**[ENTER COMPANY NAME]**

**EMPLOYEE STOCK OPTION PLAN [ESOP]**

**[ENTER DATE]**

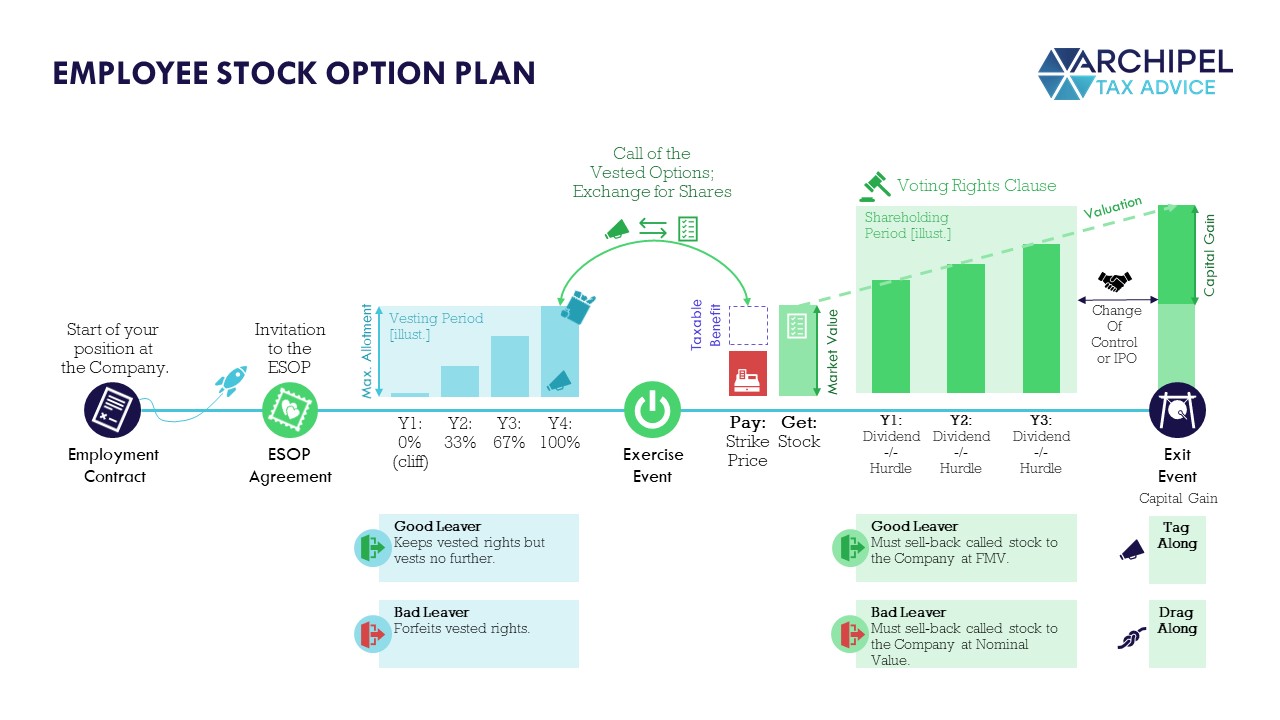
**Preamble:**

Hi [Staff Member Name],

It is our pleasure to invite you to our ESOP as a key person within our organization. The intent of this ESOP is to create a means for you to share our company’s success and future value, and to earn your share in its equity as you work. We consider this a win-win: it helps us keep you on board and incentivize you to go above and beyond even further, while you build equity and company ownership. With that, the ESOP is closely connected to your company position and vice versa, and we look forward to seeing it flourish.

Before we proceed to the necessary legal wording, we briefly set out the workings in regular wording and a quick visual:

* As you work, you ‘vest’ your maximum allotted option rights;
* Upon an Exercising Round, you can call the vested rights;
* When you exercise, you pay the Strike Price and obtain the actual Units [Stock];
* These Units give you economic ownership in the company’s equity, and with that: a right to equity benefits [dividends and/or capital gains] after a potential ‘Hurdle’ has been surpassed;
* This Agreement also sets a framework for your Unit-ownership period;
* At some point, an Exit Event may come along. You may be able to tag along or be dragged along then, in which case you will transfer your Units and realize a capital gain on them. The kicker.



