

EMPLOYEE OPTION PLAN RULES

Cheq Ltd ACN 633 925 505

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DATE: 17TH DECEMBER 2020

BACKGROUND

- 1 The Rules of the Option Plan are set out in this document.
- 2 An Offer must be made in an Offer Letter provided by the Company. This document should be read with that Offer Letter.
- 3 In this document:
 - Rule 2 sets out how the Option Plan is administered. Essentially the Board administers the Option Plan, and is responsible for the terms of any Offer made.
 - Rule 3 deals with the mechanics of vesting.
 - Rule 3.4 sets out when an Option may be exercised.
 - Rule 4 addresses what happens if an Optionholder ceases to be employed or engaged by a Group Member.
 - Rule 5 addresses the restrictions that can be placed on the Disposal of Options.
 - Rule 7 relates to the occurrence of any Reorganisation Events.
 - The remainder of this document contains procedural provisions in relation to the Option Plan.

OPERATIVE PART

1 Definitions and Interpretation

1.1 Definitions

In this document, unless the context otherwise requires:

Application means an application by an Eligible Employee or a Nominee (as applicable) for Options.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691, or the securities exchange conducted by that entity, as the context requires.

Board means the board of directors of the Company.

Business Day means a day on which banks are open for general banking business in New South Wales, excluding Saturdays, Sundays and public holidays.

Commissioner of Taxation means the office of Commissioner of Taxation created by section 4 of the *Taxation Administration Act 1953* (Cth).

Company means Cheq Ltd ACN 633 925 505.

Constitution means the constitution of the Company from time to time.

Corporations Act means the *Corporations Act 2001* (Cth).

Dispose means, in relation to an Option or Option Share:

- (a) sell, assign, buy-back, redeem, transfer, convey, grant an option over, grant or allow a Security Interest over;
- (b) enter into any swap arrangement, any derivative arrangements or other similar arrangement; or
- (c) otherwise directly or indirectly dispose of a legal, beneficial or economic interest in the Option or Option Share.

Eligible Person means any employee, contractor or director (or prospective employee, contractor or director) and Nominee of one or more Group Members selected by the Board to participate in the Option Plan.

Event means:

- (a) a takeover bid is made to the holders of Shares;
- (b) pursuant to an application made to the Court, the Court orders a meeting to be held in relation to a proposed compromise or arrangement for the purpose of or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company;
- (c) the Company passes a resolution for voluntary winding up;
- (d) an order is made for the compulsory winding up of the Company.

Exercise Notice means a notice substantially in the form of Schedule 1.

Exercise Period means the period commencing on the First Exercise Date and ending on the Last Exercise Date.

Exercise Price means, in respect of an Option, the exercise price determined by the Board and included in the Offer in respect of that Option, as amended pursuant to the terms of this Option Plan.

Fair Market Value means, as of any date, the fair market value of an Option, as determined by the Board in good faith on such basis as it deems appropriate and applied consistently with respect to all Options.

First Exercise Date means the date determined by the Board and specified in an Offer Letter.

Group means the Company and each Subsidiary (if any) from time to time.

Group Member means any member of the Group.

Lapse Notice has the meaning given in rule 4.1(a)(1).

Last Exercise Date means the day ending at 5.00pm in New South Wales on such date determined by the Board and specified in an Offer Letter.

Leaver means a person who:

- (a) ceases to be employed or contracted by a Group Member or ceases to act as a director of a Group Member (as applicable) for any reason;
- (b) tenders a notice of resignation or termination to a Group Company; or
- (c) receives a notice of termination or redundancy from a Group Company.

Listing Rules means the ASX Listing Rules and any other rules of ASX Limited which are applicable while the Company is admitted to the official list of the ASX (or the rules of any other recognised stock exchange (if applicable)), each as amended or replaced from time to time, except to the extent of any express written waiver by the ASX (or any other recognised stock exchange (if applicable)).

- (a) **Nominee** in relation to an Eligible Person means: an immediate family member of the Eligible Person;
- (b) a company whose members comprise no persons other than the Eligible Person or immediate family members of that Eligible Person; or
- (c) a corporate trustee of self-managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993* (Cth)) where the Eligible Person is a director of the trustee.

