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THIS DOCUMENT DOES NOT TAKE INTO ACCOUNT THE KEY EMPLOYEE ENGAGEMENT PROGRAMME (“KEEP”) REQUIREMENTS. THE PROPOSED IMPLEMENTATION DATE FOR “KEEP” IS 01 JANUARY 2018, SUBJECT TO STATE AID APPROVAL. SHARE OPTIONS GRANTED BEFORE THE IMPLEMENTATION DATE ARE NOT ELIGIBLE FOR “KEEP”.

[INSERT NAME OF START-UP]

SHARE OPTION SCHEME



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[INSERT NAME OF START-UP]

SHARE OPTION SCHEME 20[]

1. INTRODUCTION

This Scheme is established by ordinary resolution of the Company passed on _____ 20[]. The purpose of the Scheme is to provide for the granting of share options to directors, employees and consultants of the Company and its Subsidiaries in accordance with the provisions set out below.

2. ELIGIBILITY

2.1 Eligible Persons; The Scheme is available to [Executive Directors, Non-Executive Directors, Employees and Consultants] of any Participating Company who shall be nominated by the Board. The Board shall have absolute discretion to nominate [Executive Directors, Non-Executive Directors, Employees and Consultants] as aforesaid.

2.2 Discretion; No person shall be entitled as of right to participate in the Scheme and the decision as to who shall have the opportunity of participating and the time and extent of his participation will, subject to the Scheme, be made by the Board in its absolute discretion.

3. GRANT OF OPTIONS

3.1 Offer: The Board may at any time following the Adoption Date and from time to time while the Scheme is in operation offer to grant Options to Nominated Persons to subscribe at the Exercise Price for Shares and shall specify the consideration (if any) payable on acceptance, the Exercise Price and the maximum number of Shares in respect of which the offer may be accepted.

3.2 Acceptance: Every such offer shall specify the mode of acceptance together with the latest date for acceptance and payment of the said consideration (if any). Unless such offer is duly accepted and the appropriate consideration (if any) paid on or before the date specified, such offer shall be deemed to have been declined.

3.3 Grant: Upon receipt by the Board of such acceptance and consideration, the Company shall grant to the Nominated Person an Option (which shall be personal to the grantee and non-assignable) to subscribe for the appropriate number of Shares at the Exercise Price relating thereto. The offer to grant Options to Nominated Persons shall be substantially in the form of the Notice of Share Option Grant appearing in Schedule 1 attached.

4. **EXERCISE PRICE**

The Exercise Price at which Shares may be acquired by the exercise of a right obtained under the Scheme shall be determined by the Board from time to time and stated at the time the right is obtained and shall not, in any event, be less than the nominal value of those Shares.

5. **SCHEME LIMIT**

The aggregate number of Shares for which Options to subscribe may be granted under the Scheme on any day shall not, when added to the number of Shares which immediately prior to that day shall have been or remain to be issued pursuant to Subsisting Options granted under the Scheme or any subsequent share option scheme adopted by the Company, exceed [] Shares.

6. **PERIOD FOR EXERCISE OF OPTION AND VESTING**

6.1 **Exercise Period:** Notwithstanding anything else contained in the Scheme, no Option shall be exercisable more than [six] years and eleven months after the date upon which it was granted.

6.2 **Vesting:** Subject always to Clause 6.1, each Option shall, unless otherwise determined by the Board, vest (or, in other words, become exercisable) over a [four] year period commencing on the Date of Grant set out in the relevant Notice of Share Option Grant as to [25] per cent of the Shares subject to the Option in respect of, and upon the expiry of, each year during that [four] year period.

6.3 **Waiver:** Without prejudice to Clause 6.2, the Board may, in relation to any Option or Options granted or to be granted, determine that the vesting arrangements so determined and specified shall be waived, whether in whole or in part and to such an extent and otherwise in such manner and/or upon such terms as the Board so determines. In such event, the Participant or proposed Participant concerned shall be notified in writing thereof and such waiver (and the terms attaching thereto) shall take effect accordingly.