Happy to have you on board! **[Custodian Name & Signature]**

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| **Article 1: Definitions** | |
| Agreement. | This Agreement, including schemes and annexes and possible future amendments thereto, as a private agreement and as a framework to the Company’s Incentive Plan. |
| Cap Table. | The ownership structure of the Company. |
| Company. | [Enter Company Name], registered with the Dutch Chamber of Commerce under reg.no. [Enter CoC Reg No], with its statutory seat at [address], and/or its affiliated parties. |
| Custodian. | The party responsible for the administration, arbitration and execution of this Agreement and its terms. |
| Economic Ownership. | The composition of rights and obligations pertaining to the Cash Benefits on the Units that the Participant is envisaged to come to own in light of this Agreement. |
| Effective Date. | The date from which this Agreement has effect. |
| Strike Price Loan. | A loan with underlying conditions that the Participant may be offered in order to finance the Strike Price in part or in full. |
| Incentive Plan. | The offer from (the shareholder(s)) of the Company to the employees to participate, upon which this Agreement is based. |
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| Participant. | The person, party to this Agreement, who becomes a prospective or current Unit owner as per signing and as such ascends or may ascend to the Company’s Cap Table subject to the conditions stated in this Agreement. |
| Participation Framework. | The conditions that govern specific elements of the Participant’s Unit ownership vis á vis the Company, such as the voting rights, entry and leaver conditions or financial parameters and triggers linked to Unit ownership. |
| Statutes. | The statutes and articles of association of the Company. |
| Strike Price. | The price against which the Participant can obtain (Depositary) Shares in the Company, whether or not through exercising Stock Option Rights. |
| Transaction Price. | The price against which a Unit is transferred. |
| Unit. | The equity instrument that the Participant can obtain by Exercising the Vested Option Rights, being the intent and purpose of incentivization through the Incentive Plan. |

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| **Article 2: Participants** | |
| Qualitative Requirements. | As the Participation Framework set out in this Agreement is intended to leverage Company employee ownership, the ownership of any Units issued under it is reserved solely for persons meeting the following conditions:   * Person has worked at the Company for at least [1] years; * Person is an active employee of the Company and is not, for instance, on administrative or gardening leave or otherwise made inactive or a [good or bad] leaver; * Person is invited by the Custodian to participate in this Incentive Plan. |
| Registry of Participants. | A Registry of Participants is maintained by the Custodian. This registry contains data about the Participants such as:   * Their names and Qualitative parameters; * The amount of Units Allotted per Participant; * The amount of rights exercised per Participant; and * The Unit parameters [dates, prices, performance] of the Units per annum.   As such, the Participant is comprehensively up to date on the performance of their Units, as it is clear what portion of Capital and Dividends is allocated per Unit. |
| Custodian. | The Custodian of this ESOP will be [Enter Name] and, in case of their replacement, any other Custodian so appointed by the Company. |

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| **Article 3: Units** | |
| Type of Units Involved. | Under this Agreement, the Participant is allotted Call Option Rights that, when Vested, can be Exercised [Called] according to the Exercising Procedure to obtain the so-called Units in the Company. The Units in case shall consist of:   * Company Voting Stock; * Company Non-Voting Stock; * Company Depositary Stock [choose one, delete the others].   These Units shall be issued directly and administrated by [Enter Issuing Vehicle or Foundation Name], registered with the Dutch Chamber of Commerce under reg. no. [Enter CoC Reg No of directly issuing entity] with its statutory seat at [address]. |
| Allotment [Maximum Number of Units granted to Participant]. | The Participant is granted Call Option Rights to obtain [‘Allotted’] the following maximum amount of Units as per Call Option [as in art. 10a of the Dutch Wage Tax Act / *Wet op de Loonbelasting 1964*]:   * \_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Company Economic Ownership per Unit. | [Issuing Vehicle or Foundation Name] shall be the Economic Owner of the following percentage of the Company’s Equity upon the Effective Date:   * [XX %]   [Issuing Vehicle or Foundation Name] itself shall be divided into the following amount of Units as per the Effective Date:   * [#] Units   Therefore, each Unit shall, as per the Effective Date, represent the following percentage of the Company’s Equity:   * [XX %].   The shall economically own, upon the Effective Date [XX %] of the Company’s equity. |
| Cap Table and Information. | The total amount of Units and stock that the company has outstanding is recorded by the Custodian, and the situation as per the Effective Date is listed and visualized in the Cap Table as attached to this Agreement in **Annex 1**.  The Custodian shall keep a Cap Table current [i.e.: adjusted for any Cap Table mutations occurring after the Effective Date] and the Participant shall be provided with a copy of said current Cap Table upon their request. |