Offer means an offer made to an Eligible Person by or on behalf of the Board to participate in the Option Plan.

Offer Letter means a letter from the Company to an Eligible Person setting out an Offer.

Option means an option, issued under this Option Plan, to acquire a newly issued Ordinary Share.

Optionholder means a person registered in the Company's register of Optionholders as the holder of Options from time to time.

Option Plan means the Employee Option Plan constituted by these Rules, as amended from time to time.

Option Share means an Ordinary Share issued as a result of the exercise by an Optionholder of its Options.

Ordinary Share means an ordinary share in the capital of the Company with such rights and obligations as set out in the Constitution.

Outstanding Option means an Option which has vested, has not been exercised and has not lapsed.

Participant means any Eligible Person or Nominee in respect of whom an Offer is accepted.

Related Body Corporate has the meaning given in section 9 of the Corporations Act.

Reorganisation Event means any one or more of the following:

- (d) a distribution of cash or securities by way of a return of capital;
- (e) a bonus issue of Shares by the Company;
- (f) a share split, consolidation or other similar action in respect of the share capital of the Company; or
- (g) any other internal reorganisation, recapitalisation, reclassification or similar event with respect to the share capital of the Company.

Rules means these terms and conditions, as amended from time to time.

Security Interest means any interest or right which secures the payment of a debt or other monetary obligation or the compliance with any other obligation, and includes a security interest within the meaning of section 12(1) of the *Personal Property Securities Act 2009* (Cth).

Shareholder means any person holding one or more Share from time to time, and

Shareholders means all of them.

Shares means shares in the capital of the Company with such rights and obligations as set out in the Constitution.

Subsidiary has the meaning given in section 9 of the Corporations Act.

Tax Act means the *Income Tax Assessment Act 1997* (Cth).

Trading Policy means the Securities Trading Policy adopted by the Company, as amended from time to time.

Transfer Notice has the meaning given in rule 4.1(a)(2).

Transfer Options has the meaning given in rule 4.1(a)(2).

Transferee has the meaning given in rule 4.1(a)(2).

Trigger Event means, in respect of an Optionholder, where that Optionholder (or where the Optionholder is a trust company or Nominee for the Participant who was offered Options, that Participant) becomes a Leaver.

Trust has the meaning given in rule 8.1(a)(2).

Trust Deed has the meaning given in rule 8.1(b)(1).

Trustee has the meaning given in rule 8.1(a)(1).

Year One has the meaning given in rule 3.2(c).

1.2 Interpretation

In this document, unless the context otherwise requires:

- (a) the singular includes the plural and vice versa;
- (b) headings are for convenience only and do not affect interpretation;
- (c) a reference to a rule, paragraph, schedule or annexure is a reference to a rule, paragraph, schedule or annexure, as the case may be, of this document;

- (d) a reference to any legislation or law includes subordinate legislation or law and all amendments, consolidations, replacements or re-enactments from time to time;
- (e) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (f) a reference to a natural person includes a body corporate, partnership, joint venture, association, government or statutory body or authority or other legal entity and vice versa;
- (g) includes and similar words mean includes without limitation;
- (h) a reference to a party to a document includes that party's executors, administrators, successors, permitted assigns and persons substituted by novation from time to time;
- (i) a reference to this document or any other document includes the document, all schedules and all annexures as novated, amended, supplemented, varied or replaced from time to time;
- (j) a reference to a covenant, obligation or agreement of two or more persons binds or benefits them jointly and severally;
- (k) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
- (l) a reference to time is to local time in New South Wales, Australia; and
- (m) a reference to \$ or dollars refers to the currency of Australia from time to time.