7. **PROCEDURE ON EXERCISE OF OPTION**

7.1 **Notice:** An Option shall be exercised by notice in writing given by the Participant to the Company, such notice to be substantially in the form appearing in Schedule 2 attached (a “**Notice of Exercise**”). The Participant shall notify the Company that he is exercising the Option in respect of (as the case may be) all or part of the Shares for the time being comprised in the Option. A Notice of Exercise of an Option shall be accompanied by payment of the aggregate Exercise Price for the Shares in respect of which the Option is exercised.

7.2 **Issue:** As soon as practicable after receipt by the Company of such Notice of Exercise and payment of the aggregate Exercise Price, the Shares in respect of which the

Option is exercised shall be issued by the Company to the Participant and such Shares shall rank in all respects pari passu with the Shares in issue on the date of allotment save as regards any rights attaching to such Shares by reference to a record date prior to the date of such allotment. In the event of an Option being exercised in part only, the relevant Notice of Share Option Grant shall be cancelled and a new Notice of Share Option Grant setting forth the number of Shares in respect of which the Option has not been exercised shall be delivered by the Company to the Participant.

7.3 **Procedure:** Shares acquired under this Scheme shall be allotted, certificates issued and names registered within 60 days of the relevant Option.

8. CESSATION

8.1 **Cessation of Office/Employment:** If a Participant ceases for any reason (including death, disability or retirement) to hold the office or employment by virtue of which he is eligible to participate in the Scheme (unless the Participant concerned becomes a Consultant within a period of one month after such cessation in which case the provisions of this Clause 8.1 shall not apply) or in the case of a Participant who is a Consultant his/her consulting contract with the relevant Participating Company ceases (unless the Consultant concerned becomes an Employee within a period of one month after such cessation in which case the provisions of this Clause 8.1 shall not apply), then in such case:

- (a) where such cessation is by reason of death or disability, all Options held by such Participant shall, to the extent that they have not already vested, immediately vest and any vested Options (including, for the avoidance of doubt, all Options which have vested pursuant to the provisions of this Clause 8.1(a)) may, in the case of disability, be exercised by the Participant within six months of the date of cessation, failing which they shall immediately lapse and, in the case of death, may be exercised by the Participant's personal representatives within six months of the date of death (and, in those circumstances, for the avoidance of doubt any Shares acquired by such personal representatives shall be subject to the terms of this Scheme, if such Shares were the Shares of the Participant), failing which they shall immediately lapse;
- (b) where such cessation is by reason of termination of the Participant's employment contract or the relevant consultancy contract by a Participating Company, all Options held by such Participant shall, to the extent that they have not already vested, immediately lapse and shall not thereafter be exercisable with effect from the date of such cessation, unless the Board shall in its absolute discretion decide otherwise. All Options held by such Participant may, to the extent that they have already vested, be exercised during the 30 day period (or such other period as the Board shall in its absolute discretion determine) following such cessation, failing which they shall immediately lapse;

- (c) where such cessation is for any other reason (including voluntary cessation on the part of the Participant concerned) all Options held by such Participant shall, to the extent that they have not already vested, immediately lapse and shall not thereafter be exercisable with effect from the date of such cessation, unless the Board shall in its absolute discretion decide otherwise. All Options held by such Participant may, to the extent that they have already vested, be exercised during the three month period (or such other period as the Board shall in its absolute discretion determine) following such cessation, failing which they shall immediately lapse.

8.2 **Compensation:** In no circumstances shall any Participant ceasing to hold any office or employment as aforesaid be entitled to any compensation for any loss of any right or benefit or prospective right or benefit under the Scheme which he might otherwise have enjoyed, whether such compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for loss of office or otherwise howsoever.

