</b> | resignation by choice of the employee, excluding in the case of retirement or total and permanent disablement.       |

## 15.2 Interpretation

In the Plan, the following rules apply unless a contrary intention appears:

- (a) headings are for convenience only and do not affect the interpretation of the Plan unless the context requires otherwise;
- (b) any reference in the Plan to any statute or statutory instrument includes a reference to that statute or statutory instrument as from time to time amended, consolidated, re-enacted or replaced;
- (c) any words denoting the singular include the plural and any words denoting the plural include the singular; and
- (d) where any word or phrase is given a definite meaning in this Plan, any part of speech or other grammatical form of that word or phrase has a corresponding meaning.

# PART E: Country appendices

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## Schedule 1      Modification to Rules for United States of America Participants

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Pursuant to Rule 13.2 of the GUD Holdings Limited Long Term Incentive Equity Plan (the “Plan”), these provisions shall apply to all Incentive Securities granted to Eligible Persons who are, or who the Board anticipates at the time of grant will become, United States of America (“U.S.”) citizens or permanent residents including residents of the U.S. territories including without limitation to the U.S. Virgin Islands (“U.S. Participant”).

This Schedule shall supplement the Plan, and otherwise supersede any conflicting provisions of the Plan, regarding any U.S. Participant. All references to the Plan in this Schedule shall refer to the Plan, as supplemented by this Schedule.

The Plan is intended to satisfy all requirements of Rule 701 under the Securities Act of 1933 and Section 25102(o) of the California Corporations Code with respect of offers and sales that would otherwise violate Federal and California securities law, and any such requirements is hereby incorporated into the Plan to effect that intent.

The Plan is intended to be exempt from the requirements of Code Section 409A (as defined below).

### 1. Defined Terms

- 1.1. **Applicable U.S. Laws**, with respect to grants of Incentive Securities to U.S. Participants, shall include the requirements relating to the administration of equity plans under U.S. state and territorial corporate laws, U.S. federal, state, and territorial securities laws, the Code (as defined below), and any stock exchange or quotation system on which the Shares are listed or quoted.
- 1.2. **Code** means the U.S. Internal Revenue Code of 1986, as amended and, where applicable, as “mirrored” to the U.S. Virgin Islands. Reference to a specific section of the Code or Treasury Regulation thereunder shall include such section or regulation, any valid regulation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.
- 1.3. **Code Section 409A** means Section 409A of the Code, the Treasury Regulations promulgated thereunder and other interpretative guidance issues thereunder with respect to offers, sale and grants made to U.S. Participants, and any such requirements are hereby incorporated into the Plan to effect that intent.
- 1.4. **Fair Market Value** means as of any date, the value of a Share determined as follows:
  - (a) If the Shares are listed on any established securities exchange or a national market system, including without limitation the ASX Limited, the Nasdaq Global Select Market, The Nasdaq Global Market or The Nasdaq Capital Market of The Nasdaq Stock Market or other recognized stock exchange, its Fair Market Value shall be the arithmetic mean of such selling prices for such Shares on all trading days during five-day period prior to the applicable valuation date; or

(b) In the absence of an established market for the Shares, the Fair Market Value shall be determined in good faith by the Board in compliance with the regulatory guidance promulgated under Code Section 409A and such determination shall be final, conclusive and binding on all persons.

- 1.5. **Non-Qualified Stock Option** means an Option to purchase Shares, which is not intended to meet the requirements of Code Section 422 or any successor provision thereto.
- 1.6. **Option** means a Non-Qualified Stock Option.
- 1.7. **Right** means a **Restricted Stock Unit** or **RSU**, which represents the right to receive one Share for each unit that vests (subject to adjustment as provided in Section 11.3 of the Plan) solely for purposes of the Plan and this Schedule. The RSUs shall not be treated as property or as a trust fund of any kind.

## 2. Award Type

U.S. Participants shall be eligible to receive RSUs and Options and any Option granted to a U.S. Participant shall be a Non-Qualified Stock Option.

