

**Dated**

**2018**

**EMPLOYEE SHARE OPTION DEED**

**STRAKER TRANSLATIONS LIMITED**

## PARTIES

- (1) **STRAKER TRANSLATIONS LIMITED**, company number 1008867, of BDO Auckland, Level 8, 120 Albert Street, Auckland, 1010, New Zealand ("**Company**"); and
- (2) **[INSERT FULL LEGAL NAME]**, of **[insert address]** ("**Employee**").

## INTRODUCTION

The Company has agreed to grant to the Employee options to purchase shares in the Company on and subject to the terms of this deed.

### 1. INTERPRETATION

1.1 **Definitions:** In this Deed, unless the context otherwise requires:

"**Business Day**" means a day (other than a Saturday or Sunday) on which registered banks are open for general banking business in Auckland, New Zealand;

"**Constitution**" means the Constitution of the Company as adopted or amended from time to time;

"**Corporate Transaction**" means any of the following Shareholder-approved transactions to which the Company is a party:

- (a) a merger or amalgamation in which the Company is not the surviving entity;
- (b) a sale, transfer or other disposition of all or substantially of the Company's assets;
- (c) any transaction in which the Company is the surviving entity but in which Shares possessing more than 50% of the total voting power of the Company's outstanding Shares are transferred to a person or persons different from the persons holding those Shares immediately prior to the merger.

"**Deed**" means this deed;

"**Directors**" means the board of directors for the time being of the Company and includes a committee, or other delegate, of the board of directors to which the board has delegated its powers under this Deed;

"**Exercise Date**" means the date on which an Option is exercised;

"**Exercise Price**" means \$5.96 per Share payable on the exercise of an Option subject to any adjustment made by the Directors pursuant to clause 4;

"**Exercise Period**" means in relation to each Option, the relevant exercise period set out in Schedule 1;

“**Option**” means the [insert number] options granted to the Employee in accordance with this Deed (adjusted for any matters referred to in clause 4), each being a right to subscribe for one ordinary Share at the Exercise Price;

“**Share**” means one fully paid ordinary share in the Company; and

“**Shareholder**” means a person who holds a Share.

1.2 **Interpretation:** In the interpretation of this Deed, unless the context otherwise requires:

- (a) “**including**” and similar words do not imply any limitation;
- (b) references to the parties to this Deed shall include (insofar as is consistent with its provisions) their respective successors in title and permitted assigns;
- (c) references to a statute or statutory provision shall include all statutes or statutory provisions amending, consolidating or replacing that statute or statutory provision referred to, and any regulations, orders in council and other instruments issued or made under that statute;
- (d) headings have been inserted for convenience only and will not affect the construction of this Deed;
- (e) references to “**written**” or “**in writing**” shall include email communications;
- (f) a gender includes each other gender and the singular includes the plural and vice versa;
- (g) references to clauses and the Schedule will be construed as references to clauses of, and the Schedule to, this Deed; and
- (h) the Schedules and introduction to this Deed form part of this Deed and have the same force and effect as if expressly set out in the body of this Deed and any references to this Deed will include the Schedule and the introduction.

## 2. ISSUE AND EXERCISE OF OPTIONS

2.1 **Issue of Options:** The Company will issue the Options to the Employee on or about the date of this Deed.

2.2 **Exercise Period:** Subject to clause 3, the Employee may exercise an Option on any Business Day during the relevant Exercise Period by giving notice to the Company in accordance with clause 2.3 below.

2.3 **Notice:** The Employee may exercise an Option under clause 2.2 by:

- (a) giving notice in writing to the Company in the form set out in Schedule 2; and
- (b) paying to the Company the Exercise Price in respect of the Options being exercised.

2.4 **Payment of Exercise Price:** Payment of the Exercise Price shall be made either by way of a cheque drawn on a registered bank made payable to the Company or as otherwise directed by the Company.

