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17 JULY 2020
[DRAFT]

::= Captain Cicero

c/- Work Club, L8/99 Elizabeth Street
Sydney NSW 2000

VIA EMAIL: cc@blueocean.law

Dear CC,

OFFER UNDER EMPLOYEE OPTION PLAN

You are invited to participate in the employee option plan of Blue Ocean Law Group Pty Ltd (ACN 618 974 879) (the *Company*) on the terms set out in this offer letter and the Employee Option Plan.

In this offer letter, "*Employee Option Plan*" means the Company's employee option plan as amended from time to time. A copy of the current Employee Option Plan is attached to this letter as Annexure 4. Capitalised terms used but not defined in this letter have the meanings given to them in the Employee Option Plan.

The key details of this offer are as follows:

Number of Options	10,000
Exercise Price	AUD \$1.00 per Option
Vesting dates and vesting conditions	Your Options will vest annually in arrears over a 5-year period (20% each year) in accordance with clause 3.3(a) of the Employee Option Plan. Vesting of your Options will also be subject to your satisfactory performance of 24/7 automated chatbot support services to our clients..
Restrictions on disposal	Please note the restrictions on Disposal set out in clause 5 of the Employee Option Plan.

The Company considers that this offer of Options will likely qualify to access the 'start-up' tax concessions in the tax legislation. If that is the case:

- you will not be taxed on grant, vesting or exercise of the Options;
- you will only be taxed on transfer of the shares or Options;
- for capital gains tax (CGT) purposes, the shares you receive on exercise of the Options will be deemed to have been acquired on the day the Options are granted; and
- any gain or loss you make on disposal of the shares or Options will be assessed under the CGT rules. Provided that you were granted the Options at least 12 months prior to disposing of the shares or Options, you should be entitled to apply the CGT discount to reduce the gain, after applying any current or prior year capital losses.

You are encouraged to obtain your own independent professional legal and financial product advice in relation to your participation in the Employee Option Plan, prior to accepting this offer.

You are not required to pay any consideration in relation to your acceptance of this Offer or the Company issuing the Options to you.

You may accept this offer by returning to the Company by 5:00 pm (NSW time) on 31 July 2020 a signed copy of the Acceptance of Offer attached to this letter as Annexure 3.

Yours sincerely,

James D. Ford
Innovative Counsel [iC]SM

EMPLOYEE OPTION PLAN

of

BLUE OCEAN LAW GROUP PTY LTD
(ACN 618 974 879)

CONTENTS

1.	Definitions and interpretation	5
	Definitions	5
	Interpretation	9
2.	Administration	9
	Administration and delegation	9
	Calculations and adjustments	10
	Absolute discretion	10
	Powers to be exercised by the Board	10
3.	Vesting of Options	10
	What vesting and forfeiture conditions may be set	10
	Default vesting/forfeiture conditions	11
	Options only vest if vesting conditions/events satisfied	11
	Options and Option Shares may be forfeited	11
	How to exercise an Option	11
4.	Treatment of Options for Leavers	12
5.	Disposal	13
	What restrictions can be placed on a sale of Options?	13
	Permitted Disposals	13
	No Disposal before Exit Event	13
	Overriding restriction on Disposal in first 3 years	13
6.	Issue of Shares upon exercise of Outstanding Options	14
	Rights attaching to Shares issued to Optionholders on exercise of Outstanding Options	14
	Shareholders Agreement	14
7.	Procedure on Exit Event	15
	What happens if there is a listing or sale of the Company or its business?	15
	Company may require Options to be exercised or lapse if an Exit Event is to occur	15
	What happens if Majority Shareholders want to sell their shares?	15
8.	Listings	17
9.	Reorganisation Event	17
10.	No effect	17
	Plan does not impact on employment relationship	17
	Option does not give the right to new issues of Shares or to vote as a Shareholder	18
11.	General	18
	SCHEDULE 1 Option Exercise Notice	20