9. TAKEOVER AND LISTING

9.1 **Relevant Offers:** In the event of a Relevant Offer being made which Offer is, in the opinion of the Board (at their sole discretion), acceptable to persons having direct or indirect beneficial ownership of at least [50%] of the voting share capital of the Company, the Board may by notice in writing cancel any Options held by Participants which have not yet become exercisable at the date of such notice (i.e. Options may be cancelled to the extent that they have not yet vested) for no consideration and the Board may also by notice in writing:

- (a) request Participants to exercise their Options to the extent that they were entitled to exercise them at the date of such notice (and/or to the extent that such Participants are permitted to do so by the Board pursuant to Clause 6) within such time or times and upon and subject to any conditions or limitations as the Board may at its discretion determine. To the extent that any Participant has not exercised any such Option within 45 days of such notice (or such longer period as the Board may determine) the Option shall lapse; or
- (b) cancel any Options which have become exercisable provided that a payment is made to the Participants concerned equal to the aggregate Market Value of the Shares subject to the Options at the date of such cancellation less the aggregate Exercise Price which was payable on the exercise of such Options, such payment to be made net of any taxes or any other amounts required by law to be deducted therefrom.

9.2 **Listings:** In the event of a Listing, immediately prior to and conditional upon such Listing or, at the discretion of the Board, during such period following the Listing as the Board may permit, the Board may by notice in writing cancel any Options which have not yet become exercisable at the date of such notice (i.e. Options may be

cancelled to the extent that they have not yet vested) and the Board may also by notice in writing:

- (a) request Participants to exercise their Options to the extent that they were entitled to exercise them at the date of such notice (and/or to the extent that such Participants are permitted to do so by the Board pursuant to Clause 6) within such time or times and upon and subject to any conditions or limitations as the Board may at its discretion determine. To the extent that any Participant has not exercised any such Option within forty five days of such notice (or such longer period as the Board may determine) the Option shall lapse; or
- (b) cancel any Options which have become exercisable provided that a payment is made to the Participants concerned equal to the aggregate Market Value of the Shares subject to the Options at the date of such cancellation less the aggregate Exercise Price which was payable on the exercise of such Options, such payment to be made net of any taxes or any other amounts required by law to be deducted therefrom.

10. EXCHANGE/ASSUMPTION OF OPTIONS

10.1 **Control:** This Clause applies where a company (the “**Acquiring Company**”):

- (a) obtains Control of the Company as a result of making a general offer to acquire:
 - (i) the whole of the issued ordinary share capital of the Company (other than that which is already owned by it or its subsidiaries or holding company (as such phrases are defined in Section 7 and 8 of the Companies Act 2014)) made on a condition such that, if satisfied, the Acquiring Company will have Control of the Company; or
 - (ii) all the issued Shares (or such Shares as are not already owned by the Acquiring Company or its subsidiary or holding company) in the capital of the Company; or
- (b) obtains Control of the Company in pursuance of a compromise or arrangement sanctioned by the court under Section 450 of the Companies Act 2014; or
- (c) becomes bound or entitled to acquire Shares under Section 457 of the Companies Act 2014.

10.2 **Release:** Unless the Board determines otherwise pursuant to Clause 10.2(c), each Participant may at any time within the period referred to in Clause 10.2(a) by agreement with the Acquiring Company, release his Options (the “**Old Options**”) in consideration of the grant to him of new options (the “**New Option**”). The New Options shall be over shares in the Acquiring Company or a subsidiary or holding company of the Acquiring Company.

- (a) The period referred to in Clause 10.2(a) is:
 - (i) in a case falling within Clause 10.1(a), six months beginning with the time when the Acquiring Company obtains Control of the Company and any condition subject to which the offer is made is satisfied;
 - (ii) in a case falling within Clause 10.1(b), six months beginning with the time when the court sanctions the compromise or arrangement; and
 - (iii) in a case falling within Clause 10.1(c), the period during which the Acquiring Company remains so bound or entitled.