2 Administration

2.1 Administration of Option Plan and delegation

- (a) The Option Plan is to be administered by the Board.
- (b) The Board may delegate some or all of its powers in administering the Option Plan to a sub-committee of the Board.
- (c) Subject to these Rules, the Board or any sub-committee appointed to administer the Option Plan shall have the power, at its sole and absolute discretion, to:
 - (1) select the Eligible Persons;
 - (2) determine the terms and conditions of any Offer, including:
 - (A) the number of Options the subject of the Offer;
 - (B) the Exercise Price for those Options;
 - (C) Exercise Period; any Trustee holding arrangements required to be entered into in connection with those Options;

- (D) the vesting, Disposal and lapsing of Options;
- (E) the manner in which the Offer may be accepted;
- (3) amend any Offer related to any Option;
- (4) determine appropriate procedures, regulations and guidelines for the administration of the Option Plan; and
- (5) take advice in relation to the exercise of any of its powers or discretions under these Rules.

2.2 Nominee

- (a) Following receipt by an Eligible Person of an Offer, an Eligible Person may nominate a Nominee in whose favour the Eligible Person wishes to renounce its Offer.
- (b) The Board may, in its absolute discretion:
 - (1) require the Eligible Person to provide further information in relation to its Nominee; and
 - (2) resolve not to allow a renunciation of an Offer of a Nominee.

2.3 Acceptance

- (a) Following receipt by an Eligible Person of an Offer, the Eligible Person or the Nominee (as applicable) may apply for Options by delivering to the Company a duly completed and executed acceptance of offer (in the form attached to the Offer Letter) within the time period specified in the Offer (**Application**).
- (b) By making the Application, the Eligible Person or the Nominee (as applicable) agrees:
 - (1) to be bound by these Rules and the constitution of the Company; and
 - (2) as a condition of the exercise of their Options, to execute any documents reasonably required by the Company to ensure that the Eligible Person or the Nominee (as applicable) is so bound.
- (c) Following receipt by the Company of the acceptance of offer, the Company may grant the Options to the Eligible Person or the Nominee (as applicable).
- (d) The Company must issue to a Participant a Certificate in respect of the Options granted to them.

2.4 Calculations and adjustments

Any calculations or adjustments which are required to be made by the Board, or any sub-committee of the Board, in connection with this Option Plan will, in the absence of manifest error, be final and conclusive and binding on all Participants and Optionholders.

2.5 Absolute discretion

Where these Rules provide for a determination, decision, declaration or approval of the Board or any sub-committee of the Board, such determination, decision, declaration or approval may be made or given by that body at its absolute discretion.

2.6 Powers to be exercised by the Board

Any power or discretion which is conferred on the Board by these Rules may be exercised by the Board in the interests, or for the benefit, of the Company and the Board is not under any fiduciary or other obligation to any other person. For the avoidance of doubt, any purported implied obligation to act in good faith is expressly excluded by this rule.

3 Option Terms

3.1 Entitlement

- (a) Subject to these Rules, each Option entitles the Participant, on exercise of the Option, to subscribe for and be allocated one Share at the Exercise Price (if any).
- (b) Shares allocated on the exercise of Options will rank equally with existing fully paid ordinary shares in the capital of the Company in all respects from the date of allocation.

3.2 What vesting conditions may be set

- (a) An Offer may specify any:
 - (1) vesting conditions; or
 - (2) other vesting events,which must be satisfied before an Option vests.
- (b) The Board may, in its discretion, determine or vary any:
 - (1) vesting conditions; or
 - (2) other vesting events,in respect of any Option.
- (c) If vesting conditions or other vesting events are not specified in an Offer, the following vesting conditions apply to any Options offered under the Option Plan:
 - (1) An Optionholder's Options:
 - (A) cease to vest when a Trigger Event occurs in respect of that Optionholder; and
 - (B) cease to vest for the duration of any unpaid leave of absence in respect of that Optionholder (or where the Optionholder is a trust company or Nominee for the Participant who was offered Options, that Participant). If

the unpaid leave period includes part of a month, no vesting will occur in that month;

- (2) An Optionholder's Options vest:
 - (A) in respect of 25% of the Options the subject of its Offer, on the date which is 12 months after the issue date of its Options (Year One); and
 - (B) in respect of the remaining 75% of the Options the subject of its Offer, on a quarterly basis over the three year period after the end of Year One (i.e. 1/12th of its remaining Options vest at the end of each quarter thereafter).

