

NZ-CPopt01

Share option agreement: non-employee; performance based

This agreement is dated: [date]
It is made between [Raving Supercars Ltd],
whose registered office is at [address],
company number [number] (“RSL” “ ”)
and [Peter Racer]
of [address] (“Mr Racer”)

Background

[[Mr Racer] drives cars owned by RSL. In order to provide a suitable incentive to his success, the directors of RSL have agreed to provide to []].

It is now agreed as follows:

1. Definitions

The following definitions apply in this agreement:

“Exercise Price” means the price payable to exercise the Option.

“Last Exercise Date” means the last date by when [Mr Racer]

“Notice of Exercise” means notice in writing posted to or served upon the Company by [Mr Racer] in which []

“Option” means the option granted by this agreement.

“Option Price” means the price to be paid now for the Option, by [Mr Racer] to the ,

“Subject Matter” means the number of ordinary \$[1]

“Vital Information Event” means an event relevant to a decision by [

]

2. Contract is supplemental

[This agreement is supplemental to a

[] (“ ”)].

3. Interpretation

In this agreement unless the context otherwise requires:

3.1 A reference to a person includes reference to that person’s successors, legal representatives,

3.2 A reference to a paragraph or schedule is to

3.3 The headings to the paragraphs and schedules ()

3.4 Any agreement by any party not to do or

3.5 A reference to the knowledge, information, belief or awareness

3.6 This agreement is made only in the English language. If there is any

4. Option data

- 4.1 The Option Price is \$ [amount].
- 4.2 The Last Exercise Date is [date]
- 4.3 The Exercise Price is \$ [amount]
- 4.4 The Subject Matter is [10,000] shares
, [25 %]

5. Grant of option

- 5.1 [Mr Racer] acknowledges that he has
- 5.2 The Company shall at no time be or become liable []
- 5.3 The Company now grants the []

6. Conditions for exercise

- 6.1 The [terms / targets / criteria /]
[]
2 .
- 6.2 The Option must be
- OR*
- 6.3 The Option may be exercised ,
- 6.4 The Option shall be exercised by written Notice of Exercise [valid on
the day
]
[] []
].

6.5 The Notice of Exercise

6.6 The Option may not be exercised []
/ : []

6.6.1 Formula One World Champion

6.6.2 BBC Personality of the Year

6.6.3 etc, etc

OR, [example]

6.6.4 sold 10,000 Encyclopaedia of China

6.6.5 the Company has achieved total
31 2018 \$ 55 .

7. Premature termination of Service Contract

7.1 If either party terminates the Service Contract [for
]

7.2 Termination of the Service Contract does not reduce the
[]

7.3 [Mr Racer] shall enter into a
[]

8. Warranties by the Company

8.1 . ,

8.2 ,

8.3

2, [

[]],

8.4

[]

Signed by [personal name] on behalf of the Company as its / his representative who personally accepts liability for the proper authorisation to enter into this agreement.

Signed by [Mr Racer]

Schedule 2: Vital Information Events and information to be provided

The following are mere examples

Vital Information Events	List of information provided
The acquisition of shares by a new shareholder	The name of the new shareholder: The number of shares: The price or value of the shares: The name of the transferor:
The completion of a shareholders' agreement	
50 %	
The resignation or dismissal of any employee	

Explanatory Notes:

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Paragraph Specific notes:

Notes referable to specific paragraphs

1. **Definitions**

We have no comment

2. **Contract is supplemental**

In most cases you will have some other contract under which the optioner works. A reference to it makes

3. **Interpretation**

Leave these items in place unless there is a good reason to edit or remove. These items are not “lawyer’s blurb”. Every item has

4. **Option data**

Essential basic information all in

5. **Grant of option**

Includes the critical words of the grant.

6. **Conditions for exercise**

This paragraph may contain whatever conditions you decide to impose. They may relate

You can either set them out in the agreement, if very simple, or

7. **Premature termination of Service Contract**

We have no comment.

8. **Warranties by the Company**

Mr Racer needs to know that when he has

End of notes