Date 1 August 2020

Overview

- A The rules of this Plan are set out in this document.
- B An offer of Options is made in an Offer Letter provided by the Company. This document should be read with that Offer Letter.
- C In this document:
- (a) clause 1 sets out how this Plan is administered. Essentially, the Board administers this Plan and is responsible for the terms of any Offer made;
 - (b) clause 3 deals with the mechanics of vesting. An Option must vest before an Optionholder can exercise the Option (exercise of Options is addressed in clause 6);
 - (c) clause 3.6 provides that Options must be exercised during the Exercise Period;
 - (d) clause 4 addresses what happens if an Optionholder leaves employment or ceases to be engaged by the Company;
 - (e) clause 5 addresses the restrictions that can be placed on the Disposal of Options; and
 - (f) clauses 7, 8 and 9 relate to a sale of the Company, a Listing or changes to the capital structure of the Company.
- D The remainder of the document contains procedural provisions in relation to this Plan.

Rules of the plan

1. Definitions and interpretation

Definitions

- 1.1 The following definitions apply in this document unless the context requires otherwise:

Bad Leaver means an Optionholder who becomes a Leaver at any time and for any reason where the Optionholder is not a Good Leaver.

Board means the board of directors of the Company.

Business Sale means a sale to a third party purchaser of all (or substantially all) of the assets and business undertaking of the Group (including by way of a sale of shares of the Company's directly or indirectly owned Subsidiaries) provided that no sale or transfer undertaken to effect a corporate reorganisation of any of the Group will constitute a Business Sale.

Commissioner of Taxation means the person for the time being occupying the office of Commissioner of Taxation created by section 4 of the *Taxation Administration Act 1953* (Cth).

Company means Blue Ocean Law Group Pty Ltd (ACN 618 974 879).

Constitution means the constitution of the Company (if any) from time to time.

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

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

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

and **Disposal** has a corresponding meaning.

Drag-along Notice has the meaning provided in clause 7.3.

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

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

Exercise Period means in relation to an Option, the period commencing on the date on which the Option vests and ending on the Expiry Date.

Exercise Price means, in respect of an Option, the exercise price determined by the Board and included in the Offer giving rise to that Option.

Exit Date means each of:

- (a) in respect of a Listing, the date of admission of the IPO Entity to the official list of ASX Limited or any other recognised stock exchange;
- (b) in respect of a Share Sale, the date on which the parties complete the sale and purchase of the Shares; or
- (c) in respect of a Business Sale, the date of the first distribution to Shareholders arising from the Business Sale,

or any such other date as nominated by the Board as the Exit Date.

Exit Event means each of:

- (a) a Listing;
- (b) a Business Sale; or
- (c) a Share Sale.

Expiry Date means the date on which the Option lapses under clauses 4 or 7.2.

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.

Good Leaver means an Optionholder who becomes a Leaver at any time:

- (a) as a result of:
 - (i) death of the Optionholder (or, in respect of a Nominee Optionholder, of the corresponding Relevant Employee); or

- (ii) the Optionholder (or, in respect of a Nominee Optionholder, the corresponding Relevant Employee) becoming permanently incapable of efficiently discharging the duties of his/her employment or engagement with a Group Member by reason of ill health, infirmity, injury or disability of mind or body of the Optionholder or Relevant Employee (as applicable), evidenced to the satisfaction of the Company;
- (b) as a result of the Optionholder (or, in respect of a Nominee Optionholder, the corresponding Relevant Employee) giving birth to a child;
- (c) as a result of the termination of the employment or engagement of the Optionholder (or, in respect of a Nominee Optionholder, of the corresponding Relevant Employee) with a Group Member upon notice by the Group Member without cause in the absence of any wrongdoing or underperformance on the part of the Optionholder or Relevant Employee (as applicable); or

in circumstances in which the Optionholder would be a Bad Leaver but the Board resolves at its absolute discretion to treat the Optionholder as a Good Leaver.

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

Group Member means any company that is a member of the Group.

IPO Entity means a member of the Group or a special purpose vehicle formed for the purpose of a Listing, which directly or indirectly (including through one or more interposed entities) owns at least 50% per cent (based on earnings) of the business of the Group.