3.3 Options only vest if vesting conditions satisfied

An Option will only vest on the occurrence or satisfaction of the condition or other vesting events specified in respect of that Option.

3.4 How to exercise an option

- (a) Unless otherwise determined by the Board, subject to the satisfaction of any vesting conditions or vesting events and these Rules, an Optionholder may exercise an Outstanding Option subject to:
 - (1) giving the Company a signed Exercise Notice in the form provided in Schedule 1; and
 - (2) paying the Company an amount equal to the Exercise Price multiplied by the number of Options being exercised.
- (b) If, at any time prior to the Last Exercise Date, the Board gives written notice to the Participants that an Event has occurred:
 - (1) where any Options have not yet vested, the Board may at its discretion waive some or all of the Vesting Conditions and determine the number of Options that may vest; and
 - (2) the Participants may exercise some or all of their vested Options in accordance with rule 3.4(a) within 10 Business Days from the date of such written notice (or such longer period determined by the Board).

3.5 Dealing

- (a) Subject to rule 3.5(b), Participants must not assign, transfer, sell, grant a Security Interest over or otherwise deal with an Option.
- (b) Options may be exercised in accordance with rule 3.4 by:
 - (1) on the death of a Participant, the Participant's legal personal representative; and

- (2) in the event that an order is made for the Participant's estate to be administered under the laws relating to mental health, the person who is appointed to administer such estate.
- (c) The Participants agree to:
 - (i) be bound by the Trading Policy; and
 - (ii) prior to selling or transferring any Shares, notify the Company of their intention to sell or transfer the Shares.
- (d) The parties acknowledge that the Company may in its absolute discretion prohibit a person from selling or transferring Shares that person has acquired under the Plan even if that person is no longer an Employee.

3.6 New Issue of Shares

- (e) Participants will not be entitled to participate in any new issue of Shares as a result of holding Options unless they have become entitled to exercise their Options under the Plan and do so prior to the record date for the determination of entitlements to the new issue and participate as a result of being a holder of Shares.
- (f) The Company must give no less than 10 Business Days' notice of any new issue of Shares to a Participant before the record date for determining entitlements to the issue in accordance with the Listing Rules, so as to permit the Participant to exercise any Option which, on its terms, may be exercised before the record date.

3.7 Bonus Issue

If the Company makes a bonus issue to the holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment), the number of Shares over which an Option is exercisable will be increased by the number of Shares which the Participant would have received if the Option had been exercised prior to the record date for the bonus issue.

3.8 Rights Issue

If the Company makes a pro-rata issue to the holders of Shares (other than a bonus issue), the Exercise Price of an Option will be reduced in accordance with the formula contained in the Listing Rules.

3.9 Other Securities

If the Company offers shareholders other securities, the Board will determine whether the other securities are to be offered to Participants on the exercise of Options or whether any other equivalent securities, interest or rights will be offered to them if the other securities are not available, and the basis thereof, to the intent that on the exercise of Options the

Participants will be treated whenever possible as if they were shareholders at the date that the Options are granted to the Participant.

4 Treatment of Options for Leavers

4.1 When a person becomes a Leaver and what the Board can do

- (a) If a Trigger Event occurs in relation to an Optionholder, the Board may, at its absolute discretion:
 - (1) serve a notice in writing on that Optionholder (**Lapse Notice**), advising the Optionholder that all or some of its unvested Options have lapsed on the date specified in the Lapse Notice;
 - (2) serve a notice in writing on the Optionholder (**Transfer Notice**), requiring the Optionholder to sell some or all of its vested Options (**Transfer Options**) to any person nominated by the Board, including:
 - (A) to any other Participant or its Nominee;
 - (B) to an entity approved by the Board for the purpose of holding the Transfer Options temporarily with the purpose of transferring such Transfer Options to Participants or their Nominees in the future; or
 - (C) to any other entity approved by the Board,(such person or persons for the purposes of this rule 4 being the **Transferee**) on the terms of sale set out in this rule 4 and the Optionholder must transfer the Transfer Options in accordance with the Transfer Notice and is deemed to appoint the directors of the Company as its attorney for this purpose (and for the avoidance of doubt, the provisions of the power of attorney contained in an acceptance of offer signed by the Optionholder or Participant (as applicable), apply for the purposes of this rule); or
 - (3) allow the Optionholder to retain some or all of his or her Options,or any combination of the above, as the Board determines at its absolute discretion.
- (b) The price for the Transfer Options pursuant to rule 4.1(a)(2) will be their Fair Market Value as at the date of the Trigger Event (as determined by the Board at its absolute discretion).
- (c) Completion of the sale of the Transfer Options must occur on the date determined by the Board at its absolute discretion and notified to the Leaver.

