

### SCHEDULE 4

#### Terms and Conditions of the December 2019 Incentive Options

##### 1. General

- 1.1 No monies will be payable for the Issue of the options.
- 1.2 A certificate (or holding statement) will be issued for the options.
- 1.3 Each option shall carry the right to subscribe for one fully paid ordinary share in the Company ("Share") at the Exercise Price.
- 1.4 The options shall expire at 5.00pm (NZ time) on the Expiry Date.
- 1.5 Subject to the options having vested in accordance with clause 3 and not having lapsed in accordance with clause 4, and subject always to clause 5, the options may be exercised by the Optionholder at any time during the period from the Vesting Date to the Expiry Date.
- 1.6 The Exercise Price shall be payable in full on exercise of the options.
- 1.7 Options may only be exercised by the delivery to the registered office of the Company of a notice in writing. The notice must specify the number of options being exercised and the aggregate Exercise Price for the options exercised and must be accompanied by:
  - (a) The option certificate (or holding statement) for those options, for cancellation by the Company; and
  - (b) A cheque payable to the Company (or such other form of payment acceptable to the Board) for the aggregate Exercise Price for each Share to be issued on exercise of the options specified in the notice.

The notice is only effective (and only becomes effective) when the Company has received value for the full amount of the Exercise Price (for example, if the Exercise Price is paid by cheque, by clearance of that cheque).
- 1.8 Subject to the options being validly exercised in accordance with these Terms, within 10 Business Days after the notice referred to in clause 1.7 becomes effective, the Board must:
  - (a) Allot and issue the number of Shares to be issued in respect of the options being exercised;
  - (b) Cancel the option certificate (or holding statement) for the options being exercised; and
  - (c) If applicable, have a new option certificate (or holding statement) issued for any remaining options covered by the certificate (or holding statement) accompanying the notice.
- 1.9 The options are not transferrable other than pursuant to clause 1.10 or to:
  - (a) A spouse of Mark Unwin; or
  - (b) The trustee of a trust in which Mark Unwin is a beneficiary.
- 1.10 Shares allotted pursuant to an exercise of options shall rank, from the date of allotment, equally with existing Shares of the Company in all respects.

- 1.11 The Company shall, if required under the Listing Rules, make application to have Shares allotted pursuant to an exercise of options listed for Quotation, if the Company is listed on the NZSX or the ASX at the time.

## 2. Participation, Bonus Issues, Reorganisation and Winding Up

- 2.1 Subject to clause 2.2, the Optionholder is not entitled to participate in any new issue of securities to existing holders of Shares in the Company unless the Optionholder exercises the options and is issued Shares upon such exercise before the record date for the determination of entitlements to the new issue of securities, and participates in the relevant issue as a result of being the holder of Shares. The Company must give the Optionholder 7 Business Days written notice of any pro rata new issue of securities to its shareholders before the record date for determining entitlements to the new issue.
- 2.2 If, prior to the expiry or exercise of the relevant options, there is a bonus share issue ("Bonus Issue") to the holders of Shares, the number of Shares over which an option (whether or not then vested) is exercisable will be increased by the number of additional Shares which the Optionholder would have received if the option had been exercised before the record date for the Bonus Issue ("Bonus Shares"). The Bonus Shares must be paid up by the Company out of the profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue.
- 2.3 If there is a pro rata issue (other than a Bonus Issue) to the holders of Shares during the currency of, and prior to the exercise of any options, the Exercise Price of an option (whether or not then vested) will be adjusted in accordance with the formula provided in NZX Listing Rule 8.1.7 (as amended from time to time) or, at the Company's election, the equivalent provision of the ASX Listing Rules, whether or not the Company is listed on the NZSX or ASX at the time.
- 2.4 If, prior to the expiry or exercise of the relevant options, there is a reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company, other than a Bonus Issue or a pro-rata issue of the kind referred to in clause 2.3, then the number of Shares over which an option (whether or not then vested) is exercisable or the Exercise Price of those options or both shall be recalculated (as appropriate) by the Board in its absolute discretion (but acting reasonably and at all times in compliance with the Listing Rules) in a manner which will not result in any benefit being conferred on the holders of the options which are not conferred on shareholders as a whole and which will not result in the Optionholder being adversely affected.
- 2.5 If, prior to the expiry of the options, a resolution for a shareholders' voluntary winding up of the Company is proposed (other than for the purpose of a reconstruction or amalgamation) the Board shall give written notice to the Optionholder of the proposed resolution. The Optionholder may, during the period referred to in the notice, exercise the options to the extent that they have then vested in accordance with clause 3.
- 2.6 Any calculations or adjustments which are required to be made under this clause 2 will be made by the Board and, in the absence of manifest error, are final and conclusive and binding on the Company and the Optionholder.
- 2.7 The Company must within a reasonable period give to the Optionholder notice of any change under clause 2 to the Exercise Price of any options held by the Optionholder or to the number of Shares which the Optionholder is entitled to subscribe for on exercise of an option.
- 2.8 If any changes to these Terms are required to be made to comply with the Listing Rules, the Company shall make such changes as are necessary to ensure compliance with the Listing Rules. The Company shall promptly notify the Optionholder in writing of such changes and the Optionholder shall be bound by such changes from the date of such notification. For the avoidance of doubt, the

rights of the Optionholder will change to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

### 3. Vesting of Options

3.1 The options shall automatically vest on the Vesting Date if Mark Unwin is an employee of a member of the Smartpay Group as at the Vesting Date.