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| Article 4: Vesting of Allotted Rights | |
| Vested Rights are Allotted Option Rights that can be Exercised for Units. | To the extent that Allotted Rights to obtain Units have ‘Vested’ as according to the Vesting Scheme, the Participant can exercise said Vested rights and so obtain the underlying Units by Exercising these rights. |
| Vesting Scheme. | The Participant’s Allotted rights to obtain Units vest according to the following schedule or Vesting Scheme, starting from the Effective Date:   * As per the end of Year 1: 0% of the Allotted Rights [Cliff period]; * As per the end of Year 2: 33% of the Allotted Rights; * As per the end of Year 3: 67% of the Allotted Rights; and * As per the end of Year 4: 100% of the Allotted Rights. |
| Effective Date. | This Agreement’s Effective Date shall be [enter date]. |
| Active Employment is a Condition for Vesting. | The vesting of rights cannot take place if the Participant is not an active employee of the Company as mentioned in Article 2. This requirement applies equally whether the Participant qualifies as a Good Leaver or a Bad Leaver. |

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| **Article 5: Exercising Procedure** | |
| Exercising of Rights. | The Vested Rights can be exercised to the extent that Allotted rights to obtain Units have ‘Vested’. The Participant can exercise said Vested rights, in full or in part, as per each and any subsequent Exercising Round, and obtain the related number of Units by Exercising these rights at that time. |
| Exercising Round Trigger. | The Custodian shall notify the Participant of any Exercising Round Trigger being met, and the following events shall constitute such Exercising Round Triggers:   * The completion of the Company’s financial year in which Participant’s Allotment reaches 100% Vesting; * An Exit Event; and/or * [Describe additional events]. |
| Exercising Round. | Upon such a Trigger event, Vested Rights can be exercised in whole or in part, during the next Exercising Round.   * An Exercising Round is a timeframe of 1 month during which the Participants can communicate with the Custodian what amount of Vested Rights [Batch] they wish to exercise. * The Company’s Exercising Rounds will take place within 1 month of the Custodian’s Notification, which is to be issued within 1 month of the Trigger occurrence; * The Exercising Round is executed within 1 month after its ending, upon which event the Participant must meet the Exercising Conditions after which the Company delivers the Units pertaining to the Exercised Rights to the Participant. |
| Exercising Conditions. | Prior to execution, the Participant must:   * Fulfill the Strike Price as per the Custodian’s instructions; * Meet the Qualitative Requirement of this Agreement; and * Sign this Agreement and/or any rejuvenations of it or addendums to it as deemed necessary by the Company or its legal representatives. |
| Registry Update. | After exercise, the Custodian updates the Company’s Cap Table and Registry of Participants to properly reflect the division and allocation of the Economic Rights incurred by the Company. |

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| **Article 6: Unit Value and Strike Price** | |
| Company Value. | With the Units in the Company as a Key Value Driver underlying the performance of and obligations linked to the Incentive Plan as laid out in this Agreement, the Company Value must be accepted between parties.  As such, the Custodian will determine the Company Value for this Agreement in accordance with the Valuation Master File as laid out in **Annex 2,** and update this Valuation to be current at the start of any Exercising Round and inform the Participants accordingly. |
| Unit Value. | The Unit Value is derived from the Company Economic Ownership it represents in the Company and its Value, adjusted for any cap-table factors and/or any other mark-down factors including those such as Hurdle Clauses or other clauses that may stem from this agreement. The Unit Value is substantiated in **Annex 3**. |
| Strike Price. | The Strike Price that the Participant pays to exercise Vested Rights and, with that, obtain the Units, is set at:   * [XX%] of the Unit Value upon the start of the Exercise Round; or * A Lump-Sum of [€ XX]. |
| Strike Price Payment. | The Strike Price Payment consists of the Strike Price -/- any part of said Price that the Custodian and the Participant agree to not settle upfront but rather finance by means of an Strike Price Loan extended by the Company to the Participant. The Custodian or the collected party they appointed must have received the Participant’s Strike Price Payment prior to the Exercise Round execution. |
| Benefit and Taxation. | Any Delta between the combined Unit Values and the combined Strike Price upon the exercise event, is understood to qualify as a taxable wage benefit as per the Dutch Wage Tax Act. According to its article 10a, the tax is incurred in the month of the Exercise Round’s execution [as per 2023: optionally as per the Units becoming transferable]. The Parties agree that this tax shall be borne by:   * The Participant; or * The Company [select one and delete the other]. |