## 3. Restricted Stock Units, Vesting and Delivery of Shares or Cash

On each applicable Vesting date, the Company shall:

- (a) issue or transfer to U.S. Participants, or cause to be issued or transferred to U.S. Participants, the number of Shares underlying the share-settled RSUs that vested (if any) on the applicable Vesting date; or
- (b) transfer to U.S. Participants, or cause to be transferred to U.S. Participants, an amount of cash equal to the aggregate Fair Market Value of the Shares underlying the cash-settled RSUs that vested (if any) on the applicable Vesting date, determined as of such Vesting date

as soon as reasonably practicable after that Vesting date but in no event later than March 15th of the calendar year following the calendar year in which such RSUs vested.

## 4. Exercise Price

The Exercise Price of any Options granted to U.S. Participants shall be not less than one hundred percent (100%) of the Fair Market Value of a Share on the date the Option is granted.

## 5. Restrictions on Transfer of RSUs and Options

No RSU or Option granted under this Plan may be sold, transferred, pledged, assigned, or otherwise alienated and hypothecated, other than by will, the laws of descent and distribution, or, if permitted by the Board, a U.S. Participant may name a beneficiary or beneficiaries to whom any vested RSU or Option shall be settled in Shares, paid in cash or exercised (as applicable) in the event of a U.S. Participant's death. All Options granted to a U.S. Participant under this Plan shall be exercisable during his or her lifetime only by such U.S. Participant or his or her guardian or legal representatives.

## 6. Death or Termination Due to Total and Permanent Disablement

Notwithstanding any other provision of the Plan or this Schedule, if a U.S. Participant dies or is terminated due to Total and Permanent Disablement prior to any Vesting date, and provided the rights in respect of the RSUs have not previously terminated, then in lieu of delivery on the applicable Vesting date and any subsequent Vesting dates, the Shares and/or cash corresponding to the outstanding RSUs shall be delivered to the U.S. Participant or the U.S. Participant's estate or beneficiaries, as applicable, as soon as reasonably practicable after the date of death or termination due to Total and Permanent Disablement, as applicable, and after such documentation, as may be requested by the Company or third-party plan administrator, is provided to the Company or such third-party plan administrator, as applicable, but in no event later than March 15th of the calendar year immediately following the year in which such death or termination occurred. Such issuance or transfer or delivery of cash shall be on the terms set out in the Plan, this Schedule and the Offer applicable to Shares and/or cash deliverable on a regularly scheduled Vesting date.

## 7. Genuine Retirement

Notwithstanding any other provision of the Plan or this Schedule, if a U.S. Participant's Genuine Retirement eligibility date occurs prior to any Vesting date, and provided the rights in respect of the RSUs have not previously terminated, then in lieu of delivery on such Vesting date and any subsequent Vesting dates, the Shares and/or cash corresponding to the outstanding RSUs shall be delivered, as soon as reasonably practicable following the U.S. Participant's Genuine Retirement eligibility date, but in no event later than March 15th of the calendar year following the Genuine Retirement eligibility date. Except as otherwise provided in this section, all other conditions of the Plan or this Schedule shall continue to apply.



## **8. Change in Control**

Notwithstanding any other provision of the Plan or this Schedule, in the event of a change in Control of the Company, a U.S. Participant's RSUs or Options shall immediately Vest, and the Shares and/or cash corresponding to the outstanding RSUs or exercised Options shall be delivered, as soon as reasonably practicable but in no event more than 30 days following the date of such change in Control.

## **9. Termination of RSUs and Options and Non-Delivery of Shares**

Unless the Board determines otherwise, and except as provided in this Schedule, a U.S. Participant's rights in respect of outstanding RSUs shall immediately terminate, and no Shares and/or cash shall be delivered in respect of such RSUs, if at any time prior to a Vesting date a U.S. Participant's employment with the Company terminates for any reason, or the U.S. Participant is otherwise no longer actively employed by the Company.