5 Disposal

5.1 What restrictions can be placed on a Disposal of Options

In addition to the restrictions set out in this Option Plan, an Offer may specify restrictions on the Disposal of any Option. For the avoidance of doubt, restrictions on Disposal specified in an Offer do not limit the operation of rule 5.2.

5.2 Permitted Disposals

- (a) Subject to the restriction on Disposal in rule 5.3, a legal or beneficial interest in an Option may be Disposed of pursuant to:
 - (1) a transfer by an Optionholder of any of its Options to a Trustee for that person, and any such Trustee may transfer Options to any other Trustee or to the beneficiary provided that no beneficial interest in the Options passes as a result of the transfer;
 - (2) a transfer of Options by an Optionholder who is a natural person to the Trustee or Trustees of a family trust set up for the benefit of that person's family, provided that a person acquiring Options pursuant to this rule 5.2(a)(2) is not entitled to transfer any Options except for a transfer to the person from whom the transferee acquired the Options;
 - (3) in the event of the death of an Optionholder, a transfer or transmission of the deceased Optionholder's Options to the deceased Optionholder's estate;
 - (4) a transfer by an Optionholder of any of its Options where such transfer has been consented to in writing by the Board; or
 - (5) a sale or transfer by an Optionholder of any of its Options where such sale or transfer is otherwise permitted or required by these Rules.

5.3 Overriding restriction on Disposal in first three years

- (a) Unless an Optionholder Disposes of an Option or an Option Share under an arrangement which meets the requirements in section 83A-130 of the Tax Act, a legal or a beneficial interest in an Option or an Option Share may not be Disposed of until the earlier of:
 - (1) three years after the issue of the Option or such earlier time as the Commissioner of Taxation allows in accordance with section 83A-45(5) of the Tax Act; and
 - (2) where the Optionholder becomes a Leaver.

6 Issue of Ordinary Shares in respect of the exercise of Outstanding Options

6.1 Rights attaching to Option Shares

- (a) Subject to rule **Error! Reference source not found.**, if an Optionholder exercises Outstanding Options, the Company must:
 - (1) issue the number of Ordinary Shares which corresponds with the number of Outstanding Options exercised, free from any Security Interest;
 - (2) issue to the Optionholder or a Trustee to hold on bare trust for that Optionholder (if determined by the Board or nominated by the Optionholder) a holding statement or share certificate (as applicable) for those Ordinary Shares and enter the Optionholder or Trustee into the Company's share register; and
 - (3) lodge with the ASIC the relevant forms to reflect the issue of the relevant number of Option Shares.
- (b) All Option Shares issued on exercise of Options in accordance with this rule 6 will:
 - (1) be issued as fully paid;
 - (2) be free of any Security Interests; and
 - (3) rank equally in all respects with the other Ordinary Shares on issue in the Company as at the date of issue and be subject to the terms of the Constitution and Shareholders Agreement (if any).

7 Reorganisation Event

7.1 Reorganisation Events

- (a) Subject to this rule 7.1, the Option Plan continues to apply in full force and effect despite any Reorganisation Event.
- (b) If any Reorganisation Event occurs, the rights attaching to Options shall be proportionality adjusted for any increase or decrease in the number of issued Shares.
- (c) If any Reorganisation Event occurs before all of an Optionholder's Options have vested the Company will procure that the terms of the Option Plan are varied in such a way as determined by the Board in its absolute discretion, which neither disadvantages nor advantages that Optionholder nor adversely effects the rights of the other Shareholders, to account for the effect of the Event.
- (d) Each Participant and Optionholder agrees to any such variations to the Option Plan.