- (b) Where a Participant is granted New Options for release of his Old Options in accordance with this Clause 10 then:
 - (i) the New Options shall be treated as having been acquired at the same time as the Old Options and be exercisable in the same manner and at the same time as the Old Options;
 - (ii) the New Options shall be subject to the provisions of this Scheme as it had effect in relation to the Old Options immediately before the release;
 - (iii) with effect from the release and grant, the provisions of this Scheme shall, in relation to the New Options, be construed as if references to the Company and Shares were references to the Acquiring Company and shares in the Acquiring Company, or as the case may be, the other company in respect of whose shares the New Options are granted; and
 - (iv) the New Options shall be over such number of shares as equates, as closely as possible, to the value of the Shares which were subject to Old Options.

- (c) In circumstances where this Clause 10 applies the Board may, at its absolute discretion, determine that the liability of the Company under all Options is to be assumed by the Acquiring Company. Participants acknowledge that, in those circumstances, the terms upon which their Options have been granted may be amended such that, upon the exercise of an Option, shares in the Acquiring Company or a subsidiary or holding company of the Acquiring Company will be issued to the Participant rather than Shares in the Company.

11. **COMPULSORY TRANSFER/SALE**

- 11.1 **Notice:** Subject always to Clause 11.2, if a Participant ceases for any reason to hold the office or employment by virtue of which he is eligible to participate in the Scheme, then the Participant concerned shall be deemed, upon the date which falls one month after such cessation, to have given a Transfer Notice under Article 13 of the

Constitution (as the same may be amended, modified or replaced from time to time) in respect of all Shares which he has acquired pursuant to this Scheme.

- 11.2 **Discretion:** Notwithstanding the provisions of Clause 11.1, the Board may, in respect of any Participant, determine that the provisions of Clause 11.1 do not apply.

12. **LIQUIDATION**

In the event of the Company going into liquidation, all Options shall ipso facto cease to be exercisable and (save to the extent that the Board may, prior to such liquidation, in its absolute discretion determine) Participants shall not be entitled to damages or other compensation of any kind. Notwithstanding the foregoing, in the event of any liquidation being part of a scheme for the reorganisation of the Company or the liquidation being part of a scheme for the merger of the Company with any other company or companies the provisions of Clause 10 shall apply as if the said liquidation were an offer made to acquire the whole or a specified portion of the Shares.

13. **ALTERATIONS IN CAPITAL**

In the event of any increase or variation of the share capital of the Company (whenever effected) by way of capitalisation issue (other than an allotment as part of a scrip dividend issue), consolidation or subdivision or reduction of the capital of the Company, the number of shares subject to any Option and the Exercise Price for each of the Shares comprised in an Option shall be adjusted in such manner as the Board shall determine to be fair and reasonable (with the assistance of the Auditors, if the Board considers their assistance necessary) provided that:

- (a) the aggregate amount payable on the exercise of an Option in full is not increased;
- (b) the Exercise Price for a Share is not reduced below its nominal value.

14. **ALTERATIONS**

The Company may at any time by resolution of the Board vary, amend or revoke any of the provisions of the Scheme in such manner as the Board may (at its absolute discretion) determine provided that: -

- (a) the purpose of the Scheme shall not be altered; and
- (b) no such variation, amendment or revocation shall increase the amount payable by any Participant or otherwise impose more onerous obligations on any Participant in respect of the exercise of an Option which has already been granted.

15. **SHARE CAPITAL**

The Company shall keep unissued sufficient Shares to enable it to discharge its obligations under the Scheme and shall take all steps as may be necessary (including the passing of any resolutions of the Company) to ensure that the directors of the Company shall, at all material times, be generally and unconditionally authorised to allot Shares to Participants in accordance with the provisions of Section 69 of the Companies Act 2014 (or any statutory modification or re-enactment thereof) and so that the provisions of Section 69(6) of the said Act (or any such modification or re-enactment thereof) shall not apply to any such allotment.