## **10. Restrictions on Share Transferability**

The Board may impose such restrictions on any Shares acquired pursuant to an RSU or Option, as it may deem advisable including, but not limited to, restrictions relating to U.S. federal securities law, the requirements of any national securities exchange or system upon which such Shares are then listed and/or traded and/or any blue sky, state, or territorial securities laws.

## **11. Compliance**

The Board will ensure that the Plan is at all times operated in accordance with Applicable U.S. Laws and may change the terms of any RSU or Option and need not obtain U.S. Participant consent for any changes for the purpose of complying with or conforming to present or future Applicable U.S. Laws governing or regulating the maintenance or operation of the Plan or like plans.

## 12.No Deferral Feature

- (a) Except to the extent permitted under Code Section 409A, no RSU or Option shall contain any feature for the deferral of compensation.
- (b) However, notwithstanding any other provision of the Plan or this Schedule, if at any time the Board determines that the RSUs (or any portion thereof) may be subject to Code Section 409A, the Board shall have the right in its sole discretion (without any obligation to do so or to indemnify Participants or any other person for failure to do so) to adopt such amendments to the Plan or this Schedule, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Board determines are necessary or appropriate either for the RSUs or Options to be exempt from the application of Code Section 409A or to comply with the requirements of Code Section 409A.

## 13.Tax Withholding

To the extent required by applicable federal, state, territorial, local or foreign law, the Board may and/or a U.S. Participant shall make arrangements satisfactory to the Company for the satisfaction of any withholding tax obligations that arise with respect to any RSUs or Options. The Company shall not be required to recognize any U.S. Participant rights under an award, to issue Shares or to recognize the disposition of such Shares until such obligations are satisfied. Unless otherwise determined by the Board, these obligations may or, to the extent required by the Board, shall be satisfied by the Company withholding cash from any compensation otherwise payable to or for the benefit of a U.S. Participant, the U.S. Participant directing the Company to withhold a portion of the Shares that otherwise would be issued to a U.S. Participant under such award or any other award held by the U.S. Participant or by the U.S. Participant tendering to the Company cash or Shares.

## 14.Number of Shares and Adjustments

The number of Shares subject to the RSUs and Options shall be fixed on the date of grant of the RSUs and Options. Any adjustment under Rule 9 of the Plan shall be made in a manner consistent with Code Section 409A.

## 15.Capitalized Terms

Capitalized terms not defined in this Schedule shall have the meaning assigned in the Plan.

## 16. Compliance with Law

The exercise of any Option and the issuance and transfer of Shares shall be subject to compliance by the Company and the Participant with all Applicable U.S. Laws (including the laws of states or territories in the U.S.). No Shares shall be issued pursuant to an RSU or Option unless and until any then applicable requirements of U.S. state, territorial or federal laws and regulatory agencies have been fully complied with to the satisfaction of the Company and its counsel. The Participant understands that the Company is under no obligation to register the Shares with the Securities and Exchange Commission, any state securities commission or any stock exchange to effect such compliance.

## 17. Additional Provisions Applicable to U.S. Participants in California

Prior to the date, if ever, on which the Company is subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), the following additional rules shall apply to any U.S. Participant whose Incentive Security is issued in reliance on Section 25102(o) of the California Corporations Code (“**California Participant**”):

