

## **TERMS AND CONDITIONS - PERFORMANCE RIGHTS**

### (a) **Milestone Conversion**

Each Performance Right will be satisfied by the issuance of one fully paid ordinary share (**Share**) in the Splitit Ltd (**Splitit** or the **Company**) upon the achievement of the following performance milestones.

Number of Performance Rights	Performance Criteria	Performance Period
4 million	Splitit achieving Transaction Volumes of A\$150 million in calendar year 2019. Where <b>Transaction Volume</b> means the aggregate amount of funds third party merchants process through the Splitit Payment Platform for the relevant period.	1 year
4 million	Splitit achieving Transaction Volumes of A\$350 million in calendar year 2020.	2 year
2 million	Splitit achieving Transaction Volumes of A\$1.1 billion in calendar year 2021.	3 year
2.5 million	Splitit executing a global business partnership agreement with Mastercard or any other global payment scheme (other than Visa) by the end of the calendar year 2019	1 year
2 million	Splitit executing a global business partnership agreement with Visa or any other global payment scheme (other than a global payment scheme achieved in respect to the above milestone) by the end of the calendar year 2020	2 year
2 million	Splitit achieving Transaction Volumes of A\$200 million through commercial agreements entered into with Visa and/or Mastercard by the end of the calendar year 2021.	3 year
500,000	The holder achieving Transaction Volumes of A\$75 million in calendar year 2019. Where <b>Transaction Volumes</b> (for the milestones below) means the aggregate amount of funds a merchant, which is signed by the holder and/or his designated team, requests to be processed through the Splitit Payment Platform for the relevant period.	1 year
500,000	The holder achieving Transaction Volumes of A\$170 million in calendar year 2020.	2 year
500,000	The holder achieving Transaction Volumes of A\$400 million in calendar year 2021.	3 year

(b) **Change of Control**

Upon the occurrence of a Change of Control of the Company:

- (i) where, at the date of the Change of Control, the satisfaction of all Performance Rights will result in the issue of less than or equal to 10% of the total number of Shares on issue, each Performance Right will automatically entitle the holder to one Share; and
- (ii) where, at the date of the Change of Control, the satisfaction of all Performance Rights will result in the issue of greater than 10% of the total number of Shares on issue:
  - (A) the total number of Performance Rights to be satisfied through the issuance of Shares in exchange therefor must be equal to 10% of the total number of Shares on issue;
  - (B) the number of Shares to be issued with respect to each class of Performance Rights shall be on an equal basis between each such class; and
  - (C) any Performance Rights that are not satisfied through the issuance of Shares in accordance with paragraph (A) and (B) above will continue to be held by the holder on the same terms and conditions set out herein.

**'Change of Control' -**

- (i) the occurrence of:
  - (A) the offeror (or group of offerors acting together) under a tender offer in respect of Shares announcing that it has achieved acceptances in respect of 50.1% or more of the Shares; and
  - (B) that takeover bid has become unconditional; or
- (ii) the announcement by the Company that:
  - (A) shareholders of the Company have at a duly convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement or merger under which all Shares are to be either:
    - (1) cancelled; or
    - (2) transferred to a third party; and
  - (B) the proposed scheme of arrangement or merger is consummated.

(c) **Expiry Date**

If the Performance Rights have not been satisfied by 5.00pm (WST) by the relevant Performance Period, the Performance Rights shall not be capable of satisfaction and shall immediately lapse.

(d) **Shares issued on satisfaction of Performance Criteria**

Shares issued upon satisfaction of a Performance Criteria rank equally with the then Shares of the Company.

(e) **Ceasing to be an Employee**

All unvested Performance Rights will lapse upon the holder ceasing to be an employee of the Company.

(f) **Escrow Restrictions**

The holder of Performance Rights:

- (i) acknowledges that the Performance Rights and the Shares issued on satisfaction of Performance Rights may be escrowed or restricted for a period prescribed by ASX pursuant to the Listing Rules;
- (ii) agrees to be bound by any escrow period prescribed by ASX; and
- (iii) agrees to enter into any agreement as may be required by the Company and ASX to give effect to any escrow prescribed by ASX pursuant to the Listing Rules.

(g) **Reconstruction**

In the event of any reconstruction, consolidation or division of the issued capital of the Company, the Performance Rights and their terms of satisfaction through the issuance of Shares in exchange therefor will be reconstructed, consolidated or divided in the same manner such that no additional benefits are conferred on the holder by virtue of such reconstruction, consolidation or division.

(h) **Winding up**

If the Company is wound up before satisfaction of all of the Performance Rights by the issuance of Shares in exchange therefor, the holders will have no right to participate in surplus assets or profits of the Company on winding up in respect of their Performance Rights.

(i) **Dividends**

Holders of Performance Rights are not entitled to receive any dividends on their Performance Rights.

(j) **Non-Transferable and No Quotation**

The Performance Rights are non-transferable and are unquoted securities.

(k) **Voting Rights**

Holders of the Performance Rights will have no right to vote in respect of their Performance Rights