- 2.5 **Allotment of Shares:** Upon the exercise of any Options, the Company shall issue and allot Shares to the Employee within five Business Days after the date of receipt of the notice of exercise and payment of the Exercise Price due and, in any event, in accordance with the provisions of the Constitution.
- 2.6 **Ranking and Distributions:** A Share allotted on the exercise of an Option shall rank uniformly in all respects with Shares on issue at the Exercise Date of that Option and shall participate in any distribution to Shareholders authorised, made or paid on or after the Exercise Date of that Option.
- 2.7 **Lapse:** The Options, if not exercised beforehand, shall lapse and be of no effect from the last Business Day of the relevant Exercise Period or as otherwise set out in this Deed.

### 3. CESSATION OF EMPLOYMENT

- 3.1 **Vested Options:** If the Employee ceases to be employed by the Company, any Options that are then currently exercisable by the Employee may be exercised on the earlier of the expiry of:
- (a) a period of 60 days from the cessation of employment; or
  - (b) the Exercise Period,
- unless another period is determined by the Directors.
- 3.2 **Unvested Options:** If the Employee ceases to be employed by the Company, any Options that are not then currently exercisable, because the Exercise Period in respect of those Options has not yet commenced, will be cancelled and will be of no further effect.

### 4. ADJUSTMENT FOR FUTURE EVENTS

- 4.1 If prior to the Exercise Date:
- (a) the Company issues Shares to Shareholders pursuant to a pro-rata bonus issue, in a manner that maintains the existing relative voting and distribution rights of all Shareholders, the Employee will be entitled on exercising the Options to receive additional Shares as if the Shares receivable upon exercising the Option had participated in the bonus issue; or
  - (b) any reconstruction of the Company takes place (including any consolidation, re-capitalisation, subdivision, share buyback offer or cancellation) which affects all of the Shareholders equally in proportion to their holdings of Shares, appropriate equitable adjustments shall be made (to be determined by the Directors) to the aggregate number of Shares to be issued and allotted on the exercise of Options under this Deed and/or the Exercise Price.
- 4.2 The Company may, at its expense, engage an independent expert to determine any adjustments to be made under clause 4.1 whose determination shall be binding on the Company and the Employee.

## 5. RIGHTS BEFORE EXERCISE

- 5.1 The Employee shall be entitled to attend all meeting of Shareholders and to receive copies of all notices, reports, financial statements and other documents sent by the Company to the Shareholders, but the Options shall not carry any rights to vote at any meeting of the Company.

## 6. EARLY EXERCISE OF OPTIONS

- 6.1 If:
- (a) the Company enters into a Corporate Transaction; or
  - (b) if notice is given of a meeting of Shareholders of the Company at which a resolution will be proposed for the liquidation of the Company,  
  
(each an "**Early Exercise Event**") all Options held by the Employee (or a person nominated by the Employee):
  - (c) shall become fully exercisable; and
  - (d) may be exercised on or before the date that is 20 Business Days after the date on which the Early Exercise Event occurred, and any Options not exercised by that date automatically lapse.

## 7. TAXATION

- 7.1 The Company's obligation to deliver Shares on the exercise of the Options shall be subject to the satisfaction of all applicable local and foreign income tax and employment tax withholding requirements (from proceeds of the sale of Shares if necessary). All other taxation shall be the responsibility of the Employee.

## 8. NOTICE

- 8.1 **Written notice:** All notices and other communications to be given under this Deed must be in writing addressed to the party to whom it is to be sent at the physical address or email address from time to time designated by that party in writing to the other party. Until any other designation is given, the physical address or email address of each party is as set out below:

- 8.2 Straker Translations Limited  
5 Antares Place, Mairangi Bay, Auckland, New Zealand  
Email: [steve@strakertranslations.com](mailto:steve@strakertranslations.com)

[Employee]

[insert postal address]

Email: [insert]

- 8.3 **Delivery:** Any notice given under this Deed shall be deemed to have been received:

- (a) at the time of delivery, if delivered by hand;

- (b) 3 Business Days after the date of mailing, if sent by ordinary post within New Zealand;
- (c) 10 Business Days after the date of mailing, if posted or delivered overseas; or
- (d) at the time at which the sender has received confirmation that the email was successfully received, if sent by email,

provided that any communication received or deemed received after 5.00pm or on a day which is not a Business Day in the place to which it is delivered, posted or sent will be deemed not to have been received until the next Business Day in that place.