16. **ASSIGNMENT**

The rights of the Participants under this Scheme shall be personal and shall not be assignable in whole or in part and no Option shall be transferrable.

17. **TERMINATION**

17.1 **Resolution:** The Scheme may be terminated at any time by an ordinary resolution of the Company.

17.2 **Further Options:** With effect from any termination of the Scheme under Clause 17.1 the Company shall not grant any further Options but no such termination shall affect or modify any subsisting rights or obligations of the Participants in respect of any Options. Notwithstanding such termination the Company shall continue to do and perform such acts in accordance with the provisions hereof as are necessary for or incidental to the administration and management of outstanding rights and obligations which arose under or by virtue of the Scheme.

18. **ADMINISTRATION**

The Scheme shall in all respects be administered under the direction of the Board which may make such rules for the conduct of the Scheme consistent with the terms and conditions herein contained as it deems advisable.

19. **MISCELLANEOUS**

19.1 **Notices:** Any notice or other communication under or in connection with the Scheme may be given in writing by personal delivery or by sending the same by post, in the case of the Company to its registered office for the attention of the company secretary, and in the case of an individual to his last known address, or, where he is an Employee or Executive Director of any Participating Company, either to his last known address or to the address of the place of business at which he performs the whole or substantially the whole of the duties of his office or employment. Where a notice or other communication is given by post, it shall be deemed to have been received 48 hours after it was put into the post properly addressed and stamped.

19.2 **Governing Law:** These rules shall be governed by and construed in accordance with the laws of Ireland.

19.3 **Disputes:** Any dispute arising under the Scheme between the Company and any Participant (or his legal personal representative) shall be referred for a decision to the Auditors of the Company. The decision of the Auditors on such matters shall (save in the case of manifest error) be final and binding on all parties concerned. The Auditors' costs shall be borne by the Company. The Auditors shall act as experts and not arbitrators and the provisions of the Arbitration Acts, 2010 shall not apply.

20. DEFINITIONS AND INTERPRETATION

20.1 **Definitions:** In this Scheme, unless the context otherwise requires:

“**Acquiring Company**” means a company which obtains Control of the Company or becomes bound or entitled to acquire its Shares as set out in Clause 10;

“**Adoption Date**” means the date on which the Scheme is established by an ordinary resolution of the Company;

“**Auditors**” means the auditors for the time being of the Company;

“**Board**” means the board of directors for the time being of the Company or a duly constituted committee of such board;

“**Company**” means [insert name of start-up];

“**Constitution**” means the constitution of the Company for the time being and from time to time;

“**Consultant**” means a person who either provides consulting services directly to any Participating Company or is an employee of any entity which provides consultancy services to any Participating Company;

“**Control**” has the same meaning as in Section 11 of the Taxes Consolidation Act 1997;

“**Employee**” means a full time permanent employee of any Participating Company who devotes substantially all of his time to that company;

“**Executive Director**” in relation to a Participating Company, means a director who is required to devote substantially the whole of his time to the services of that company;

“**Exercise Price**” means the price (determined in accordance with Clause 4) at which Shares must be subscribed for upon the exercise of an Option;

“**Listing**” means the admission of all or any part of the ordinary share capital of the Company or the grant of permission to deal in the same on any recognised public securities market;

“**Market Value**” means such value as shall be determined by the Board with, if the Board so requires, the assistance of the Auditors;

“**Nominated Person**” means a person who shall have been nominated for the purposes of the Scheme pursuant to Clause 2;

“**Non-Executive Director**” in relation to a Participating Company, means a director who is not required to devote substantially the whole of his time to the service of that company;

“**Notice of Share Option Grant**” has the meaning set out in Clause 3;

“**Option**” means an option granted pursuant to this Scheme;

“**Participant**” means a Nominated Person who is for the time being the holder of an Option and includes any such person who has exercised an Option in whole or in part;