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| **Article 7: Strike Price Loan** | |
| Capital Amount. | Participant and the Company can agree to settle the Strike Price, in whole or in part, through the conclusion of an Strike Price Loan prior to the Exercising Round Execution. The amount so agreed on shall be the Capital Amount of the Strike Price Loan so extended. |
| Loan Conditions. | The Loan Conditions shall be further formalized in the Loan Agreement attached as **Annex 4.** As neither Participant nor the Company intend any de-facto advantage or benefit in kind to arise from the Loan Position, the conditions are expressly intended to reflect business conditions. On a high level, these Conditions shall have the following basic outline:   * Loan Term: 10 years. * Settlement Schedule: 10 equal annual installments to be paid per year-end. Participant can choose to settle the debt quicker without any penalty. * Interest Rate: Simple Interest at a rate of ESTER + 300 base points, calculated on the unsettled Capital Amount as per year-start and due per year-end. * Security: the Participant’s obtained Units as per the involved Exercise Round shall serve as recourse for any risk of the Participant’s default on the Loan. |

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| **Article 8: Financial Unit Rights** | |
| Periodic Returns. | After exercise, the Units represent Company Economic Ownership and, as such, a stake in the Company’s equity profits and value. After considering its cash position in line with the provisions laid out in the Company’s Statutes, the Company distributes any profits made available [dividends] amongst its Cap Table [**Annex 1**], taking into account any specific Hurdle Clauses [Dividends] and/or preference clauses. The Returns or Dividend policy with respect to these Units is portrayed in **Annex 5**. |
| Capital Returns. | After exercise, the Participant is the full Economic Owner of the Units, and the beneficial receiver of any proceeds derived from the Transfer of the Units [Capital Gains]. |

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| **Article 9: Hurdle Clause** | |
| Hurdle [Foregoing Returns]. | The Participant’s Units may be subject to a Hurdle. The Hurdle is a cumulative amount of Periodic [Dividend] and/or Capital Gains that the Participant shall forego in favor of the other shareholders of the identical or the most comparable Units in the Company, as derived from the Cap Table. The Participant’s Hurdle shall amount to:   * [XX%] of the Unit Value upon the execution of the Exercise Round; or * A Lump-Sum of [€ XX]. |
| Hurdle Registry. | The Custodian shall register the Participant’s Hurdle and a current state of Foregone Returns. After the Hurdle has been earned-in, the residual or consecutive economic equity fruits of the Units held shall be distributed to the Participant |

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| **Article 10: Legal Unit Rights** | |
| Meeting Rights and Voting Rights. | The Units [shall/shall not] carry [Meeting Rights [and/or] Voting Rights] in the Company’s statutory [and/or] de-facto decision-making processes or forums. The ‘Decision Table’ is attached as **Annex 6**. |
| Right to Information. | The Custodian shall make reasonably available, the proper information [such as an end-of-year financial report] to the Participants to establish the performance of the Units. |