## 9. GENERAL PROVISIONS

9.1 **Confidentiality:** Neither of the parties will divulge or communicate to any third party, or use or exploit for any purpose whatsoever, without the prior written consent of the other Parties the terms of this Agreement and any confidential knowledge or information relating to the Company received in connection with this Deed (the "**Confidential Information**"), other than Confidential Information which:

- (a) is required to be disclosed by law or to enable a Party to perform its obligations under this Deed;
- (b) a Party can show it already knew at the time of disclosure and which came into the Party's possession otherwise than by breach of any confidentiality obligation pursuant to this Deed; or
- (c) at the time of disclosure is in, or subsequently enters, the public domain otherwise than by breach of any duty of confidentiality under this Deed.

9.2 **Disputes:** In the event of a failure to agree on any matters as required under this Agreement or any dispute arising from the Options (other than pursuant to clause 4), the Company and the Employee agree to be bound by the results of an investigation and ruling by an independent expert acceptable to both parties on any disputed matter. If the Company and the Employee cannot agree upon an independent expert within five Business Days, the parties agree that the independent expert shall be appointed by the President for the time being of the Auckland District Law Society (or its successor).

9.3 **Costs:** Except as otherwise provided in this Deed, the parties will meet their own costs relating to the negotiation, preparation and implementation of this Deed.

9.4 **Transfer:** No Option granted under this Deed may be transferred to any person without the prior consent of the Directors provided that consent shall not be withheld for a transfer by the Employee to a trustee or trustees for the Employee.

9.5 **Amendments:** This Deed may not be amended, modified or varied in any way unless such amendment, modification or variation is agreed to in writing by each party and does not detrimentally affect the rights of the Employee in relation to the Options or Shares.

9.6 **Governing law and jurisdiction:** This Deed will be governed by, and construed in accordance with, the laws of New Zealand and the parties submit to the exclusive jurisdiction of the courts of New Zealand for any matter arising under or relating to this Deed.

9.7 **Counterparts:** This Deed may be signed and delivered in any number of counterparts (including by way of electronic transmission), all of which when taken together shall constitute one and the same instrument and, notwithstanding the date of execution, will be deemed to bear the date of this Deed.

**EXECUTION**

**EXECUTED** as a **DEED** for and on behalf )  
of  
**STRAKER TRANSLATIONS LIMITED** )

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

**EXECUTED** as a **DEED** by )  
**[EMPLOYEE]** )  
in the presence of )

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Witness signature

\_\_\_\_\_  
Full name

\_\_\_\_\_  
Address

\_\_\_\_\_  
Occupation

**Note:** The signature must be witnessed by an independent person

**SCHEDULE 1**  
**EXERCISE PERIODS**

<b>Number of Options</b>	<b>Commencement date of Exercise Period</b>	<b>Expiry date of Exercise Period</b>



**SCHEDULE 2**

**NOTICE OF EXERCISE OF OPTION AND APPLICATION FOR SHARES**

TO: The Directors  
Straker Translations Limited (“**Company**”)  
5 Antares Place, Mairangi Bay, Auckland, New Zealand

I, \_\_\_\_\_ being the holder of [insert number] of Options, hereby exercise my option to subscribe for \_\_\_\_\_ ordinary shares in the Company, on the terms set out in the Employee Share Option Deed dated [ ] 2014 (“**Deed**”). I enclose the Exercise Price of \$\_\_\_\_\_ being \$\_\_\_\_\_ for each of the ordinary shares in respect of which my Options are exercised. I request and authorise you to register me as the holder of the number of shares inserted above by me (plus any additional Shares to which I may be entitled under the Deed by way of a bonus issue or otherwise) and agree to accept such shares subject to the Constitution of the Company and any Shareholders' Agreement.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Signed \_\_\_\_\_