Leaver means:

- (a) an Optionholder who ceases to be employed by, or engaged as an independent contractor to, a Group Member for any reason whatsoever; or
- (b) a Nominee Optionholder if/when the corresponding Relevant Employee ceases to be employed by, or engaged as an independent contractor to, a Group Member for any reason whatsoever.

Listing means an initial public offering of an IPO Entity to the official list of ASX Limited or any other recognised stock exchange.

Listing Rules means the ASX Listing Rules and any other rules of ASX Limited which apply to an entity while it is a listed entity (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 ASX Limited (or any other recognised stock exchange, if applicable).

Majority Shareholders means Shareholders holding Shares carrying more than 50% of the votes that are capable of being cast on a resolution of the Shareholders on which no Shareholders are excluded from voting.

New Holding Entity means an entity in which equity securities are issued in exchange for Shares as part of a Reconstruction.

Nominee Optionholder means an Optionholder that is a trust company or nominee for the person who was first offered the relevant Options.

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

Option means an option issued under this Plan to acquire one newly issued Ordinary Share as determined by the Board and specified in the relevant Offer.

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

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

Ordinary Shares means fully paid ordinary shares in the issued capital of the Company.

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

Plan means the employee option plan constituted by this document, as amended from time to time.

Reconstruction means the reconstruction of the Company involving holders of Shares exchanging those Shares for equity securities in a New Holding Entity such that the equity security holders of the New Holding Entity are, or after the reconstruction become, the same or substantially the same as the former holders of Shares.

Related Body Corporate has the meaning given in the Corporations Act.

Relevant Employee means, in respect of any Nominee Optionholder, the person who was first offered the relevant Options.

Reorganisation Event means any one or more of the following:

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

Security Interest means an interest or power:

- (a) reserved in or over an interest in any asset including any retention of title; or
- (b) created or otherwise arising in or over any interest in any asset under a security agreement, bill of sale, mortgage, charge, lien, pledge, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, and includes:

- (c) any agreement to grant or create any of the above; and
- (d) a security interest within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth).

Share means a share of any class in the issued capital of the Company.

Share Sale means the sale by Shareholders (in one transaction or a series of connected transactions) to a third party purchaser of all of the issued Shares provided that no sale or

transfer undertaken to effect a corporate reorganisation of any Group Member will constitute a Share Sale.

Shareholder means a person who is the registered holder of a Share.

Shareholders Agreement means the written agreement between Shareholders (entitled “Shareholders’ Agreement”, “Shareholders’ Deed”, “Joint Venture Agreement” or similar) in force in respect of the Company (if any) from time to time.

Subsidiary has the meaning given in the Corporations Act.

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

Interpretation

- 1.2 The following rules of interpretation apply in this document unless the context requires otherwise:
- (a) headings and guidance notes are for convenience only and do not affect the interpretation of this Plan;
 - (b) the singular includes the plural and vice versa;
 - (c) the word person includes a firm, a body corporate, an unincorporated association and an authority;
 - (d) a reference to any statute, ordinance, code or other law includes regulations and other instruments under, and consolidations, amendments, re-enactments or replacements of, any of them;
 - (e) a reference to a document includes an amendment or supplement to, or replacement or novation of, that document;
 - (f) a reference to a person includes a reference to the person’s executors, administrators, successors, substitutes (including, without limitation, persons taking by novation) and assigns;
 - (g) an agreement, representation or warranty on the part of or in favour of two or more persons binds or is for the benefit of them jointly and severally;
 - (h) a reference to a currency is a reference to Australian currency unless otherwise indicated;
 - (i) where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings;
 - (j) the meaning of general words is not limited by specific examples introduced by “*include*”, “*includes*”, “*including*”, “*for example*”, “*in particular*”, “*such as*” or similar expressions; and
 - (k) a reference to time is a reference to the time in Sydney, Australia.

2. Administration

Administration and delegation

- 2.1 This Plan is to be administered by the Board.