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| **Article 11: Transfer Restrictions** | |
| Restrictions of Transferability [Units non-transferable]. | The Participant shall not sell, exchange, donate or otherwise dispose of, transfer or pledge, encumber, loan or rent out, directly or indirectly, in full or in part, the Units, unless this Agreement explicitly stipulates or allows otherwise. |
| Temporal Lift of Transfer Restrictions. | The restrictions of transferability in this Agreement shall no longer apply [from the date one day after which the Participant has been a current Unit owner for [XX] years / when [XX] or more calendar years have passed since the Effective Date], and/or when the Custodian so states. Any Tag- or Drag-Along Exit Clause shall supersede these restrictions. |
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| **Article 12: Exit Provisions** | |
| Exit Event. | An Exit Event is any Cap Table event in which a controlling stake/a stake of [XX%] or more is transferred to a Buyer. |
| Drag Along. | In case of an Exit Event, the Company may obligate to the Participant to transfer their Units to the Buyer against consideration of the Units’ pro-rata part in the Transaction Price as part of the Exit Transaction. The Participant receives their Capital Gain after settling any remaining Strike Price Loans and/or Hurdle Clauses upon the Exit Event’s closing. |
| Tag Along. | In case of an Exit Event, the Participant may sell [a pro-rata part of] their Units to the Buyer against consideration of the Units’ pro-rata part in the Transaction Price as part of the Exit Transaction. The Participant receives their Capital Gain after settling any remaining Strike Price Loans and/or Hurdle Clauses upon the Exit Event’s closing. |
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| **Article 13: Price/Unit Alignment Mechanism** | |
| Unit Value exceeded Strike Price [‘*Glijclausule*’]. | In order to prevent ‘Black Box’ cash effects for the Parties to this Agreement, a Price Alignment Mechanism shall apply. In case an event such as a tax assessment or external transaction indicates that the Company Value upon any Exercise Event should retroactively be considered significantly higher than it appeared upon the Exercise Event itself, the Parties shall remedy the related cash effects as follows:   * The Participant shall pay an additional cash amount to top-up the Strike Price, such that the reassessed Exercise benefit [combined Unit Value -/- Strike Price] is equal to what was assessed at the time of the Exercise; * Forfeit an amount of the Units, such that the reassessed Exercise benefit [combined Unit Value -/- Strike Price] is equal to what was assessed at the time of the Exercise; or * The Parties will add to any Hurdle or Loan an amount such that the materiality for the Company is properly mitigated. |

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| **Article 14: Leaver Provisions** | |
| Bad Leaver. | A Bad Leaver must transfer back any Units obtained through Exercising as per this Agreement to the Company at their statutory Nominal Value or Fair Market Value, whichever is lowest, within one month’s time from the Custodian’s notice. Any vested and unvested rights the Participance still has will be lost. A Participant is a Bad Leaver:   * If they cease to be active employees of the Company, be it because of termination or job switch, or; * If they violate any of the clauses stated in their Employment Agreement, or; * If they are convicted of felonies or criminal offences; * Save if the Company grants them Good Leaver Status in any of these instances, which would then be communicated by the Custodian, in writing and ultimately one month prior to the effective date of any Participant’s announced leave from the Company. |
| Good Leaver. | A Good Leaver must transfer back their Units to the Company against a consideration of the Units Fair Market Value upon their Leave as calculated in accordance with the provisions of this Agreement and its annexes, to the Company within a month’s time from the Custodian’s notice. Any unvested rights the Participant still has will no longer vest. Any vested rights can be exercised upon any first Exercise Round as per the Custodian’s notice. |

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| **Article 15: Penalty Clause** | |
| Penalty. | Should the Participant violate any of the clauses of this Agreement, the Participant shall be granted one week’s notice by the Company to remedy the violation [if possible] and otherwise incur a Penalty of [1] € 15.000 or [2] actual damages per offence, whichever is highest, and an additional penalty of € 1.500 for each day that the violation endures from the signatory date of said notice |

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| **Article 16: Governance and Governing Law** | |
| Interpretation & Settlement. | In case any of the provisions in this Agreement shall work unintendedly or unfairly [*onredelijk /onbillijk*], the Participant and the Custodian shall attempt to settle the situation in mutual agreement. |
| Governing Law. | If any dispute is not settled, the signatories elect for Dutch Law to govern this Agreement. In case of arbitration, the District Court of [Dutch Rayon in which the Company resides] or any District Court put forth by them shall be accepted as the Judge. |

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| **Annexes.** | |
| Listed. | 1. Cap Table; 2. Company Valuation Document; 3. Unit Valuation Document; 4. Loan Agreement; 5. Dividend or Returns Policy; 6. Decision Table. |

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| **Signatories:** | |
| Statement. | By signing this Agreement, the Company, Participant and Custodian separately and jointly accept and commit to its provisions and recognize its annexes and what they represent. |
| Spirit. | This being an Incentive Plan, the Company, Participant and Custodian now set aside the Legal Lingo and state a joint and heartfelt mission in working to make the Plan bear fruit, and to advance the company in a long and incentive relationship in good faith! |

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| **On behalf of:** | | |
| **The Company** | **The Participant** | **The Custodian** |
| Name:  Date: | Name:  Date: | Name:  Date: |