“**Participating Company**” means the Company and any Subsidiary which is for the time being nominated by the Board to be a Participating Company;

“**Relevant Offer**” means an offer to purchase shares which, if accepted, would result in the making of a Relevant Transfer;

“**Relevant Transfer**” means a single transfer of shares, or a transfer of one or more shares forming part of a larger transaction or of a series of transfers, which would result in a person or persons obtaining control of the Company; and for these purposes “control” shall mean direct or indirect beneficial ownership of at least [50]% of the voting share capital in the Company;

“**Scheme**” means this Share Option Scheme 20[] as set out herein or as amended from time to time in accordance with the provisions in that regard contained in this document;

“**Shares**” means the [B] Ordinary Shares of [€1.00] each in the capital for the time being of the Company¹;

“**Subsidiary**” means any company which is for the time being a subsidiary of the Company within the meaning of Section 7 of the Companies Act 2014; and

“**Subsisting Option**” means an Option which has neither lapsed nor been exercised.

20.2 **Interpretation:** In this Scheme:

- (a) any reference to any statute or statutory provision shall be construed as including a reference to that statute or statutory provision as amended,

¹ Often the class of shares offered to employees under the scheme are a separate class of shares to the ordinary equity and do not carry any voting rights.

extended or re-enacted from time to time and also statutory instruments, regulations or orders made pursuant thereto;

- (b) reference to the singular includes reference to the plural and vice versa and reference to the masculine gender includes reference to the feminine and the neuter genders and vice versa;
- (c) the headings contained in this Scheme are inserted for convenience of reference only and shall not in any way form part of or affect or be taken into account in the construction or interpretation of any provision of this Scheme.

SCHEDULE 1

FORM OF NOTICE OF SHARE OPTION GRANT

[INSERT NAME OF START-UP]

SHARE OPTION SCHEME 20[]

NOTICE OF SHARE OPTION GRANT

[Nominated Person's Name]

[Address]:

You have been granted an option to purchase [B] Ordinary Shares of [Insert company Name] Limited (the "**Company**") as follows:

Board Approval Date:

Date of Grant:²

Exercise Price Per Share:

Total No. of Shares Granted:

Total Price of Shares Granted:

Term/Expiration Date:

Vesting:

[None] [$\frac{1}{4}$ of the original Shares subject to the Option shall vest on each anniversary of the Date of Grant - Amend as appropriate pursuant to Clause 6 of the Share Option Scheme.]

You understand that there may be tax consequences on the grant and/or exercise of the Options. You acknowledge that it is the Participant's and not the Company's responsibility to make all necessary tax returns and account for any tax which may arise by reason of the grant or exercise of the Options. You are informed that in accordance with Section 128 of the Taxes Consolidation Act 1997 the Company is obliged to return certain details to the Inspector of Taxes in relation to the Share Option Scheme.

By your signature and the signature of the Company's representative below, you and the Company agree that this Option is granted under and governed by the terms and conditions of the [insert name of start-up] Limited Share Option Scheme 20[].

[Insert Name Of Nominated Person]

[Insert name of start-up]

.....
Signature

.....
Signature

.....
Print Name

.....
Print Name

.....
Title

² Date of Board Approval or Commencement of Employment

SCHEDULE 2

NOTICE OF EXERCISE

To: [insert name of start-up]
Attn: Company Secretary
Subject: Notice of Intention to Exercise Share Option

This is a notice that I, the undersigned, intend to exercise my option to purchase [] “B” ordinary shares of [€1] each of [insert name of start-up], under and pursuant to the Company’s Share Option Scheme 20[] and the Notice of Share Option Grant dated [] as follows:

Date of Grant: _____

Number of Shares: _____

Exercise Price Per Share: _____

Total Purchase Price: _____

Method of Payment
of Purchase Price: _____

The shares should be issued as follows:

Name: _____

Address: _____

SIGNED: _____

Dated: _____