3.2 Subject to clause 3.1, all options shall automatically vest upon one or more of the following events occurring on or before 31 December 2017:

- (a) In the event a takeover offer (as defined in the New Zealand Takeovers Code) to acquire 50% or more of the Shares in the Company becomes or is declared to be unconditional, irrespective of whether the takeover offer extends to Shares issued and allotted after the date of the takeover offer or not; or
- (b) A Change of Control Event occurs; or
- (c) A Release Event occurs; or
- (d) If a merger by way of scheme of arrangement with respect to the Company under the New Zealand Companies Act has been approved by the Court; or
- (e) If Mark Unwin ceases to be an employee of a member of the Smartpay Group by reason of:
  - (i) Death;
  - (ii) His Total and Permanent Disablement; or
  - (iii) His employment with a member of the Smartpay Group being terminated by Smartpay other than for a Termination Reason.

### 4. Lapse of Options

4.1 Options not validly exercised on or before the Expiry Date will automatically lapse.

4.2 Unless otherwise determined by the Board, the Options will automatically lapse on the date falling three months after the date on which Mark Unwin ceases to be an employee of a member of the Smartpay Group, for whatever reason.

### 5. Takeovers limit

5.1 Notwithstanding anything else in these Terms, no options may be exercised if the exercise of such options would result in a person and their associates holding or controlling, in aggregate, more than 19.99% of the voting rights in the Company. In this clause 5.1 "associates", "holding or controlling" and "voting rights" have the meanings given to them in the New Zealand Takeovers Code.

### 6. Interpretation

6.1 In these Terms and Conditions:

"ASX" means ASX Limited or the Australian Securities Exchange, as the context requires;

"Board" means the Board of Directors of the Company as constituted from time to time;

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

**"Change of Control Event"** means a shareholder, or group of associated shareholders, being entitled to sufficient shares in the Company to give it or them the ability, in a general meeting, to replace all or a majority of the Board;

**"Companies Act"** means the New Zealand Companies Act 1993 (as amended or substituted from time to time);

**"Company"** means Smartpay Holdings Limited, a company registered in New Zealand under number 304625;

**"Exercise Price"** means NZD\$0.30;

**"Expiry Date"** means the earlier of:

- (a) 31 December 2019; and
- (b) the date falling two years from the Vesting Date, if the Vesting Date is earlier than 31 December 2017;

**"Listing Rules"** means the official listing rules of NZSX or ASX (as applicable), in each case as amended, varied, modified, or waived from time to time;

**"NZSX"** means the New Zealand stock market operated by NZX Limited;

**"Optionholder"** means the person registered as the holder of the options;

**"Quotation"** has the meaning ascribed to it in the Listing Rules;

**"Release Event"** means that:

- (a) Bradley Gerdls ceases to be an employee or director of, or consultant to, the Smartpay Group; and
- (b) Haymaker Investments Pty Limited ceases to be the holder of at least 750,000 ordinary shares in the Company (adjusted for any consolidation, bonus issues, subdivision or other reorganisation of the share capital of the Company);

**"Smartpay Group"** means the Company and its subsidiaries and subsidiary undertakings;

**"Termination Reason"** means the termination of Mark Unwin's employment with a member of the Smartpay Group for one or more of the following reasons:

- (a) Where Mark Unwin has engaged in wilful misconduct; or
- (b) Where Mark Unwin brings the Company or the Smartpay Group into serious disrepute; or
- (c) Where Mark Unwin has engaged in fraud or dishonesty in respect of any property or affairs of the Smartpay Group; or
- (d) Where Mark Unwin is otherwise in material breach of his duties under his employment agreement with the relevant member of the Smartpay Group.

- (d) Where Martyn Pomeroy is otherwise in material breach of his duties under his employment agreement with the relevant member of the Smartpay Group.

**"Terms"** means these terms and conditions of the December 2019 Incentive Options;

**"Total and Permanent Disablement"** means that Martyn Pomeroy has, in the reasonable opinion of the majority of the Board and with effect from a date determined by a majority of the Board, after considering such medical and other evidence as it sees fit, become incapacitated to such an extent as to render Martyn Pomeroy unable to properly and diligently fulfill his duties under his employment relationship with the relevant member of the Smartpay Group;

**"Vesting Date"** means 31 December 2017 or such earlier date as the options may vest under clause 3.2.