8 Appointment of Trustee

8.1 Appointment of Trustee

- (a) The Board may at any time:
 - (1) appoint a Trustee (**Trustee**) on any terms and conditions which it considers appropriate to do all such things and perform all such functions as it considers appropriate to operate and administer the Option Plan, including to acquire and hold Options, Option Shares or other securities of the Company, on behalf of Participants, for transfer to future Participants or otherwise for the purposes of the Option Plan; and
 - (2) establish a trust (**Trust**) for the purposes set out in rule 8.1(a)(1).
- (b) If the Board appoints a Trustee to hold Options or Option Shares that are to be delivered to a Participant under this Option Plan:
 - (1) the Options or Option Shares (as applicable) will be registered in the name of the Trustee and held by the Trustee on trust for that Participant and subject to the trust deed establishing the Trust (**Trust Deed**);
 - (2) for the avoidance of doubt, to the extent there is any inconsistency between these Rules and any provision of the Trust Deed, the Trust Deed will prevail to the extent of the inconsistency;
 - (3) where any provision of this Option Plan refers to granting, issuing, transferring or allotting Options or Option Shares to, or holding, acquiring, receiving, subscribing for or disposing of Options or Option Shares by the Participant or the Optionholder, it will mean granting, issuing, transferring or allotting Options or Option Shares (as applicable) to, or holding, acquiring, receiving, subscribing for or disposing of Options or Option Shares (as applicable) by, the Trustee on behalf of that Participant or Optionholder;
 - (4) unless the context requires otherwise, any other rule of this Option Plan that refers to the Participant or Optionholder will mean the Trustee on behalf of that Participant or Optionholder; and
 - (5) the Trustee on behalf of each Participant will be entitled to any rights which accrue to Options or Option Shares held for the benefit of that Participant and will exercise those rights in accordance with the Trust Deed.

9 No effect

9.1 Option Plan does not impact on employment relationship etc

- (a) This Option Plan does not form any part of any contract of employment, consultancy or directorship between a Group Member and a Participant.

- (b) Nothing in this Option Plan:
- (1) confers on a Participant any right to continue as an employee, contractor or director of a Group Member;
 - (2) affects the rights which a Group Member or any other person may have to terminate the employment, consultancy or office of a Participant;
 - (3) forms part of any contract of service between a Participant and any Group Member;
 - (4) may be used to increase any compensation or damages in any action brought against a Group Member or any other person in connection with the termination of employment or consultancy or removal from office of a Participant;
 - (5) confers any legal or equitable right on a Participant whatsoever to take action against any Group Member in respect of their employment, office or contractual relationship; or
 - (6) confers on a Participant any rights to compensation or damages in consequence of the termination of their employment, office or contractual relationship by any Group Member for any reason whatsoever including ceasing to have rights under the Option Plan as a result of such termination.

9.2 Option does not give the right to new issues of shares, to vote as a Shareholder, etc

- (a) An Offer will be in respect of a single grant of Options and does not entitle an Eligible Person to participate in any subsequent grants.
- (b) An Option does not confer on a Participant or an Optionholder:
- (1) any voting rights in respect of Shares or in respect of any other equity securities of the Company;
 - (2) the right to participate in new issues of Shares or other equity securities of the Company;
 - (3) the right to attend or vote at any general meeting or other meeting of Shareholders or the holders of other equity securities of the Company;
 - (4) the right to receive any dividends or other distributions or to receive or otherwise participate in any returns of capital from the Company; or
 - (5) the right to participate in a liquidation or winding up of the Company.