- (a) The following rules shall apply to any Option in the event of termination of the California Participant’s employment:
- (1) If such termination was for reasons other than death, “Permanent Disability” (as defined below), or cause, the California Participant shall have at least 30 days after the date of such termination to exercise his or her Option to the extent the California Participant is entitled to exercise on his or her termination date, provided that in no event shall the Option be exercisable after the expiration of the term as set forth in the Offer Letter.
  - (2) If such termination was due to death or Permanent Disability, the California Participant shall have at least 6 months after the date of such termination to exercise his or her Option to the extent the California Participant is entitled to exercise on his or her termination date, provided that in no event shall the Option be exercisable after the expiration of the term as set forth in the Offer Letter.
  - (3) For purposes of this Section 12, the term “Permanent Disability” shall mean the inability of the California Participant, in the opinion of a qualified physician acceptable to the Company, to perform the major duties of the California Participant’s position with the Company or any parent or subsidiary of the Company because of the sickness or injury of the California Participant.
- (b) Shareholder Approval. If required by Applicable Law, no Incentive Securities granted to a California Participant shall be vested, as applicable to such Share, unless the Plan has been approved by the shareholders of a majority of the Company’s outstanding voting securities by the later of:

- (1) within twelve (12) months before or after the date the Plan was adopted by the Board or
- (2) prior to or within twelve (12) months of granting of Incentive Securities to a California Participant.

In the event that shareholder approval is not obtained within the foregoing deadline, then the Incentive Securities shall be immediately forfeited.

- (c) Notwithstanding anything to the contrary in Rule 9 of the Plan, the Board shall in any event make such adjustments as may be required by Section 25102(o) of the California Corporations Code.
- (d) Notwithstanding anything stated herein to the contrary, an Option allocated to a California Participant shall lapse if it is not exercised within 120 months after the date on which the Option was allocated to the Participant, or any earlier date nominated as the expiry date in the Offer
- (e) Notwithstanding anything stated herein to the contrary, no Incentive Security shall be granted to a California Participant after the 10th anniversary of the date on which the Plan was adopted by the Board.
- (f) The total number of securities issuable upon exercise of all outstanding Options or vest of all outstanding Rights shall not exceed 30% of the then outstanding securities of the Company, calculated as of the date on which the Plan was adopted by the Board.
- (g) The Company shall furnish summary financial information (audited or unaudited) of the Company's financial condition and results of operations, consistent with the requirements of Applicable U.S. Laws, at least annually to each California Participant during the period such California Participant has one or more Incentive Securities outstanding, and in the case of an individual who acquired Shares pursuant to the Plan, during the period such California Participant owns such Shares; provided, however, the Company shall not be required to provide such information if (i) the issuance is limited to key persons whose duties in connection with the Company assure their access to equivalent information or (ii) the Plan or any agreement complies with all conditions of Rule 701 of the Securities Act of 1933, as amended; provided that for purposes of determining such compliance, any registered domestic partner shall be considered a "family member" as that term is defined in Rule 701.
- (h) Notwithstanding anything to the contrary in Rule 5 or 6 of the Plan, no Shares allocated to a California Participant upon Vesting (or exercise) of Rights or exercise of Options shall be deemed to be forfeited or disposed of to the extent such forfeiture or disposition could reasonably be considered to violate applicable law.

## **18. Additional Provisions Applicable to U.S. Participants in the U.S. Virgin Islands**

Securities issued as part of an employee benefit plan are exempt from registration requirements in the U.S. Virgin Islands.

Pursuant to V.I. Code tit. 9, Section 612 (21) (2019), Employees' stock purchase, savings, option, profit-sharing, pension, or similar employee benefit plan, including any securities, plan interests, and guarantees issued under a compensatory benefit plan or compensation contract, contained in a record, established by the issuer, its parents, its majority-owned subsidiaries, or the majority-owned subsidiaries of the issuer's parent for the participation of their employees including offers or sales of such securities to:

(A) offers or sales of such securities to directors; general partners; trustees, if the issuer is a business trust; officers; or consultants and advisors;

(B) family members who acquire such securities from those persons through gifts or domestic relations orders;

(C) former employees, directors, general partners, trustees, officers, consultants, and advisors if those individuals were employed by or providing services to the issuer when the securities were offered; and

(D) insurance agents who are exclusive insurance agents of the issuer, its subsidiaries or parents, or who derive more than 50 percent of their annual income from those organizations;

are exempt from the securities registration requirements of sections 621 through 626 and 654 of V.I. Code tit. 9.