10 General

10.1 General

- (a) The Company is not responsible for any duties or taxes which may become payable by the Optionholder or their Participant in connection with the issue of Options or any other dealing with the Options or in relation to the Option Shares.
- (b) Subject to rule 2, the Option Plan and these Rules may be amended from time to time by resolution of the Board subject to the requirements from time to time of the Corporations Act. Any such amendment however, must not adversely affect the rights of Participants or Optionholders in respect of Options granted prior to such amendment without the consent of those Participants and Optionholders (as applicable), unless such amendment is required by, or necessitated by, law.
- (c) Each Participant and Optionholder agrees that it will complete and return to the Company such other documents as may be required by law to be completed by the Participant or Optionholder from time to time in respect of the transactions contemplated by the Option Plan, or such other documents which the Company reasonably considers should, for legal, taxation or administrative reasons, be completed by the Participant or Optionholder in respect of the transactions contemplated by the Option Plan.
- (d) The Company may, in its sole discretion:
 - (1) make Offers to Eligible Persons who reside outside of Australia; and
 - (2) make regulations for the operation of the Option Plan which are not inconsistent with these Rules to apply to Eligible Persons who reside outside of Australia.

10.2 Notices

- (a) Any notice or other communication under or concerning the Option Plan is validly given:
 - (1) to a Participant or Optionholder, if delivered personally to the addressee or sent by prepaid post to the Optionholder's registered address as recorded in the register of Optionholders maintained by the Company; or
 - (2) to the Company, if delivered or sent by prepaid post addressed to the company secretary at the Company's registered office (or any other address the Board specifies), or as otherwise notified by the Company from time to time.
- (b) A notice or other communication will be deemed to have been served:
 - (1) if delivered by hand, at the time of delivery; or
 - (2) if posted, on the third Business Day after posting (if delivered to an address within the same country) or on the tenth Business Day after posting (if delivered to an address within another country).

10.3 Fractional Options and Option Shares

The Board may determine, at its absolute discretion, how fractional Options and Option Shares are to be rounded.

10.4 No Representation or Warranty

- (a) The Company makes no representation or warranty as to the value of Options or Option Shares or with respect to any tax matters affecting any Participant or Optionholder resulting from the making of an Offer, acceptance of an Offer, grant of Options, vesting of Options, the issue of Option Shares upon the exercise of any Option or the transfer of Options or Option Shares.
- (b) Neither the Company, nor any of its directors, officers or employees, are liable for anything done or omitted to be done by such person or any other person with respect to price, time, quantity or other conditions and circumstances of the issue or acquisition of Option Shares under the Option Plan, with respect of any fluctuations in the market value of Option Shares, or in any other manner related to the Option Plan.

10.5 Rule against construing provisions against the Company

No provision or expression in these Rules is to be construed against the Company on the basis that the Company (or its advisers) was responsible for the drafting of these Rules.

10.6 The Act, Listing Rules and Other Laws

- (a) These Rules and the Participant's entitlements under the Plan are subject to the constitution of the Company, the Act, the Listing Rules or any other applicable laws.
- (b) Notwithstanding any other Rule, every provision set out in an exemption from, or modification to, the provisions of the Act granted from time to time by ASIC in respect of the Plan that is required to be included in these Rules in order for the exemption or modification to have effect is deemed to be contained in these Rules. To the extent that any provision deemed by this Rule to be contained in these Rules is inconsistent with any other provision in these Rules, the deemed provision will prevail.

10.7 Governing Law

- (a) This Option Plan is governed by and shall be construed in accordance with the laws of the state where the Company is incorporated.
- (b) The parties bound by this Option Plan irrevocably submit to the non-exclusive jurisdiction of the state where the Company is incorporated.

Schedule 1 Form of Exercise Notice

Option Exercise Notice

I (the **Optionholder**) being the registered holder of the Options specified below, elect to exercise those Options pursuant to rule 3.4 of the Employee Option Plan in respect of Cheq Ltd ACN 633 925 505 (the **Company**).

Options being exercised:

Total number of Options being exercised:

Exercise Price:

Exercise Price per Option:

Total Exercise Price:

I agree to be bound by the provisions of the Constitution of the Company upon being issued Ordinary Shares.

Signed by the Optionholder:

Date: